

Weekly Media Updates (11 – 17 June, 2018)

# Contents

**<u>Regions and Themes covered this Week</u>** 

- Africa
- Central Asia
- China
- Latin America and Caribbean
- North America
- Russia
- South Asia
- Indian Ocean
- West Asia
- Terrorism and Counter Terrorism

# • Angola Moves from 11th to Position 5th in Africa Hydropower Ranking<sup>1</sup>

Angola's capacity grew to 1,108 MW in 2017, from 400 MW in 2016, becoming one of the five largest powers in the continent in this sector. The local Laúca and Cambambe dams put the country on the list of the five nations that most increased hydroelectric capacity in 2017. According to the latest report from the International Hydroelectric Power Association (IHA), in 2017 the continent added 1,924 MW to its installed capacity, with Angola playing a key role in this area. Angola is among the most increased hydroelectric capacity in 2017 - behind China, Brazil, India and Portugal - becoming one of the five largest powers in Africa in this area. Angola now has 2,415 MW of installed hydroelectric capacity, a 72% increase between 2016 and 2017. In its full operation, Lauca is expected to be one of the largest dams in Southern Africa, beating the Mozambica's Cahora Bassa (1,920 MW), with 2,070 MW.

#### • Nigeria to Address Challenges Facing West Africa Gas Pipeline Project<sup>2</sup>

The Federal Government of Nigeria has stated that it plans to partner with other stakeholders to address the challenges hindering the targets set for the West African Gas Pipeline Project. The Federal Government listed the challenges as disruptions in gas supply, high debt profile of some countries and crisis in the Niger Delta region which is affecting supply of gas to the pipeline. Speaking at the West African Gas Pipeline Project's Committee of Ministers' Meeting in Abuja, Minister of State for Petroleum Resources, Mr. Ibe Kachikwu, said Nigeria, along with the partner countries had nurtured the WAGP project and are looking at further addressing the challenges that had hindered the achievement of their set targets. He said, "The WAGP Project is being celebrated all over Africa as the flagship project for the New Partnership for African Development (NEPAD). Therefore, this project should be sustained with cooperation from all parties.

# • Nigeria signs deal to supply oil and gas to West Africa<sup>3</sup>

President Muhammadu Buhari and the King of Morocco, His Majesty Mohammed VI, held a Bilateral Meeting upon President Buhari's arrival in Rabat on a 2-day Official Visit. The Federal Republic of Nigeria and the Kingdom of Morocco on 11 January 2018, signed 3 agreements, which include a regional gas pipeline that will see Nigeria providing gas to countries in West Africa sub-region that extend to Morocco & Europe. The feasibility study of the agreement on the pipeline will be concluded by July 2018. The construction of the pipeline will be phased and based on increasing needs of the countries crossed, and Europe, for the period of 25 years. The Nigeria Morocco Gas Pipeline (NMGP), designed to be 5,660km long,

<sup>&</sup>lt;sup>1</sup> Angola Press, 11 June 2018,

http://allafrica.com/stories/201806120047.html?utm\_campaign=allafrica%3Aeditor&utm\_medium=social&utm\_s ource=facebook&utm\_content=promote%3Aaans%3Aacbxam

<sup>&</sup>lt;sup>2</sup> Vanguard, 11 June 2018,

http://allafrica.com/stories/201806120022.html?utm\_campaign=allafrica%3Aeditor&utm\_medium=social&utm\_s ource=facebook&utm\_content=promote%3Aaans%3Aabkgta

<sup>&</sup>lt;sup>3</sup> Africa Updates, 12 June 2018, https://africaupdates.info/nigeria-signs-deal-to-supply-oil-and-gas-to-west-africa/

will reduce gas flaring in Nigeria and encourage diversification of energy resources in the country, while cutting down poverty through the creation of more job opportunities

# • DR Congo PM: President Kabila will not seek third term<sup>4</sup>

Congo's current President Joseph Kabila will not seek a third mandate in the Central African country's upcoming December elections because of constitutional term limits that prevent him from running again, Prime Minister Bruno Tshibala said in an interview with Reuters on the sidelines of the International Economic Forum of the Americas, Conference of Montreal on12 June 2018.Tshibala's comments follow signs that Kabila, who succeeded his assassinated father Laurent in 2001, is prepared to run for a third elected term. Tshibala said the elections are still scheduled to take place on 23 December 2018 .Tshibala said Kabila would attend an African leaders' meeting next week in Luanda to convey the message that Congo would respect "our commitments," in holding the elections.

# • Macron and Italian PM Conte back EU 'asylum centres' in African nations<sup>5</sup>

Italian Prime Minister Giuseppe Conte and French President Emmanuel Macron met in Paris after a days-long row over the fate of the rescue ship Aquarius. Italy had refused to accept the vessel, carrying more than 600 African migrants, diverting it to Spain. Mr Conte and Mr Macron have now agreed the current system must be reformed. Mr Macron proposed building migration centres in countries of departure, including Libya, from which many people attempt a dangerous sea crossing to Europe - an idea he has raised in the past.

He said many of those attempting the journey had "no possibility of obtaining asylum in Europe", but die in the attempt - or spend months living in poor conditions only to be sent home. Processing asylum claims in applicants' home countries could avoid those problems. Mr Conte, the head of Italy's new populist coalition government, agreed with the plan, calling for widespread reform of the current system. Currently, the EU migration system says that asylum seekers must apply for protection in the country they first arrive in within the EU, with few exceptions - under a law known as the Dublin regulation. That has placed a significant burden in recent years on frontline countries - notably Italy and Greece, where most undocumented migrants arrive, after risking their lives on overcrowded boats.

# • Three People Die in South Africa's Second Mosque Attack Since May<sup>6</sup>

A mosque attack in South Africa's Western Cape province left three people dead and more injured, the second such incident in the country in as many months. The solo killer stabbed two people to death early June 14, 2018 while they were praying in Malmesbury, about 43 miles from Cape Town, the South African Police Service said. The suspect was then shot by police. The case has been handed to the Hawks, an elite law enforcement unit, for further investigation. The attack followed an

<sup>&</sup>lt;sup>4</sup> Africa Update, 13 June 2018, https://africaupdates.info/dr-congo-pm-president-kabila-will-not-seek-third-term/

<sup>&</sup>lt;sup>5</sup> BBC, 15 June 2018, https://www.bbc.com/news/world-europe-44494006?ocid=socialflow\_facebook <sup>6</sup> Pittsburgh Post-Gazette, June 15, 2018,

http://www.post-gazette.com/news/world/2018/06/14/Three-people-die-in-South-Africa-s-second-mosqueattack-since-May/stories/201806140174

assault by three men on a mosque last month in Durban, South Africa's thirdbiggest city, which left one man dead and two in serious condition. While Africa's most industrialized economy has long struggled with violent crime, attacks motivated by religion are relatively unusual.

### • Angola's Debt Reliance on China May Leave it Short-Changed<sup>7</sup>

As Angola seeks to attract foreign investors to help diversify its oil-dependent economy, the country's biggest trading partner, China, looks set to take a leading role, but the considerable leverage it is able to wield may leave Africa's thirdlargest economy short-changed. With Angola heavily indebted to China, Beijing may drive some hard bargains, as has happened in south Asian countries deeply in hock to the Chinese. Yet China faces risk too. With Angolan debts stacking up, new loans for economic diversification projects could push Luanda closer to default. Since oil is used as collateral for Chinese credit, Angola's current production downturn, coupled with the pressure of increased repayment requirements, might slow or interrupt shipments to China, the main market for Angolan crude and Beijing's second biggest supplier after Russia.

# • Angola Slides Deeper into Debt<sup>8</sup>

In addition to the various loans accumulated since the beginning 2014 economic crises in attempts to desperately hold the country's economy afloat, the Angolan government has now applied for US\$2 billion loan from the African Export Import Bank. Afreximbank president, Benedict Oramah, has confirmed that it is preparing a financing line of up to US\$2 billion to guarantee imports of food and medicines into Angola. The bank stated that the loan is aimed at allowing Angolan imports, namely through international credit lines. Oramah, who met Angolan Head of State João Lourenço in Luanda on May 24, said the money will help Angola to import "essential products", including food and medicines. He added that negotiations with the Angolan government include a proposal for an additional US\$1 billion credit facility through Afreximbank's Investment Guarantee Refinancing Facility to be channelled to the private industrial sector, including export, manufacturing, fishing, agri-business and tourism to boost exports. The report added that in the most recent government estimate, the Angolan state raised approximately US\$3.4 billion in debt in the first quarter of this year, of which US\$1.3 billion was collected in the domestic market and approximately US\$2.1 billion were raised externally. The same report admits, however, that Angola could further increase the debt to finance projects that were not included in the General State Budget of 2018. The most recent forecast indicates that the debt service represents approximately US\$23.4 billion this year.

<sup>&</sup>lt;sup>7</sup> Financial Times, June 13, 2018,

https://www.ft.com/content/fb9f8528-6f03-11e8-92d3-6c13e5c92914

<sup>&</sup>lt;sup>8</sup> The Southern Times, June 11, 2018, <u>https://southerntimesafrica.com/site/news/angolan-slides-deeper-into-debt</u>

### • US Embassy Warns Citizens to Consider Leaving District in North Mozambique<sup>9</sup>

The US embassy in Mozambique said Americans should consider leaving a northeastern district close to a major gas field as imminent attacks are likely after suspected Islamist militants beheaded 10 people and killed seven others since May. Any sign of militant activity is a concern for the country's fledgling gas industry and the area around the town of Palma near the Tanzanian border where the attacks took place is close to one of the world's biggest untapped offshore gas fields. "We strongly advise American citizens in the district headquarters of Palma to consider departing the area immediately," the embassy said on its website, warning of the "likelihood of imminent attacks."

#### • Madagascar President Names Consensus Cabinet, Pledges Fair Election<sup>10</sup>

Madagascar's president, late on June 11, 2018, named a new cabinet and promised free elections after court ordered him to form a consensus government in an effort to end the ongoing political crisis in the country. The cabinet includes allies to the three most powerful politicians on the Indian Ocean island: President Hery Rajaonarimampianina and two of his predecessors: Andry Rajoelina, who seized power in a coup in 2009, and the man he ousted, Marc Ravalomanana. "The intent of this government is to organise an inclusive presidential election whose results have to be accepted by all," Rajaonarimampianina said in a televised speech. Rajaonarimampianina did not say when the election, scheduled for this year, would take place. He appointed Christian Ntsay, local representative for the International Labour Organisation, as prime minister last week.

# • New Madagascar Govt Fails to End Political Strife<sup>n</sup>

After weeks of crisis and intervention by the country's top court, Madagascar now has a unity government supposed to bring rivals together and steer the island nation to elections. But, among the opposition, the mood is sour and resentment still simmers. The government was unveiled on June 11, 2018 by President Hery Rajaonarimampianina and his prime minister, Christian Ntsay, the technocrat he appointed at the behest of the Constitutional Court. But many opposition supporters have reacted with disdain, dismissing the new cabinet as stuffed with old faces tainted by corruption. The opposition secured a dozen ministerial posts out of 30 - but for their supporters, that is not enough.

#### • Mauritius Seeks India's Support to Become Civilian Satellite Launch Centre<sup>12</sup>

Mauritius has sought India's help on satellite technology in a bid to emerge as a civilian satellite launch centre, it is learnt. The island nation's proposal has caught New Delhi by surprise. "Countries hardly ever share proprietary technologies like space and India is no exception," a government official in the know told *Business Standard*. The proposal is unusual for India, which is negotiating two unconnected

<sup>&</sup>lt;sup>9</sup> Reuters, June 11, 2018,

https://www.reuters.com/article/us-mozambique-attack/u-s-embassy-warns-citizens-to-consider-leaving-districtin-north-mozambique-idUSKBN1J71YD <sup>10</sup> France 24, June 12, 2018, http://www.france24.com/en/20180612-madagascar-president-rajaonarimampianina-

 <sup>&</sup>lt;sup>10</sup> France 24, June 12, 2018, <u>http://www.france24.com/en/20180612-madagascar-president-rajaonarimampianina-</u>
 <u>consensus-cabinet-pledges-fair-election</u>
 <sup>11</sup> News24, June 12, 2018, <u>http://www.france24.com/en/20180612-madagascar-president-rajaonarimampianina-</u>

<sup>&</sup>lt;sup>11</sup> News24, June 13, 2018, <u>https://www.news24.com/Africa/News/new-madagascar-govt-fails-to-end-political-</u> <u>strife-20180613</u>

<sup>&</sup>lt;sup>12</sup> The Wire, June 17, 2018, <u>https://thewire.in/diplomacy/mauritius-seeks-indias-support-to-become-civilian-</u> satellite-launch-centre

but high stake cooperation agreements with Port Louis. One is a plan to set up an offshore oil reserve for India in Mauritius. The other is a free-trade agreement. In that backdrop, India may not like to rule out the satellite technology sharing proposal completely, as it is wary of China offering a similar know-how to Mauritius. The Indian Space Research Organisation (ISRO) currently has a framework agreement with Mauritius, as it has with almost 40 other countries and space agencies. But those are meant to only share the knowledge from space research.

#### • EU Steps Up Its Support to Fight Ebola in The Democratic Republic of Congo<sup>13</sup>

The European Commission will provide €1.8 million in humanitarian aid to support the ongoing response to the Ebola outbreak in the Democratic Republic of Congo. The funding brings the total EU response to Ebola so far in 2018 to € 3.43 million. "Since the current Ebola outbreak was declared on 8 May 2018, the EU has immediately supported the efforts of the World Health Organisation and the national authorities to contain the spread of the disease. The EU aid will support the coordination and logistical operations of the ongoing response, control and prevention of infections, surveillance of exit/entry points of Ebola-affected areas and safe burials. The European Commission's humanitarian air service ECHO Flight is also providing a shuttle service from Kinshasa to transport personnel and medical supplies to the affected areas.

#### • Ebola Outbreak in DR Congo Could End Soon, WHO Says<sup>14</sup>

The director general of the World Health Organization (WHO) said on June 10, 2018 that he believed a swift end could be put to the outbreak of Ebola in northwestern DR Congo, some 21 days which has left 27 people dead over the past month. "I am cautiously optimistic that we shall be able to bring it to an end soon," Doctor Tedros Adhanom Ghebreyesus told reporters at Kinshasa airport. Earlier, he had tweeted that "it's far too early to declare victory in the Ebola outbreak but the signals are positive and we are cautiously optimistic." His comments come after the WHO and NGOs since May 21 began helping the Democratic Republic of Congo immunize front-line workers with a vaccine that has shown to be highly effective in trials, though it still awaits regulatory approval.

# • South Sudan's Warring Leaders Invited to Meet Next Week<sup>15</sup>

South Sudan's president and rebel leader have been invited to meet face-to-face next week for the first time in almost two years in an effort to end a five-year civil war. An opposition statement on June 13, 2018 welcomed the invitation by Ethiopia's prime minister for Riek Machar to meet with President Salva Kiir on June 20 and called it a "prudent and timely decision." Machar fled South Sudan after new fighting erupted in the capital, Juba, in July 2016, ending a brief attempt

<sup>&</sup>lt;sup>13</sup> Relief Web, June 11, 2018, <u>https://reliefweb.int/report/democratic-republic-congo/eu-steps-its-support-fight-ebola-democratic-republic-congo-0</u>

<sup>&</sup>lt;sup>14</sup> Daily Sabah, June 12, 2018, <u>https://www.dailysabah.com/africa/2018/06/12/ebola-outbreak-in-dr-congo-could-</u> end-soon-who-says

<sup>&</sup>lt;sup>15</sup> abc News, June 13, 2018, <u>https://abcnews.go.com/International/wireStory/south-sudans-warring-leaders-invited-meet-week-55870393</u>

at peace in which Machar had returned to his role as Kiir's deputy. Machar, who later was put under house arrest in South Africa, hasn't met with Kiir since then.

# • US Calls For Crackdown on South Sudan War Money Invested in Kenya<sup>16</sup>

The United States, on June 13, 2018, urged Kenya to investigate properties and assets owned by elite families from South Sudan, including its president and his rival, who have enriched themselves in their country's civil war raging since 2013. Sigal Mandelker, the US Treasury's under secretary for terrorism and financial intelligence on a tour of east Africa, said South Sudanese citizens, some of them on a sanctions list, have continued to invest illicit money in Kenya's real estate market. The political and military elite in South Sudan have been accused of corruption in hard-hitting reports by the US foundation The Sentry. A Sentry report points especially to President Salva Kiir and his former vice president Riek Machar, charging them with getting rich in the civil war by fighting to control the country's oil and other abundant natural resources.

# • Ugandan Soldiers Rough Up, Detain Kenyan Police in Lake Victoria<sup>17</sup>

Ugandan soldiers are detaining three Kenyan security officers in what could be the latest controversy surrounding fishing rights in Lake Victoria. The officers were arrested and disarmed by the UPDF soldiers on June 11, 2018 near Mageta and Hama Islands in Lake Victoria and taken to the neighbouring country by boat. Witnesses told that the officers' guns were taken away as were their phones before they were taken to Bugiri Mainland Prison in Uganda. It is the second such high-profile detention by Ugandan authorities guarding the lake. In November last year, the Foreign ministry had to intervene after 17 fishermen in Homa Bay were arrested and detained in Uganda over illegal fishing.

# • Zambia Delays Borrowing Plans Indefinitely<sup>18</sup>

Zambia has decided to delay all planned borrowing indefinitely, its finance minister said on June 14, 2018, slowing down the accumulation of new debt amid worries about the risk of distress. "The debt sustainability analysis has confirmed that we need to undertake measures to bring debt risk to moderate from the current high risk," Margaret Mwanakatwe told a news conference in the capital Lusaka. The International Monetary Fund rejected Zambia's borrowing plans in February 2018, saying they risked making its debt load harder to sustain. The new debt management plan could now clear the way for Zambia to agree a US\$1.3 billion loan agreement with the IMF. The southern African country's debt pile stood at US\$9.3 billion, or roughly a third of gross domestic product, at the end of March, up from US\$8.7 billion at the end of 2017, Mwanakatwe said. Because of continued spending pressures relative to expected revenue, the fiscal deficit for 2018 is likely to be higher than the 6.1 per cent projected in the budget, she said.

<sup>&</sup>lt;sup>16</sup> IOL News, June 13, 2018, <u>https://www.iol.co.za/news/africa/us-calls-for-crackdown-on-south-sudan-war-money-invested-in-kenya-15461434</u>

<sup>&</sup>lt;sup>17</sup> Daily Nation, June 12, 2018, <u>https://www.nation.co.ke/counties/siaya/Ugandan-soldiers-detain-Kenyan-police-in-Lake-Victoria/1183322-4607564-snkjq6/index.html</u>

<sup>&</sup>lt;sup>18</sup> Africa News, June 15, 2018, <u>http://www.africanews.com/2018/06/15/zambia-delays-borrowing-plans-</u> indefinitely-finance-minister/

# • Somalia, Ethiopia to Jointly Invest in Four Seaports on The Red Sea<sup>19</sup>

Somalia and Ethiopia announced they were jointly investing in four seaports to attract foreign investment to their two countries, the latest move in a tussle for access to ports along one of the world's most strategic waterways. After Somalia's president Mohamed Abdullahi Farmaajo hosted Ethiopia's prime minister Abiy Ahmed for a meeting at the presidential palace in Mogadishu, the two leaders issued a joint statement of pledges to cooperate on everything from the development of infrastructure including roads linking the two countries to expanding visa services to promote cultural exchanges. The statement did not elaborate on which ports the two countries would develop.

# • Egypt, Ethiopia Agree to Settle Differences over Nile Mega-Dam<sup>20</sup>

The leaders of Ethiopia and Egypt, on june 10, 2018 vowed to iron out their differences over a dam Addis Ababa is building on the Nile River that Cairo fears threatens its water supplies. Talks over the Grand Renaissance Dam, Ethiopia's US\$4 billion hydroelectric project, have been deadlocked for months. But at a press conferee in Cairo, Ethiopian Prime Minister Abiy Ahmed and Egyptian President Abdel Fattah al-Sisi signalled they had made a breakthrough. "We have come a long way in building confidence and strengthening bilateral cooperation," Sisi said. Ahmed, speaking in his native Amharic language, said Ethiopia was committed to ensuring Egypt's share of Nile water. "We will take care of the Nile and we will preserve your share and we will work to increase this quota and President Sisi and I will work on this," Ahmed said, addressing Egyptians. The two sides agreed to take steps to put into effect an agreement - which also includes Sudan - to set up a fund for investing in infrastructure in the three countries. Towards the end of their news conference, Sisi asked Ahmed to swear to God before the Egyptian people that he will not hurt Egypt's share of the Nile. "I swear to God, we will never harm you," Ahmed repeated the words in Arabic after Sisi, who thanked him for releasing jailed Ethiopians.

# • UAE to Give Ethiopia US\$3 Billion in Aid and Investments<sup>21</sup>

The United Arab Emirates pledged a total of US\$3 billion in aid and investments to Ethiopia on June 15, 2018. The UAE will deposit US\$1 billion in Ethiopia's central bank to ease a severe foreign currency shortage, government spokesman Ahmed Shide told Reuters at a palace in Addis Ababa after Abiy met with Abu Dhabi's crown prince, Sheikh Mohamed Bin Zayed. No officials from the oil-rich Gulf state briefed journalists, but the UAE and its Gulf allies, in particular Saudi Arabia, regularly give large sums to cooperative governments in the broader region.

<sup>&</sup>lt;sup>19</sup> Africa News, June 17, 2018, <u>http://www.africanews.com/2018/06/17/somalia-ethiopia-to-jointly-invest-in-four-seaports-on-the-red-sea/</u>

<sup>&</sup>lt;sup>20</sup> Reuters, June 11, 2018, <u>https://af.reuters.com/article/topNews/idAFKBN1J70PD-OZATP</u>

<sup>&</sup>lt;sup>21</sup> Eyewitness News, June 17, 2018, <u>http://ewn.co.za/2018/06/17/uae-to-give-ethiopia-usd3-billion-in-aid-and-investments</u>

# • On Ethiopia-Eritrea Frontline, Anger at Addis' Olive Branch<sup>22</sup>

For the residents of Badme, a desolate border town in the war-scarred badlands between Ethiopia and Eritrea, new Prime Minister Abiy Ahmed's peace overtures to Asmara, Addis Ababa's sworn enemy, are an insult to the living and the dead. The local anger is in stark contrast to the international plaudits Abiy has won for appearing keen to defuse one of the most intractable diplomatic disputes in the Horn of Africa. Many of Badme's 15,000 people are veterans of a 1998-2000 conflict that drew comparisons to the First World War, with waves of conscripts forced to march through minefields toward Eritrean trenches, where they were cut down by machinegun fire. Far from being an olive branch that might ease tensions between the two nations, locals said ceding Badme to Eritrea, which Abiy said Addis would finally do in accordance with a 2000 peace deal, is an act of betrayal.

# • Blasts and Rockets 'kill 31' in Borno State of Nigeria<sup>23</sup>

Two suicide bombers attacked a town in north-eastern Nigeria only hours after the country's army chief urged displaced residents to return home because it was safe. The blasts hit the town of Damboa in Borno state on Saturday evening (June 17, 2018) and residents say at least 31 people died. The explosions were followed up by rockets fired from outside the town. Boko Haram militants are suspected. The irony is that Lt Gen Tukur Buratai had said they were no longer a threat.

# China

• China decides to impose additional tariffs on 50 billion USD of U.S. imports China has unveiled a list of products from the United States that will be subject to additional tariffs in response to US announcement to impose additional duties on Chinese imports. Approved by the State Council, the Customs Tariff Commission of the State Council has decided to impose additional duties of 25 percent on 659 items of U.S. products worth about 50 billion U.S. dollars.

Additional tariffs for 545 items worth about 34 billion U.S. dollars, including agricultural products, vehicles and aquatic products, will be effective from July 6, 2018, according to a statement of the Commission. The implementation date for imposing additional tariffs on the remaining 114 items, covering chemical products, medical equipment and energy products, will be announced later.

The decision has been made in line with relevant stipulations of the Foreign Trade Law of China and the Regulations of the People's Republic of China on Import and Export Duties, as well as the fundamental principles of international laws, said the statement.

On 15th June, the United States announced additional tariffs of 25 percent on Chinese imports worth approximately 50 billion U.S. dollars. From July 6, additional tariffs will be

<sup>&</sup>lt;sup>22</sup> Reuters, June 11, 2018, <u>https://www.reuters.com/article/us-ethiopia-eritrea/on-ethiopia-eritrea-frontline-anger-at-addis-olive-branch-idUSKBN1J71UM</u>

<sup>&</sup>lt;sup>23</sup> BBC News, June 17, 2018, <u>https://www.bbc.com/news/world-africa-44512912</u>

levied on some 34 billion U.S. dollars worth of Chinese products. Meanwhile, the other 16 billion dollars worth of Chinese products will undergo further review in a public notice and comment process.<sup>24</sup>

#### • China to push opening-up in capital markets

China will continue to push opening-up in the capital market to better serve the country's economic development and broader opening-up strategy, a central bank official said 14 June.

"China will further open up some non-convertible items under the capital account, and those already convertible will see tradings more liberalized," said Pan Gongsheng, deputy head of the People's Bank of China, at a forum in Shanghai.

Two-way openness will be promoted in the financial market, with increasing product supplies such as China Depositary Receipts, Panda bonds and commodity futures, according to Pan, who also heads the State Administration of Foreign Exchange.

Rules on qualified institutional investors will be further improved and the scope of connectivity programs will be widened, Pan said, adding China would support domestic financial institutions to better engage in the international market.

Regulators will debate whether to allow Chinese institutions to enter offshore RMB markets as well as whether to permit securities and futures firms to conduct cross-border businesses. The remarks followed a central bank announcement 13 June to ease restrictions on foreign institutional investors in a step to further open its financial market.<sup>25</sup>

# • Sino-Kazakhstan oil & gas cooperation agreement signed in Beijing

Wang Yilin, Chairman of CNPC, and Bozumbayev, Kazakhstan's Minister of Energy signed the Agreement on Extension of Petroleum Contracts and Deepening Oil & Gas Cooperation between China National Petroleum Corporation and Ministry of Energy of Kazakhsta on June 8, 2018. Both parties agreed to further energy cooperation and make new contributions to the economic and trade development of the two countries. The two sides also exchanged views on issues including increasing Kazakhstan's natural gas exports to China and strengthening the construction of oil and gas production facilities.<sup>26</sup>

#### • China, Kyrgyzstan agree to establish comprehensive strategic partnership

- China and Kyrgyzstan on 6 June 2018 agreed to establish a comprehensive strategic partnership. The agreement was reached during the talks between Chinese President Xi Jinping and visiting Kyrgyz President Sooronbay Jeenbekov at the Great Hall of the People in Beijing.<sup>27</sup>
- Xi stresses building elite maritime force during navy inspection On June 11, 2018, Chinese President Xi Jinping called for building an elite maritime force to resolutely accomplish various missions entrusted by the Party and the people during an inspection to the navy under the Northern Theatre Command of the Chinese People's

<sup>&</sup>lt;sup>24</sup> http://en.people.cn/n3/2018/0618/c90000-9472215.html

<sup>&</sup>lt;sup>25</sup> <u>https://eng.yidaiyilu.gov.cn/qwyw/rdxw/58003.htm</u>.

<sup>&</sup>lt;sup>26</sup> http://www.cnpc.com.cn/en/nr2018/201806/5d924e52a2114ae1a0d96cea0e4d3173.shtml

<sup>&</sup>lt;sup>27</sup> https://eng.yidaiyilu.gov.cn/qwyw/rdxw/57266.htm

Liberation Army. During the inspection of a submarine force on the coast of Qingdao, Xi stressed the need to "grasp the changes of national security circumstances, speed up preparations for military struggle, including battle planning, capacity building and command system building". He underscores the importance of intensifying training, innovation of training modules and strengthening of supervision. Xi also stressed the absolute Party leadership over the armed forces, transformation and development of naval air forces and military-civilian integration.<sup>28</sup>

#### • Military ending its commerce ventures

On June 11, 2018, a new guideline released by the general offices of the Communist Party of China Central Committee, State Council and Central Military Commission, said that the Chinese military will stop all of its commercial activities before the end of the year. The guideline says that stopping all of the military's commercial activities is a strategically important decision made by the Party, the Central Military Commission and Xi Jinping as a significant part of the ongoing reform of national defence and the military. All properties, land and reception facilities owned by the military and used for commercial purposes will be administered and allocated by the Central Military Commission. In February 2016, the Central Military Commission ordered the PLA and Armed Police Force to halt commercial activities within three years. Many corruption cases involving senior officers were closely connected to the military's commercial activities and such activities also aroused public concerns.<sup>29</sup>

# • Kenya woos Chinese investment in manufacturing

On June 12, 2018, the Kenyan government announced plans to attract Chinese investment in manufacturing sector. Speaking at the Guangzhou-Foshan Nairobi Business Forum, Kenyan Cabinet Secretary in the Ministry of Industry Adan Mohamed expressed hope that the Chinese manufacturers will help Kenya achieve its goal of becoming a leading exporter of merchandise to the rest of the world. He noted Kenya's low labour wages to attract Chinese manufacturers especially in the first Kenyan special economic zone. Kenya wants to create jobs for the locals and reduce the trade deficit through strengthening of its industrial sector. The economic and commercial counsellor at the Chinese Embassy in Kenya Guo Ce acknowledged Kenya's geographical location and stable political environment as factors making Kenya an ideal destination for foreign investors. He also added that Kenya has managed to diversify its economy despite lacking huge mineral and hydrocarbon deposits.<sup>30</sup>

# • EU, China continue cooperation on Iran nuke deal: EU spokesperson Replying to a question over the EU's attitude towards China's support of the Joint Comprehensive Plan of Action (JCPOA), an EU spokesperson told Xinhua via email on June 14, 2018, that the European Union appreciates "China's continued

<sup>&</sup>lt;sup>28</sup> "Xi stresses building elite maritime force during navy inspection", June 15, 2018, http://english.chinamil.com.cn/view/2018-06/15/content\_8063752.htm, Accessed on June 18, 2018.

<sup>&</sup>lt;sup>29</sup> "Military ending its commerce ventures", The *People's Daily*, June 12, 2018, http://en.people.cn/n3/2018/0612/c90000-9470596.html, Accessed on June 18, 2018.

<sup>&</sup>lt;sup>30</sup> "Kenya woos Chinese investment in manufacturing", *China Daily*, June 13, 2018, http://www.chinadaily.com.cn/a/201806/13/WS5b208a60a31001b82572050b.html, Accessed on June 18, 2018.

and active participation in the Iran nuclear deal" and the two parties are working to cooperate on preserving economic relations with Iran. The spokesperson further said: "China's continued and active participation in the JCPOA is therefore crucial and appreciated, not only by the EU, but by the international community at large. The EU commends China's significant efforts in leading the Arak modernisation project." To this end, EU and Chinese experts participated in experts meetings in Tehran on June 7, 2018, to preserve the deal and to cooperate on economic measures and civil nuclear issues.<sup>31</sup>

# **European Union**

#### • Chancellor Merkel Wants Special EU Meeting on Migration

Reportedly, German Chancellor Angela Merkel is planning a special meeting with other EU countries to address the migration crisis in the region. Differences have also emerged in German coalition government over migration issue. However, German Interior Minister Horst Seehofer said that 'no one is interested in "toppling the chancellor" over the issue.' Horst Seehofer is leader of CDU sister party, Christian Social Union (CSU). As reported, he wants to introduce new migration rules, which would allow Germany to 'send people away at the border if they had already been refused asylum, or had applied for asylum, elsewhere in the EU.' German Chancellor Merkel argues that migration policy can be agreed and implemented at the European level.<sup>32</sup>

#### • Renault to Remain in Iran

French carmaker Renault CEO, Carlos Ghosn said that Car Company would maintain its presence in Iran while taking steps to avoid the risk of penalties for breaking renewed American sanctions. He said, "We will not abandon it, even if we have to downsize very strongly." He also predicted, "When the market reopens, the fact of having stayed will certainly give us an advantage." President Trump has announced US withdrawal from the Iran nuclear deal which will renew sanctions on Iran. Consequently, international companies would face penalties if they do not stop their business with Tehran in between 90 and 180 days. Companies including Boeing, Total and Maersk have announced to pull out from Iran. Other companies such as Nike has stopped supplying Iranian football team with boots and PSA, which produces the Peugeot and Citroen brands, has also announced to leave the country. However, Carlos Ghosn sees future in Iran and indicated that Renault would try to remain in Iran. He said, "However, we are not going to do so to the detriment of Renault's interests - we will be watching closely to make sure our presence in Iran does not provoke direct or indirect reprisal measures on the part of American authorities." He added that a Renault team is working on the issues and is "in direct contact with the American administration to work out what can be done and what cannot be done".<sup>33</sup>

• French President Urges for 'Profound Reform" in EU Asylum Rules French President Emmanuel Macron met with visiting Italian Prime Minister Giuseppe Conte in Paris on 16 June 2018. In his remarks, President Macron called for greater

<sup>&</sup>lt;sup>31</sup> "EU, China continue cooperation on Iran nuke deal: EU spokesperson", The *People's Daily*, June 15, 2018, http://en.people.cn/n3/2018/0615/c90000-9471863.html, Accessed on June 18, 2018.

<sup>&</sup>lt;sup>32</sup> Chancellor Angela Merkel seeks special EU talks on migration: report, DW, June 17, 2018, http://www.dw.com/en/chancellor-angela-merkel-seeks-special-eu-talks-on-migration-report/a-44259694

<sup>&</sup>lt;sup>33</sup> Renault to remain in Iran despite risk of US sanctions, CEO says, France24, June 15, 2018, http://www.france24.com/en/20180615-french-automaker-renault-remain-iran-despite-risk-usa-sanctions-ceo-ghosn

solidarity and 'profound reforms' of EU asylum rules. Both leaders agreed to work together to pursue changes to the EU's migration rules. They also agreed to find common ground because migration crisis has created differences among the EU member states. They called for steps to enhance Europe's borders to prevent illegal immigration.<sup>34</sup>

#### • Greek Government Survived No-Confidence Motion

The Greek government survived a no-confidence vote brought by the main opposition party New Democracy. The motion garnered 127 votes, while the government received 153 votes. The junior coalition partner Independent Greeks (ANEL) supported the government despite its opposition to the name deal with the Former Yugoslav Republic of Macedonia (FYROM) that Greek Prime Minister Alexis Tsipras announced.<sup>35</sup> Greece and the FYROM have signed a deal. If it is ratified, it will resolve a decades-old dispute concerning the latter country's name. Under the deal, Balkan country will be renamed the Republic of North Macedonia. Greek Prime Minister Tsipras said, "This is a mutually beneficial agreement which fully respects the values and the principles of the people."<sup>36</sup>

# • Sushma Swaraj to Visit Four European Countries

External Affairs Minister Sushma Swaraj is on a tour of four European countries - Italy, France, Luxembourg and Belgium from 17 to 23 June 2018. The aim of her visit is to enhance India's relations with these countries. She would discuss a wide range of global, regional and bilateral issues and advance growing strategic engagement with the European Union. Sushma Swaraj will also meet President of the European Commission Jean-Claude Juncker and the President of the European Parliament Antonio Tajani. She will also meet Federica Mogherini, the High Representative of the European Union for Foreign Affairs and Security Policy. She will also deliver a keynote speech at the high-level event 'Climate, Peace and Security: Time for Action', lead the International Yoga Day (IYD) celebrations at the European Parliament and also interact with the Indian community.<sup>37</sup>

#### • Immigration, terrorism concern most citizens, Eurobarometer finds

Immigration and terrorism are the main concerns of European citizens, according to the European Commission's spring Eurobarometer, which also showed that overall optimism about the EU's future has slightly increased since November 2017. Of the EU's 510 million citizens, 38% see immigration as the most important issue facing the bloc, with the highest concerns registered in the Member States with minimal immigration, including Estonia, the Czech Republic, and Hungary. Terrorism was mentioned as a concern by 29% of EU citizens, with the highest numbers being registered in Lithuania, Cyprus, Ireland, the Czech Republic, Bulgaria, Poland, and Latvia. The level of trust in the EU has inched up slightly with a 42% approval rate. That number is still below the 48% of

<sup>&</sup>lt;sup>34</sup> Macron calls for solidarity, urges 'profound reform' of EU asylum rules, France24, June15, 2018, http://www.france24.com/en/20180615-france-macron-solidarity-profound-reform-eu-asylum-rules-italy-conte-migrant-centres

<sup>&</sup>lt;sup>35</sup> Greek gov't survives vote of no confidence but loses an MP, Ekathimerini, June 16, 2018, http://www.ekathimerini.com/229747/article/ekathimerini/news/greek-govt-survives-vote-of-no-confidence-but-loses-an-mp

<sup>&</sup>lt;sup>36</sup> Athens, Skopje sign deal ending yearslong name dispute, Ekathimerini, June 17, 2018, http://www.ekathimerini.com/229749/article/ekathimerini/news/athens-skopje-sign-deal-ending-yearslongname-dispute

<sup>&</sup>lt;sup>37</sup> Ministry of External Affairs, Gol, Visit of External Affairs Minister to Italy, France, Luxembourg, and Belgium (June 17-23, 2018), http://www.mea.gov.in/outoging-visit-

detail.htm?29979/Visit+of+External+Affairs+Minister+to+Italy+France+Luxembourg+and+Belgium+June+1723+201 8

citizens who tend to distrust Brussels. The number of EU citizens who believe that their vote counts currently sits at 45%. Optimism for the post-Brexit EU has risen for the third time in a row after 58% of respondents saying the bloc has a brighter future ahead of it once the UK quits the bloc in March of 2019. Support for the Single Currency, the euro, remained unchanged at 74%, with the highest amount of enthusiasm in Estonia at 88%, as well as in Ireland and Slovenia both at 84%. Support for the euro in Italy, with a new Eurosceptic coalition government, hovered at 61%. Further enlargement, however, remains largely unpopular, with those in support of expanding the bloc making up only 44% of the respondents.<sup>38</sup>

#### • EU backs tariffs against US as trade war escalates

EU countries approved a raft of tariffs on Thursday (14 June) targeting US goods including whiskey and motorcycles in retaliation against painful duties imposed by President Donald Trump on European metals. Europe's move fuels a growing transatlantic trade war just days after a disastrous G7 summit in Canada at which Trump lambasted his allies on the issue and refused to adopt a joint statement. The European countermeasures aimed at  $\epsilon$ 2.8 billion (\$3.3 billion) of American imports come after Trump on 1 June followed through on his threat to impose tariffs on European steel and aluminium exports. "Member states have today unanimously supported the commission's plan for the adoption of rebalancing measures on the US tariffs on steel and aluminium," a European Commission source told AFP on condition of anonymity. The source added that the EU tariffs would take effect "in coming days", with other officials saying they would be implemented by the beginning of July.<sup>39</sup>

# • Mogherini hails Trump-Kim talks, but reminds Iran deal was part of 'same diplomatic track'

The EU on Tuesday (12 June) praised the summit between US President Donald Trump and North Korean leader Kim Jong Un as a "crucial and necessary step" for denuclearisation of the Korean peninsula, but also reminded that the Iran nuclear deal was part of the same diplomatic track. "This summit was a crucial and necessary step to build upon the positive developments achieved in inter-Korean relations and on the peninsula so far," the EU's diplomatic chief Federica Mogherini said in a statement. Mogherini stressed that the aim of the international community remained "the complete, verifiable and irreversible denuclearisation of the Korean Peninsula" - a longstanding formulation that implies Pyongyang allowing inspections and not rebuilding any weapons it gives up. In the European Parliament in Strasbourg, Mogherini spoke at a discussion in plenary on the Iran nuclear deal. She said that the same diplomatic track pursued today by Donald Trump with North Korea had been followed over a decade by the EU with Iran. "Three years on, the deal is delivering. Iran abides by its nuclear-related commitments, as it has been confirmed eleven times by the International Atomic Energy Agency [IAEA], last time just a few weeks ago", Mogherini said. She argued

<sup>&</sup>lt;sup>38</sup> New Europe, 15 June 2018, https://www.neweurope.eu/article/immigration-terrorism-concern-citizenseurobarometer-finds/

<sup>&</sup>lt;sup>39</sup> Euractiv, 15 June 2018, https://www.euractiv.com/section/global-europe/news/eu-backs-tariffs-against-us-as-trade-war-escalates/

it was "essential" and "vital" for global security that implementation work continues, regardless of the US withdrawal.<sup>40</sup>

# • Axis of Resistance Forming In Europe: Ministers Taking Matter Into Their Own Hands

In a landmark agreement, the interior ministers of Austria, Germany and Italy have banded together against illegal migration, but the move is more likely to split the German Cabinet than it is to make the EU change its mind. "In our view, we need an 'axis of the willing' in the fight against illegal migration," Austrian chancellor Sebastian Kurz said after meeting with Horst Seehofer, Germany's interior minister in Berlin. "I am happy about the cooperation that we want to develop between Rome, Vienna and Berlin." This is the first time central European powers have joined forces against illegal migrants, more than 1.8 million of whom have entered the continent in the past four years. In his statement Kurz called the peak of the influx in 2015 a "catastrophe" that "must be prevented" in the future. A previous such alliance in Eastern Europe, the Visegrád Four, led by Hungary and Poland, who erected guarded borders and refused to accept EU refugee quotas, was repeatedly censured by Brussels. But what were dismissed as marginal or protest parties, have made a breakthrough in the past year, with the election of center-right coalition in Austria and a Euroskeptic coalition in Italian government. The centrists in Germany have also suffered historically poor results, with the right-wing Alternative for Germany (AfD) forming the biggest opposition party in parliament. But Angela Merkel has poured cold water on the new group's prospects, even as her own minister endorsed them.<sup>41</sup>

#### • Greece, Macedonia sign pact to change ex-Yugoslav republic's name

Greece and Macedonia set aside three decades of dispute on Sunday (17 June) as they agreed on a new name for the former Yugoslav republic, paving the way for its possible admission to the European Union and NATO. The foreign ministers of the two countries signed an accord to rename the former Yugoslav republic the "Republic of North Macedonia", despite angry protests on both sides of the border over a deal seen as a national sellout by some on both sides. The agreement still requires the approval of both parliaments and a referendum in Macedonia. That approval is far from assured, as it faces stiff opposition from the Greek public, and Macedonia's president has vowed to block the deal. In the Macedonian capital Skopje, police fired stun grenades and tear gas on Sunday night to disperse a protest rally by several hundred nationalists. A cross the border, up to 70 percent of Greeks object to the name compromise, an opinion poll by the Proto Thema newspaper showed on Saturday (16 June).<sup>42</sup>

<sup>&</sup>lt;sup>40</sup> Euractiv, 13 June 2018, https://www.euractiv.com/section/global-europe/news/mogherini-hails-trump-kim-talks-but-reminds-iran-deal-was-part-of-same-diplomatic-track/

<sup>&</sup>lt;sup>41</sup>EU Times, 15 June 2018, http://www.eutimes.net/2018/06/axis-of-resistance-forming-in-europe-ministerstaking-matter-into-their-own-hands/

<sup>&</sup>lt;sup>42</sup> Reuters, 17 June 2018, https://in.reuters.com/article/greece-macedonia-name-agreement/greece-macedoniasign-pact-to-change-ex-yugoslav-republics-name-idINKBN1JD07Q

# East Asia /South-East Asia/ Oceania

Korean Peninsula and Japan

• President Trump and Chairman Kim meets in Singapore for the first US-North Korea Summit

On June 12, 2018, US President Donald Trump met North Koran leader Kim Jong-un in Singapore for the first US-North Korea Summit. At the Summit two leaders adopted a joint statement, calling for a new era of US-North Korea relations. President Trump committed to provide a security guarantee to North Korea.<sup>43</sup> In this regard, President Trump announced the discontinuation of the joint US-South Korea annual military exercises.<sup>44</sup> Kim Jong-un "reaffirmed his firm and unwavering comment to complete denuclearization of the Korean Peninsula". The joint statement adopted three broad principles. First, commitment to establish a "new US-DPRK relations." Second, joint effort to establish a peace regime in the Korean Peninsula. Third, working towards the goal of a denuclearized Korean Peninsula. In this regard, North Korea reaffirmed its denuclearization commitment, which it made through Panmunjom Declaration of April 27. President Trump and Chairman Kim also agreed to recover and repatriate the remains of prisoners of war and soldiers who were declared missing in action during the Korean War.

#### • South Korea and North Korea meets in Panmunjom for military talks

On June 14, 2018, South Korea and North Korea had a general-level military meeting at the truce village of Panmunjom. The meeting was following up on an inter-Korean agreement signed by both countries' leaders during their first summit on April 27. At the meeting Seoul and Pyongyang agreed to completely restore their military communication lines. The June 15 meeting was the first general-grade military talks in more than a decade.<sup>45</sup>

• Japan ready to share IAEA costs on N. Korea nuke disarmament: Prime Minister Abe

On June 16, 2018, Prime Minister Shinzo Abe said that Japan is prepared to meet some of the costs of inspections by the International Atomic Energy Agency to ensure the "complete, verifiable and irreversible dismantlement" of North Korea's nuclear program. He said, "we must have the IAEA conduct a thorough inspection. It would be only natural for Japan to shoulder the costs if it ended up enjoying the benefits of peace after the threat of nuclear weapons was removed." He added that "rather than giving the money to North Korea, the measure could be pushed forward by creating a new (international) agency." Abe also praised the joint declaration signed by Trump and Kim after their June 12 meeting in Singapore. However, he said that he would have preferred if the document contained wording

<sup>&</sup>lt;sup>43</sup> "Joint Statement of President Donald J. Trump of the United States of America and Chairman Kim Jong Un of the Democratic People's Republic of Korea at the Singapore Summit", White House, June 12, 2018, https://www.whitehouse.gov/briefingsstatements/joint-statement-president-donald-j-trump-united-states-america-chairman-kimjong-un-democratic-peoples-republic-korea-singapore-summit/

<sup>&</sup>lt;sup>44</sup> "Press Conference by President Trump", White House, June 12, 2018, https://www.whitehouse.gov/briefings-statements/press-conference-president-trump/

<sup>&</sup>lt;sup>45</sup> "Two Koreas agree to completely restore military communication lines", The Korea Times, June 15, 2018, www.koreatimes.co.kr/www/nation/2018/06/103\_250711.html

about the "complete, verifiable and irreversible dismantlement" of North Korea's nuclear program.<sup>46</sup>

# • Japan moves forward to have Summit with North Korea

On June 14, 2018, Japanese Prime Minister during a meeting with the family members of Japanese abductees said that, "using the U.S.-North Korea summit as an opportunity, I am determined to now have Japan meet directly with North Korea to resolve the issue." Prime Minister Abe has long emphasized that resolving the issue of Japanese nationals abducted by Pyongyang is a top priority for his administration. Starting dialogue with North Korea would mark a major shift in posture for Abe, who has long called for applying maximum pressure on North Korea to force it to abandon its nuclear weapon and ballistic missile development programs.<sup>47</sup>

# ASEAN, Malaysia, Cambodia, Indonesia, Philippines

# • Malaysian PM calls for the Renegotiation of the TPP

Malaysia's Prime Minister on June II, during his first foreign trip to Tokyo after taking over the office, in a speech to the Future of Asia forum that he was "not very keen" on the Trans-Pacific Partnership (TPP) agreement. The PM stated that the TPP needs to be renegotiated and urged protection for small countries in international trade. The PM stated that there is a need to recognise that just as there are infant industries, there are infant nations, nations which are just beginning to grow. Thus, he called on the need to provide them with some privileges, some protection for themselves, because they are not in a position to compete with the great trading nations, and the great manufacturing nations of the world.<sup>48</sup>

# • Malaysia to Re-open its Embassy in North Korea: PM

In an interview with the Nikkei Asian Review published on June 11, Malaysia's Prime Minister Mahathir Mohamad stated that it will reopen its embassy in Pyongyang and may re-establish its relationship with North Korea. Malaysia had closed its diplomatic ties and trade relationship with North Korea, in 2017 after the high-profile assassination of Mr Kim Jong Nam, the estranged half brother of Mr Kim Jong Un, at the Kuala Lumpur International Airport. Touching on the US-North Korea Summit, Dr Mahathir said Malaysia should not be sceptical of North Korea's sincerity in its negotiations with the US, as suspicions would inhibit the collaboration. The PM further stated that there is a need to establish a good relation including a trade relation with North Korea, while ensuring that

<sup>&</sup>lt;sup>46</sup> "Japan ready to share IAEA costs on N. Korea nuke disarmament", Asahi Shimbun, June 16, 2018, www.asahi.com/ajw/articles/AJ201806160043.html

<sup>&</sup>lt;sup>47</sup> "In political gamble, Abe moves toward summit with Kim", Asahi Shimbun, June 15, 2018, www.asahi.com/ajw/articles/AJ201806150031.html

<sup>&</sup>lt;sup>48</sup>"Malaysia PM urges TPP 'renegotiation'", *The Jakarta Post,* June 11, 2018, http://www.thejakartapost.com/seasia/2018/06/11/malaysia-pm-urges-tpp-renegotiation.html, accessed on June 11, 2018.

some of it's (North Korea) interests are also been protected. Dr Mahathir said there would be less tension in the region if North Korea promises to abandon nuclear weapons.<sup>49</sup>

# • Philippines should take action against Chinese illicit activity in the Scarborough Shoal: Acting Chief Justice Carpio

The GMA News report released on June 7, 2018, showed Chinese coast guard personnel taking away the catch of Filipino fishermen in Scarborough Shoal off the coast of Zambales. Further, Filipino fishermen have confirmed that China is in control of the traditional fishing ground, which is well within the Philippines' 200-nautical mile exclusive economic zone. Acting Chief Justice Antonio Carpio said that the Philippines should once again file a new case seeking for compensation following Chinese fishermen's destruction of coral reefs on Panatag or Scarborough Shoal. Mr Carpio, who was part of the government's legal team in the arbitration case against China, noted that the Philippines was not awarded damages in the July 2016 ruling as the country did not ask for it. According to Carpio, this time the Philippines should demand damages for the economic losses of Filipino fishermen. According to the July 12, 2016, United Nationsbacked tribunal ruling, Scarborough Shoal is the traditional fishing ground of Filipino, Chinese and Vietnamese fishermen. The arbitral tribunal also concluded that Beijing violated its commitment under the UN Convention on the Law of the Sea to protect and preserve marine environment for failing to prevent Chinese fishermen from harvesting giant clams and destroying coral reefs in the process.<sup>50</sup>

#### • ASEAN on the US-North Korea Summit

The ASEAN Foreign Ministers welcomed the successful conclusion of a historic summit meeting between the US and the Democratic People's Republic of Korea (DPRK) in Singapore on 12 June 2018. According to the statement released, "...the joint statement signed between US President Donald J Trump and Chairman of the State Affairs Commission of the DPRK Kim Jong Un is a significant first step towards the realisation of lasting peace and stability on a denuclearised Korean Peninsula...." The Ministers encourage the US and the DPRK to fully implement the Statement in order to lay the groundwork to establish a lasting and stable peace regime and complete denuclearisation of the Korean Peninsula.<sup>51</sup>

#### Myanmar

#### • Government walks a tightrope on Rakhine abuses panel

The government's plan to form an independent commission to investigate abuses was immediately met with howls of cynicisms and protests from both those who support the cause of the Muslim refugees from northern Rakhine State and from those who want them

<sup>&</sup>lt;sup>49</sup>"Malaysia to reopen embassy in North Korea: PM Mahathir", *The Straits Times*, June 12, 2018, https://www.straitstimes.com/asia/se-asia/malaysia-to-reopen-embassy-in-north-korea-pm-mahathir, accessed on June 13, 2018.

<sup>&</sup>lt;sup>50</sup>Patricia Lourdes Viray, "Philippines urged to seek damages for China's destruction of Scarborough coral reefs", *Phil Star Global,* June 13, 2018,

https://www.philstar.com/headlines/2018/06/13/1824241/philippines-urged-seek-damages-chinas-destruction-scarborough-coral-reefs, accessed on June 13, 2018.

<sup>&</sup>lt;sup>51</sup> "ASEAN Foreign Ministers' Statement on the Summit between the United States and the Democratic People's Republic of Korea", *ASEAN*, June 16, 2018

<sup>,</sup> http://asean.org/storage/2018/06/ASEAN-Foreign-Ministers-Statement-on-the-Summit-between-the-US-and-the-DPRK.pdf, accessed on June 18, 2018.

out of the country. The New York-based Human Rights Watch blasted the proposed threemember commission, which will include an "international personality," describing it as "not merely inadequate, but an attempt to delay and deflect real justice." On the other side of the spectrum, the military and opposition lawmakers warned the government against including a foreigner on the panel, which they said would be an infringement on the country's sovereignty.<sup>52</sup>

#### • State counsellor separately receives un secretary

State Counsellor and Union Minister for Foreign Affairs Daw Aung San Suu Kyi received United Nations Secretary-General's Special Envoy on Myanmar Ms. Christine Schraner Burgener at the Ministry of Foreign Affairs in Nay Pyi Taw. During the meeting, the State Counsellor and the Special Envoy exchanged views on cooperation between Myanmar and the office of the Special Envoy of the United Nations Secretary- General in addressing the challenges facing Myanmar including situation in Rakhine State as well as on the progress in the Government's efforts in reconciliation and peace process.

The Special Envoy stated that her mission is to liaise with the Government of Myanmar to enhance its cooperation with the United Nations in a constructive manner to address the issue of the Rakhine State, and to provide assistance in bringing the two communities closer and in the Government's efforts in peace process.<sup>53</sup>

#### • Reuters journalists mark six months in prison

Reuters journalists Wa Lone and Kyaw Soe Oo will mark six months in prison on 14 June as court hearings continue to determine whether they will be charged under Myanmar's colonial-era Officials Secrets Act. Wa Lone, 32, and Kyaw Soe Oo, 28, were arrested on Dec. 12, 2017 and face up to 14 years in prison if found guilty in what has become a landmark case for press freedom in Myanmar. At the time of their arrests, they had been working on an investigation into the killing of 10 Muslims in Myanmar's Rakhine state. Seven soldiers were sentenced to 10 years in prison in April for their part in that killing.<sup>54</sup>

#### • Heavy Rains in Bangladesh Bring Death, Destruction to Refugee Camps

Several days of torrential rain have exacerbated the suffering of Rohingya refugees living in camps on hilly terrain in Bangladesh's Cox's Bazar District, leaving at least one dead and damaging or destroying more than a thousand makeshift shelters. Senior disaster management officials are supervising preparedness efforts as rescue teams stand by and public announcements continue to advise the roughly 1 million refugees in the camps, about 700,000 of who arrived since the latest outbreak of violence in Myanmar's Rakhine State in August. The hilly terrain in and around the camps has been making it difficult to find flat land on which to relocate at-risk families.<sup>55</sup>

<sup>&</sup>lt;sup>52</sup> Government walks a tightrope on Rakhine abuses panel, 14 June 2018,

https://www.mmtimes.com/news/government-walks-tightrope-rakhine-abuses-panel.html

<sup>&</sup>lt;sup>53</sup> STATE COUNSELLOR SEPARATELY RECEIVES UN SECRETARY-GENERAL'S SPECIAL ENVOY, AUSTRALIAN SENATOR, 14 June 2018,

http://www.statecounsellor.gov.mm/en/node/1979

<sup>&</sup>lt;sup>54</sup> Reuters journalists mark six months in prison, 12 June 2018,

http://www.mizzima.com/news-domestic/reuters-journalists-mark-six-months-prison

<sup>&</sup>lt;sup>55</sup> Heavy Rains in Bangladesh Bring Death, Destruction to Refugee Camps, 13 June 2018, https://www.irrawaddy.com/news/heavy-rains-bangladesh-bring-death-destruction-refugee-camps.html

# Australia

#### • Australian Minister's Visit to Myanmar

On June 11, 2018, the Australian Department of Foreign Affairs and Trade announced that Minister for International Development and the Pacific, Concetta Fierravanti-Wells, will visit Myanmar from 11-14 June, to open formally Australia's new Embassy in Yangon and meet with Myanmar government officials, and humanitarian and development partners.<sup>56</sup> The Minister in her statement said that during the visit she will be participating in the Australia-Myanmar High Level Consultations on Development Cooperation and address the inaugural Australia-Myanmar Strategic Dialogue.<sup>57</sup> In her speech at the opening of Australia's new Chancery in Yangon on June 13 she said "Australia will continue to accompany and support Myanmar on its journey to national peace and reconciliation, including through our development program". In 2018-19, Australia will provide an "estimated \$76.9 million in official development assistance to Myanmar".<sup>58</sup>

#### • Australia supplants China to build undersea cable for Solomon Islands

On June 13, 2018, Australia formally agreed to step in to help build 4,000-kilometre long undersea high-speed internet cable network for Solomon Islands connecting it to the island nation. The deal was agreed between the two countries during the official visit of Prime Minister of Solomon Islands Mr. Rick Houenipwela to Australia from 9 to 15 June. The cable network will allow the Solomons and Papua New Guinea to connect to Australia's fibre optic cable infrastructure. Originally the cable was set to build up by Huawei, the Chinese giant, after the Solomons originally awarded the contract to the Chinese company in late 2016, which created apprehensions in Canberra about Beijing's attempts at "soft diplomacy" in the region. Commenting on the deal Australian Minister for Foreign Julie Bishop said that "We offered them an alternative" which is "cheaper" and "likely to be faster results for them, and technically superior".<sup>59</sup>

# • Malcolm Turnbull issues emphatic endorsement of Donald Trump's North Korea approach

Australian Prime Minister Malcolm Turnbull strongly endorsed the US President Donald Trump's "efforts to achieve peace on the Korean Peninsula" during President Donald Trump's meeting with the North Korean leader Kim Jong-un in Singapore on June 12, 2018. Turnbull credited Trump for taking a fresh approach after decades of failed negotiations with North Korea and giving denuclearisation a "red-hot go". Praising the US President as a "very persuasive, very powerful dealmaker" he said "we welcome the approach but we welcome it with caution, as Donald Trump himself said it may not work." Besides, Australian Foreign Minister Julie Bishop also expressed optimism over the Singapore summit between the two leaders.<sup>60</sup>

http://ministers.dfat.gov.au/fierravanti-

<sup>&</sup>lt;sup>56</sup> http://dfat.gov.au/news/news/Pages/visit-to-myanmar.aspx

wells/releases/Pages/2017/cf\_mr\_170314.aspx?w=p2wUlmE1t7kKl1%2BiOm3gqg%3D%3D <sup>58</sup> http://ministers.dfat.gov.au/fierravanti-wells/speeches/Pages/2018/cf\_sp\_180613.aspx

<sup>&</sup>lt;sup>59</sup> https://www.theguardian.com/world/2018/jun/13/australia-supplants-china-to-build-undersea-cable-forsolomon-islands

<sup>&</sup>lt;sup>60</sup> https://www.smh.com.au/politics/federal/malcolm-turnbull-issues-emphatic-endorsement-of-donald-trump-snorth-korea-approach-20180613-p4zl67.html

#### • FTA, investments to figure in Suresh Prabhu's visit to Australia

The long pending Free Trade Agreement between India and Australia and ways to promote investments will figure prominently during the visit of Commerce and Industry Minister Suresh Prabhu to Canberra on June 26. As he said "we will be discussing in detail the proposed free trade agreement during this visit," Prabhu. Several rounds of negotiations have taken place since 2011 on the Comprehensive Economic Cooperation Agreement (CECA) between India and Australia. Once agreed the FTA will provide a boost to both trade of goods and services and investments between the two countries by liberalising trade and services regime besides removing non-tariff barriers and encouraging and enhancing investments.<sup>61</sup>

# North America

# Canada

• Escalating U.S. protectionism would shrink economies of Canada, Mexico, report says

A new analysis of escalating trade disputes involving the United States warns that a deterioration into an all-out, global trade war would knock North America's economies into recession. The report by Scotiabank said if the U.S. breaks all trade ties with its partners — and imposes across-the-board tariffs that average 20 per cent — then Canada and Mexico would see their economies contract in 2020. For Canada, it predicts the economy would shrink 1.8 per cent. Experts have been trying to gauge the economic consequences of the intensifying trade fight between the Trump administration and traditional American allies like Canada. the U.S. imposed significant tariffs on steel and aluminum imports from other countries, including Canada, Mexico and the European Union. The move has infuriated allies and has prompted them to retaliate with tariffs of their own on U.S. imports.<sup>62</sup>

• Canada to buy more used Australian fighter jets - number goes from 18 to 25

Canada has boosted the number of used Australian fighter jets it is purchasing to 25 but the deal to acquire those aircraft still hinges on approval from the U.S. government. he Liberal government originally announced it would buy 18 used Australian F-18 jets to augment the Royal Canadian Air Force's CF-18s until new aircraft can be purchased in the coming years. But it has added seven more used Australian F-18 aircraft to the deal, the Department of National Defence has confirmed. Those extra aircraft will be stripped down for parts, Dan Blouin, a spokesman for the DND said. It is not known yet if the seven aircraft will be flown to Canada or shipped, he added.The exact cost of purchasing the 25 aircraft, along with weapons and other equipment is not yet known as negotiations are still underway on the deal, Procurement Minister Carla Qualtrough recently told journalists. The Liberal government has set aside up to \$500 million for the project.<sup>63</sup>

<sup>&</sup>lt;sup>61</sup> https://economictimes.indiatimes.com/news/economy/foreign-trade/fta-investments-to-figure-in-sureshprabhus-visit-to-australia/articleshow/64527739.cms
<sup>62</sup> The Canadian Press, "Escalating U.S. protectionism would shrink economies of Canada, Mexico, report says,"

<sup>&</sup>lt;sup>62</sup> The Canadian Press, "Escalating U.S. protectionism would shrink economies of Canada, Mexico, report says," http://www.cbc.ca/news/business/trade-war-recession-ramifications-1.4710096,Accessed on 18 June 2018.

<sup>&</sup>lt;sup>63</sup> David Pugliese, "Canada to buy more used Australian fighter jets - number goes from 18 to 25," http://ottawacitizen.com/news/national/defence-watch/canada-to-buy-more-used-australian-fighter-jetsnumber-goes-from-18-to-25, Accessed on 18 June 2018.

#### • Italy won't ratify EU free-trade deal with Canada, says new farm minister

Italy will not ratify the European Union's free trade agreement with Canada, its new agriculture minister said, ratcheting up an international trade spat and potentially scuppering the EU's biggest accord in years. The Comprehensive Economic and Trade Agreement (CETA) is the first major trade deal the European Union has signed since it began implementing its South Korea agreement in 2011. In an interview with daily La Stampa, Minister Gian Marco Centinaio said the Italian government would ask the parliament not to ratify the treaty since it does not ensure sufficient protection for the country's speciality foods. Foreign Affairs Minister Chrystia Freeland said she believes Italy will eventually sign on, pointing out Austria was also reluctant to ratify the deal, but eventually came around. Ninety-eight per cent of CETA came into effect last September on a provisional basis, sweeping away tariffs on a large number of goods and widening access to Canadian beef in Europe and EU cheese and wine in Canada. The deal was settled in 2016 after years of talks, but all E.U. nations must now vote on it independently. Under CETA, Canada has recognised more than 40 Italian PDO and PGI labels out of a total of 292 for the food-obsessed country. Some farm associations and critics in European states have expressed concerns about the threat of rapidly rising pork and beef imports from Canada.<sup>64</sup>

#### • Canada introduces new visa programme for Indian students

The Justin Trudeau government in Canada has announced important changes to shorten the processing time for student visa application in order to allow more international students to study at post-secondary Canadian institutions. Starting from June 8, the Student Direct Stream (SDS) Programme has replaced the Student Partnership Programme (SPP) in India and other existing facilitation programmes for students in China, Philippines and Vietnam. The existing SPP in India is restricted to international students intending to study at one of approximately 40 post-secondary institutions in Canada. The new SDS will be open to all international students going to any Designated Learning Institution (DLI) in Canada, including both publicly-funded and private postsecondary institutions, announced the government. SDS is aimed at offering faster and simpler visa processing to international high calibre students, who could be potential permanent residents of Canada.<sup>65</sup>

#### **The United States**

#### • '2+2' talks: India, US look to insulate strategic ties from irritants

As India and the US prepare to hold their first "2+2" talks in Washington on 6 July, both sides are expected to look at ways to insulate their strategic partnership from recent irritants over trade protectionism, and the new sanctions on Russia that could imperil an Indian missile deal with Moscow. The inaugural "2+2" dialogue, which was to be held in April, is a new format to sort out differences between India and the US. The event will see US secretary of state Mike Pompeo and defence secretary James Mattis sitting down with their Indian counterparts Sushma Swaraj and Nirmala Sitharaman, to focus on the strategic partnership. The talks are being seen as an outcome of the 26 June 2017 meet between Prime Minister Narendra Modi and US President Donald Trump in Washington —the first since Trump took office in January 2017. With India mulling retaliatory measures following the US decision to impose tariffs on Indian steel and aluminium, trade

<sup>&</sup>lt;sup>64</sup> Thomas Reuters, "Italy won't ratify EU free-trade deal with Canada, says new farm minister," http://www.cbc.ca/news/politics/italy-ceta-canada-food-1.4705622, Accessed on 18 June 2018.

<sup>&</sup>lt;sup>65</sup> "Canada introduces new visa programme for Indian students," http://www.tribuneindia.com/news/nation/canada-introduces-new-visa-programme-for-indianstudents/604676.html, Accessed on 18 June 2018.

disputes seem to be the most contentious issue at present. However, it could also cast a shadow on the larger India-US strategic relationship.<sup>66</sup>

#### • India, U.S. to meet on Trade issues Again, says Suresh Prabhu

Senior officials of India and the US will soon meet to address concerns of both the sides, including issues related with visa, continuation of certain concession for exports, duty on steel and aluminium, and prices of certain medical devices. Suresh Prabhu said he held discussions with US commerce secretary Wilbur Ross and USTR Robert Lighthizer to find out ways to enhance trade and investments between the two nations. He said the meeting was significantly important in the backdrop of the fact that the US was not even ready to talk on trade related issues with its close partners.<sup>67</sup>

#### • US and South Korea to announce suspension of 'large-scale' military drill

South Korea and the US are expected to announce the suspension of "large-scale" military drills next week, with the provision that they will restart if North Korea fails to keep its promise to denuclearise. Citing an unnamed government source, the Yonhap agency said the suspension was likely to affect only major joint exercises, not more routine military training. Donald Trump surprised officials in Seoul and Washington after his summit with North Korean leader Kim Jong-un in Singapore, when he pledged to end "war games". Immediately after the announcement, US forces in Korea said they had received no guidance on stopping any drills and South Korean officials said they were trying to figure out which exercises Trump was referring to. At a Senate hearing, Trump's nominee to be ambassador to South Korea, the retired admiral Harry Harris, backed the idea of a "pause" in major military exercises and that regular training of US forces in South Korea would continue, although final decisions were up to the Department of Defense.<sup>68</sup>

#### • Trump Defends Summit With North Korea, Says U.S. 'Got So Much'

President Donald Trump pushed back against criticism that he gave too much ground to North Korea at the 12 June summit, saying the U.S. "got so much" out of the meeting, including the return of American citizens. The president also defended his decision to halt military exercises with South Korea in the region, writing that the so-called war games can start again if a deal isn't reached with North Korea. The agreement reached between Trump and North Korean leader Kim Jong Un in Singapore failed to lay out a timeline for the denuclearization of North Korea, or provide details of how the U.S. would verify North Korea's compliance. Lawmakers in both parties have described the meeting as a first step toward negotiating a lasting peace agreement.<sup>69</sup>

<sup>&</sup>lt;sup>66</sup> Elizabeth Roche, "'2+2' talks: India, US look to insulate strategic ties from irritants," https://www.livemint.com/Politics/pjamjuCejMxR5f7HIPdOAM/22-talks-India-US-look-to-insulate-strategic-ties-from.html, Accessed on 18 June 2018.

 <sup>&</sup>lt;sup>67</sup> PTI, "India, U.S. to meet on Trade issues Again, says Suresh Prabhu," http://www.asianage.com/business/companies/160618/india-us-to-meet-on-trade-issues-again-says-sureshprabhu.html, Accessed on 18 June 2018.
 <sup>68</sup> The Cuardian (U.S. and S. a

<sup>&</sup>lt;sup>68</sup> The Guardian, "US and South Korea to announce suspension of 'large-scale' military drill," https://www.theguardian.com/world/2018/jun/17/us-south-korea-north-korea-large-scale-military-drills-trump, Accessed on 18 June 2018.

<sup>&</sup>lt;sup>69</sup> Arit John, "Trump Defends Summit With North Korea, Says U.S. 'Got So Much'," https://www.bloomberg.com/news/articles/2018-06-17/trump-defends-summit-with-north-korea-says-u-s-got-so-much, Accessed on 18 June 2018.

#### Mexico

#### • Change in Mexico?

Mexico's ruling Institutional Revolutionary Party (PRI), which has dominated its politics for the better part of a century, seems at risk of a defeat in the July 1 election. Brisk economic growth, low inflation and a sharp fall in unemployment have not contained the steady political slide under the corruption-tainted rule of President Enrique Peña Nieto. Simultaneously, the strong showing in opinion polls for the radical left-wing frontrunner, Andrés Manuel López Obrador of the National Regeneration Movement, is linked to the peso's sharp decline and a sense of drift. The threat of Washington quitting the North American Free Trade Agreement has loomed large over the latter part of Mr. Peña Nieto's rule. But his challenges at home have been no less formidable. The fallout from the political mishandling of the mysterious disappearance of scores of children in 2014 has been severe. Mr. Peña Nieto's government has also been at the centre of a political storm beginning with accusations that surfaced last year of illegal funding of his 2012 election. The sacking of the chief prosecutor investigating the allegations eroded the credibility of the government's attempts to combat graft. Mr. López Obrador, a three-time contender for the presidency and former Mayor of Mexico City, has sought to capitalise on this widespread disenchantment. While his rhetoric may sound too simplistic, voters could well give him the benefit of the doubt for want of an alternative.<sup>70</sup>

# • As Mexico's election day approaches, over 100 politicians have been brutally murdered

Mexico's election season is underway — and dozens of candidates have been brutally killed by unknown assailants in an apparent attempt to control the country's political future. Since September, 113 politicians, including 43 candidates running for office, have been killed, according to Etellekt, a Mexican political consulting agency. And earlier this month (June 2018), three female political candidates were shot dead in just 24 hours. The wave of violence precedes Mexico's presidential election, which is set to take place on July 1. But Mexicans will also head to the polls to elect more than 100 members of the country's Senate and 500 members of the Chamber of Deputies, Mexico's House of Representatives. It's set to be the largest election in the country's history, with reportedly more than 3,400 seats open at the local and state level. But since the violence began in September, hundreds of candidates have pulled out of races out of fear of being targeted. The uptick in violence indicates how risky it is to run for public office in a country known for its endemic corruption and high rate of crime. And it shows no sign of abating.<sup>71</sup>

# Latin America and the Caribbean

#### Colombia

#### • Colombia Elects Pro-Market Lawyer Duque in Presidential Runoff

In the first presidential election since signing a historic peace accord with Marxist rebels, Colombia elected Ivan Duque, a market-friendly U.S.-educated lawyer, by a large margin over Gustavo Petro, a former leftist guerrilla and mayor. Duque took 54 percent of the vote with 97 percent of polling centers counted against 42 percent for Petro, largely

<sup>&</sup>lt;sup>70</sup> The Hindu, "Change in Mexico?," Accessed on 18 June 2018.

<sup>&</sup>lt;sup>71</sup> Madeleine Ngo, "As Mexico's election day approaches, over 100 politicians have been brutally murdered," https://www.vox.com/world/2018/6/14/17463474/mexico-election-murder-politicians-presidential-andres-manuel-lopez-obrador,Accessed on 18 June 2018

validating opinion polls conducted before the vote. Duque, a disciple of former President Alvaro Uribe, will be sworn in on Aug. 7 and hold office until 2022. The former senator inherits a sluggish economy, a migration crisis from neighboring Venezuela and a surge in cocaine production which has brought chaos to parts of the countryside. Despite this, the nation is the most peaceful it has been in decades, with the homicide rate at its lowest level since the 1970s and an election free of the terror and sabotage that marred past votes. Duque, who was handpicked by ex-President Alvaro Uribe, backs oil and mining exploration, wants to cut corporate taxes and has criticized the peace agreement as being too lenient on ex-FARC members.<sup>72</sup>

#### **CARICOM**

#### • CARICOM Not Equipped To Deal With Venezuelan Emigrants

With the onset of the largest humanitarian crisis seen in Latin America, neighboring Caribbean countries are looking on as their fears are being brought to life by the massive influx of Venezuelan emigrants washing up on their shores. Numbers have increased dramatically over the last six months in Curacao, Aruba, Barbados, Dominican Republic, Grenada, Trinidad and Tobago, Guyana and Suriname. The initial outflow of Venezuelan emigrants has flooded the borders of neighboring countries Colombia and Brazil with a staggering 600,000 and more, a 600% increase from 2017 and 93,000 registered and more than 800 arriving at the borders everyday respectively. Trinidad and Tobago have seen a 200% increase in Venezuelans with 40,000 from 2017; Curacao has documented 5,000, Aruba 20,000, and Barbados documented 12,000 calling their numbers generous. Dominican Republic documented 35,000 while Guyana and Suriname have not published any numbers of documented or illegally attained Venezuelans. Guyana and Suriname have neither a refugee policy nor a contingency plan to deal with the issue. The remaining CARICOM countries and observers are working with UNHCR to assist the situation; however, it has been unsuccessful. Caribbean countries still fall under the umbrella of developing countries and continue to struggle to meet the needs of their population. The outlook on this crisis spreading to CARICOM members appears to be a lose-lose situation and will only become more difficult as pressures build within the politics and civil society of these countries.73

#### Panama

# • Ex-Panama president Ricardo Martinelli, accused of political espionage, extradited from US

Panamanian former president Ricardo Martinelli was extradited to his home country today to face charges of spying on journalists and political opponents. Martinelli, 66, is accused of spying on the telephone calls of more than 150 people, including journalists and politicians. He is under investigation in Panama in about 20 other cases of corruption, but those are not referred to in the extradition request. Under a 1905 extradition treaty, he can only be tried in Panama for the crimes alleged in the request. Martinelli was detained in June 2017 and had been incarcerated in Miami since then. The ex-president claims that he

<sup>&</sup>lt;sup>72</sup> Ezra Fieser and Matthew Bristow, "Colombia Elects Pro-Market Lawyer Duque in Presidential Runoff," Accessed on 18 June 2018.

<sup>&</sup>lt;sup>73</sup> Shevonne E. Hosein-Benitez, "CARICOM Not Equipped To Deal With Venezuelan Emigrants," https://politicalinsights.org/2018/06/13/caricom-not-equipped-to-deal-with-venezuelan-emigrants/, Accessed on 18 June 2018.

is the victim of a "vendetta" by Panamanian President Juan Carlos Varela, his former vice president.<sup>74</sup>

#### **Paraguay**

#### Paraguay's president-elect meets Russia's Putin

Paraguay's president-elect met with the Russian president to discuss bilateral relations. Vladimir Putin congratulated Mario Abdo Benítez, who was set to take office on Aug. 15, on his soon-to-be head of state role. The Russian president said at the start of the meeting that he hoped Abdo Benítez's stay would serve to foment the two countries bilateral ties. Abdo Benítez pointed out the two nations' shared history, notably the contribution of the White Russian officers to the Chaco War against Bolivia (1932-1935). As a token of appreciation, the Paraguayan politician presented Putin with orders awarded to Russian officers as well as a statuette made from bullets used during the war.<sup>75</sup>

# Russia

#### • Russia, India, China and WTO

During a brainstorming session led by India to revive discussions at the World Trade Organization (WTO) to prevent theft of traditional knowledge on 7-8 June, Russia and China backed India's move to revive talks at the World Trade Organization (WTO) to strengthen global norms to protect traditional knowledge from bio piracy and reckless patenting by corporates. The two major economic powers are among those that gave their go ahead during a brainstorming session on the rampant commercial exploitation of natural products by obtaining patents without fairly compensating the communities from which these knowledges originate. "There was strong support for India's initiative on this issue from China, Brazil, Indonesia and Russia," said an official in the know of the development.<sup>76</sup>

#### • Russia and G<sub>7</sub>

On Russia rejoining G7, US ambassador to NATO Kay Bailey Hutchison seems to disagree with her boss, US President Donald Trump. He called for Russia to be readmitted to the G7. Ms. Hutchinson noted that Russia was suspended from the group when it invaded Crimea and that relations shouldn't return to normal "until they change their behavior in some way that shows they might want to be part of a rules-based concept in the world." Hutchison also discussed Russia as a threat, saying that it was attempting to divide the NATO alliance through activities such as cyber warfare. Hutchison said that the tensions coming out of the G7 meeting have not impacted her relationships with her fellow ambassadors. "The ambassadors are very professional, and even if they're in disagreement with our president, we all get along," she said. She said they try to stay focused on the "security umbrella that we are"—what she described as the "greatest military alliance in

<sup>74</sup> ----, "Ex-Panama president Ricardo Martinelli, accused of political espionage, extradited from US," http://www.newindianexpress.com/world/2018/jun/11/ex-panama-president-ricardo-martinelliaccused-ofpolitical-espionage-extradited-from-us-1826642 html Accessed on 18 lune 2018

political-espionage-extradited-from-us-1826642.html, Accessed on 18 June 2018. <sup>75</sup> ----, "Paraguay's president-elect meets Russia's Putin," https://www.efe.com/efe/english/world/paraguay-spresident-elect-meets-russia-putin/50000262-3649173, Accessed on 18 June 2018.

<sup>&</sup>lt;sup>76</sup>Kritika Suneja, "China, Russia back India on protecting traditional knowhow", *Economic Times*, June 12, 2018. <u>https://economictimes.indiatimes.com/news/economy/foreign-trade/china-russia-back-india-on-protecting-traditional-knowhow/articleshow/64551582.cms Accessed on June 18, 2018.</u>

the history of the world." The nations might be in disagreement on trade and the Iran agreement, but "we are united on our security issues."<sup>77</sup>

#### • Russia and World Cup 2018

According to Nielsen Sports' research, the value of World Cup sponsorship has dropped between the 2014 event in Brazil and this year's in Russia. Fifa sponsor revenue fell - from 1,629m (£1,214m) to a predicted 1,450m - between events. Global market research firm Nielsen says the 2015-18 sponsorship cycle had been "a tougher sell" than for the previous two World Cups. But new sponsors, including many from China, have helped Fifa, it added. Chinese sponsors stepped into the breach after a number of long-term Fifa backers, such as Johnson & Johnson, Castrol and Continental, ended their association after the corruption scandal at football's world governing body in May 2015.<sup>78</sup>

#### • Russia and the Arctic Region

The world's first commercial floating nuclear power station—a 21,500-metric-ton Russian vessel called the *Akademik Lomonosov*—is slowly making its way across the Arctic Ocean, on a multi-stage trip to its final destination in eastern Russia. Environmental and nuclear watchdogs worry the station could hit an iceberg and sink while crossing the Arctic, spilling nuclear fuel into the fragile northern ecosystem. Or be attacked by terrorists. The platform is to be the first of a series of floating nuclear power stations that will be introduced into the Arctic, explained Jan Haverkamp, a nuclear energy expert with Greenpeace. Floating nuclear power plants face a variety of risks that ground-based stations do not.<sup>79</sup>

# South Asia

### Afghanistan

### • Afghanistan, Pakistan to Develop Strategy for Peace: Pakistan

**Pakistan's President Mamnoon Hussain** at a session of Shanghai Cooperation Organisation (SCO) Summit in Qingdao held on 10 June 2018 focussed on finding a comprehensive strategy between Afghanistan and Pakistan in order to boost bilateral relations. Speaking of peace and stability in the Afghan region, President Mamnoon Hussain added that Pakistan had left no stone unturned in mitigating terror influence in the region and made tremendous sacrifices on its part to eradicate terrorism from roots. He appreciated **three-day Eid al-Fitr ceasefire** as a stepping stone for regional peace and made an appeal to leaders of both nations to develop skills and capacity building initiatives among youths in creating peace in Afghanistan.<sup>80</sup>

<sup>&</sup>lt;sup>77</sup>Bett Kowith, "Unlike Trump, U.S. NATO Ambassador Doesn't Think Russia Should Rejoin the G7", *Fortune*, June 12, 2018. <u>http://fortune.com/2018/06/12/us-ambassador-nato-russia-g7-trump-mpw-international/</u> Accessed on June 18, 2018.

<sup>&</sup>lt;sup>78</sup>Bill Wilson, "Russia 2018: Chinese firms fill World Cup sponsorship gap", *BBC*, June 12, 2018. https://www.bbc.com/news/business-44436838 Accessed on June 18, 2018.

<sup>&</sup>lt;sup>79</sup>Eric Adams, "Russia floats new nuclear power station—and new risks", *Popular Science*, June 15, 2018. https://www.popsci.com/russian-nuclear-power-station-academik-lomonosov Accessed on June 18, 2018.

<sup>&</sup>lt;sup>80</sup> Tolo News, 11 June 2018, https://www.tolonews.com/index.php/afghanistan/afghanistan-pakistan-develop-strategy-peace-pakistan

# • China's Leader Proposes SCO-Afghanistan Contact Group<sup>81</sup>

At the 18th SCO Qingdao summit, China's President Xi Jinping promised that China would train 2,000 law enforcement officers through China National Institute for SCO International Exchange and Judicial Cooperation and other platforms, aiding peace and reconstruction in Afghanistan. The Chinese President said, "We need to give full play to the role of the SCO-Afghanistan Contact Group to facilitate peace and reconstruction in Afghanistan". Emomali Rahmon, President of Tajikistan also stressed on creating of SCO Contact Group to prevent cross border terrorism between member countries. High ranking officials of Afghanistan such as senators of Upper House of Afghanistan that is Meshrano Jirga called for forming SCO-Afghanistan Contact Group with the assistance from China along with a permanent membership for Afghanistan in SCO.

#### • Pakistan, Afghanistan To Set Up Coordination Centers

Afghanistan Pakistan Action Plan for Peace and Solidarity achieved a new boost when director generals of Military Operations (DGMOs) of both countries met in Pakistan and decided to establish coordination centres in borders as reported by Xinhua on 10 June 2018. Establishment of Ground Coordination Centers (GCCs) and appointment of liaison officers along the borders would assist both Pakistan and Afghanistan to find terror suspects through sharing of information and intelligence among liaison officers. In two major crossing areas between Afghanistan and Pakistan that is Torkham and Chaman, GCC would be stationed to monitor cross border activities. Both sides reviewed names of the members for the joint working groups on "Military to Military Coordination and Intelligence Cooperation" under the Afghanistan-Pakistan Action Plan for Peace and Security (APAPPS), expanding the structure of bilateral engagement.<sup>82</sup>

### • Faryab's Kohistan District Falls To The Taliban

On 12 June 2018, the Taliban launched attacks on Kohistan district, located in Faryab province. The clash between the Taliban and Afghan security forces lasted for a few hours that witnessed killing of **district governor as well as members of security forces.** Earlier the Taliban carried out attacks in the neighbouring Sayad district of Sar-e-Pul province. On account of ongoing attacks of Taliban, there are heavy casualties of Afghan army. <sup>83</sup>

# • Netherlands To Move Troops From Mali To Afghanistan

The Defense Ministry of Netherland on 15 June 2018 released an official statement stating that it would deploy troops to Afghanistan rather than contributing troops to the United Nations peacekeeping mission in Mali in 2019. On the request of NATO and Afghanistan, the Dutch government changed its earlier priority by focussing more NATO's Resolute Support Mission in Afghanistan and contributed nearly additional 60 soldiers to NATO's Resolute Support mission operating in Afghanistan.<sup>84</sup>

<sup>&</sup>lt;sup>81</sup> Daily Outlook Afghanistan, 11 June 2018, http://outlookafghanistan.net/national\_detail.php?post\_id=21119

<sup>&</sup>lt;sup>82</sup> Tolo news, 11 June 2018, https://www.tolonews.com/index.php/afghanistan/pakistan-afghanistan-setcoordination-centers

<sup>&</sup>lt;sup>83</sup> Tolo News, 12 June 2018, <u>https://www.tolonews.com/index.php/afghanistan/faryab%E2%80%99s-kohistan-</u> <u>district-falls-taliban-0</u>

<sup>&</sup>lt;sup>84</sup> Tolo News, 16 June 2018, <u>https://www.tolonews.com/index.php/afghanistan/netherlands-move-troops-mali-afghanistan</u>.

नेपाल

केंद्र ने सरकार की विदेश यात्राओं पर सख्ती :

नेपाल की केंद्र सरकार ने स्थानीय सरकारों के अधिकारियों और स्टाफ के विदेश यात्रा जाने पर नियमों में सख्ती दिखाई है. इसके लिए पहले संघीय मामले और सामान्य प्रशासन मंत्रालय से मंजूरी आवश्यक है. मंत्रालय ने एक अधिसूचना जारी की है कि अगले वित्तीय वर्ष में स्थानीय सरकारों को बजट प्रस्तुत करना होगा और अभी स्थानीय सरकारों के अधिकारियों के विदेश जाने का उचित समय नहीं है.85

नेपाल ने टम्प और किम की बैठक का स्वागत किया:

नेपाल ने अमेरिका के राष्टपति डोनाल्ड ट्रम्प और उत्तरी कोरिया के नेता किम जोंग की बैठक का स्वागत किया. विदेश मंत्रालय द्वारा जारी किये गये संयुक्त वक्तव्य में कहा गया कि 'इस बैठक से जो गतिशीलता आई है उससे कोरियन पेनुन्सिला में शांति और स्थिरता आएगी'.86

दोनों सदनों के पदों पर एक दल के व्यक्ति नहीं हो सकते:

नेपाल के प्रमुख विपक्षी दल नेपाली कांग्रेस ने कहा कि संसद के दोनों सदनों के पदों स्पीकर और डिप्टी स्पीकर एक ही दलों से नहीं हो सकते. गौरतलब है कि एमाले और माओवादी केंद्र के बाद नेपाल कम्युनिस्ट पार्टी एक हो गयी है. नेपाली कांग्रेस ने इसे असंवैधानिक कृत्य करार दिया है. जबकि सत्ताधारी दल ने कहा कि यह तर्क गलत है दोनों ही सदस्यों ने पद ग्रहण करने से पहले दल की सदस्यता त्याग दी थी और वे अभी किसी दल से सम्बंधित नहीं है.87

नेपाल को नए 4 हवाई मार्ग मिलेंगे:

भारत नेपाल को 4 हवाई मार्ग देने को तैयार हो गया है जिसके चलते नेपाल के पूर्वी और पश्चिमी भाग में आवागमन सुविधाजनक होगा. ये मार्ग है- काठमांडू –बिराटनगर –ढाका, काठमांडू-जनकपुर – कोलकाता, काठमांडू- जनकपुर- पटना तथा काठमांडू- महेन्द्रनगर – दिल्ली.88

चीन यात्रा से पहले ओली ने बातचीत की:

नेपाल के प्रधानमन्त्री के पी शर्मा ओली 19 जून को चीन की पांच दिवसीय यात्रा पर जा रहे है. यात्रा से पूर्व उन्होंने देश के पूर्व प्रधानमंत्रियों से इस बारे में चर्चा की. वे शेर बहदुर देउबा, पुष्प कमल दहाल, झाला नाथ खनाल, माधव कुमार नेपाल और बाबुराम भट्टराई से मिले. इस दौरान उन्हें यह सलाह दी गयी कि चीन को नेपाल में निवेश करने के लिए आकर्षित किया जाये और ऐसे प्रोजेक्टों पर बात हो जिससे नेपाल के आर्थिक विकास में त्वरित विकास हो.89

# Pakistan

**Balochistan**, Gwadar and Chabahar •

Balochistan Governor Muhammad Khan Achakzai has said on June 12<sup>th</sup> that close coordination and links between Gwadar and Chabahar ports would help strengthen cordial and trade relations between Pakistan and Iran. He said that the two countries

https://epaper-beta.ekantipur.com/kathmandupost/2018-06-12

<sup>&</sup>lt;sup>85</sup> "Central govt tightens foreign visit norms", The Kathmandu Post, 12 June 2018,

<sup>&</sup>lt;sup>86</sup> "Nepal welcomes outcome", The Kathmandu Post, 13 June 2018,

https://epaper-beta.ekantipur.com/kathmandupost/2018-06-13 <sup>87</sup> "NCP holding two positions in House 'unconstitutional'", The Kathmandu Post, 15 June 2018,

https://epaper-beta.ekantipur.com/kathmandupost/2018-06-15

<sup>&</sup>lt;sup>88</sup> Sangam Parsain, "Nepal to get 4 new air gateways", The Kathmandu Post, 17 June 2018,

https://epaper-beta.ekantipur.com/kathmandupost/2018-06-17

<sup>&</sup>lt;sup>89</sup> "Oli consults with ex-PMs on China visit", The Kathmandu Post, 18 June 2018,

https://epaper-beta.ekantipur.com/kathmandupost/2018-06-18

shared common religion and cultural ties and those relations were improving with the passage of time. The Iranian Consul General Muhammad Rafi said that his country had always given importance to improving its relations with Pakistan. He said that bilateral relations in the field of trade and economic sector were improving due to positive steps being taken by both governments.<sup>90</sup>

#### Sri Lanka

#### • SL to release 10 Indian fishermen's boats

Sri Lankan Navy will soon release ten Indian fishermen's boats, which were taken into custody in 2015 and 2016. In 2017, over 42 boats out of the 216 boats in the Sri Lankan custody were released. The fishermen were only able to retrieve 32 of the 42 boats as the remaining ten were damaged beyond repair. Now, the Sri Lankan government has sent a letter to the Indian External Affairs Ministry on June 13 stating that they are ready to release ten other boats instead of the ones that was not retrieved in 2017.<sup>91</sup>

#### • Swiss court refuses to jail alleged financiers of the LTTE

The Swiss Federal Criminal Court has given no prison terms to alleged financiers of the Sri Lankan Tamil separatist group Liberation Tigers of Tamil Elam (LTTE). The 13 accused were either given suspended custodial sentences or acquitted, Swiss info reported. The court said accusations of participation in and support of a criminal organisation did not stand and released all of the accused. It noted that the hierarchical link between the LTTE and WTCC was not sufficiently established. The judges also felt there was not enough concrete proof to consider the LTTE as a criminal organisation.<sup>92</sup>

#### • Conviction of Gnanasara Thera a victory for HR defenders: AI

The conviction of a Buddhist monk who had threatened the well-known campaigner against enforced disappearances, Sandhya Eknaligoda, is a victory for human rights defenders in Sri Lanka, Amnesty International (AI) said. A magistrate's court in Homagama handed down a six months' sentence and a heavy fine to Galagodatte Gnanasara Thero for threatening Sandhya Eknaligoda in court, when she appeared in 2016 to pursue justice for the enforced disappearance of her husband, the famed Sri Lankan cartoonist Prageeth Eknaligoda. "This is an important verdict for all people who fight for human rights in Sri Lanka. A clear message has gone out to those who seek to intimidate, threaten and silence people seeking justice," said Omar Waraich, Amnesty International's Deputy Director for South Asia.<sup>93</sup>

• Indian President rejects Tamil Nadu's plea to release Rajiv Gandhi killeers Indian President Ram Nath Kovind has rejected the Tamil Nadu government's request to release the seven prisoners convicted for the assassination of former Prime Minister Rajiv Gandhi on May 21, 1991. According to the news report Mr. Kovind conveyed to the

<sup>&</sup>lt;sup>90</sup> "Gwadar, Chabahar ports to boost trade with Iran, says Achakzai", *Dawn*, June 14, 2018, <u>https://www.dawn.com/news/1414052</u> as accessed on June 19, 2018

<sup>&</sup>lt;sup>91</sup> SL to release 10 Indian fishermen's boats, 17 June 2018, http://www.dailymirror.lk/article/SL-to-release-Indian-fishermen-s-boats-151394.html

<sup>&</sup>lt;sup>92</sup> Swiss court refuses to jail alleged financiers of the LTTE, 15 June 2018, http://colombogazette.com/2018/06/15/swiss-court-refuses-to-jail-alleged-financiers-of-the-ltte/

<sup>&</sup>lt;sup>93</sup> Conviction of Gnanasara Thera a victory for HR defenders: AI, 15 June 2018, http://www.dailymirror.lk/article/Conviction-of-Gnanasara-Thera-a-victory-for-HR-defenders-AI-151330.html

government that the "Centre doesn't concur with its view" to release the prisoners. The President is bound by the advice of his Council of Ministers in such matters.<sup>94</sup>

#### • Cabinet endorses reparation bill

As part of implementing the resolutions by the United Nations Human Rights Council (UNHRC), the Cabinet endorsed a Bill to be enacted by Parliament for the payment of reparation in respect of war-affected and missing persons. However, there was resistance within the Cabinet for the reparation formula which includes benefits to families of former LTTE combatants. The formula has been worked out by Rehabilitation, Resettlement and Hindu Religious Affairs Minister D.M. Swaminathan. Some ministers including Patali Champika Ranawaka opposed benefits being provided to families of ex-LTTE cadres. The Cabinet memorandum was prepared by the Foreign Affairs Ministry. The UNHRC, in its resolution on Sri Lanka called for proposals for transitional justice in Sri Lanka. The establishment of the Office of Missing Persons was one such step.<sup>95</sup>

#### **Maldives**

#### • Gayoom and top judges found guilty of obstructing justice

A court Wednesday sentenced the Maldives former president Maumoon Abdul Gayoom to 19 months in prison after he was found guilty of obstructing justice. Gayoom, Chief Justice Abdulla Saeed and Justice Ali Hameed were charged for allegedly refusing to hand over their mobile phones for a police investigation. They denied the charge. They were handed a prison term of one year, seven months and six days. The trio were arrested on charges of plotting a coup, shortly after a state of emergency was declared on February 5 and following a Supreme Court order to release nine political prisoners. They face numerous charges, which they have denied. Condemnation of the trial, which went ahead despite a boycott from defence lawyers, was swift.<sup>96</sup>

#### • Press Release on the Political Situation in the Maldives

Since the beginning of the political crisis in the Maldives, India has repeatedly urged the Government of the Maldives to allow all institutions, including the Supreme Court and the Parliament, to function in a free and independent manner, and to permit genuine political dialogue between all political parties. This has also been the demand of the international community at large. India believes that a democratic, stable and prosperous Maldives is in the interests of all its neighbours and friends in the Indian Ocean. It reiterates its advice to the Government of the Maldives to restore the credibility of the electoral and political process by immediately releasing political prisoners including former President Gayoom and Chief Justice Abdulla Saeed and creating the necessary conditions for the participation of all political forces in the Presidential Elections.<sup>97</sup>

• Maldives slipping into 'autocratic rule'

The Maldives is slipping rapidly into autocratic rule and President Abdulla Yameen's government is running towards widening repression, Human Rights Watch said. Yameen

<sup>&</sup>lt;sup>94</sup> Indian President rejects Tamil Nadu's plea to release Rajiv Gandhi killeers, 15 June 2018, https://news.lk/news/world/item/20981-indian-president-rejects-tamil-nadu-s-plea-to-release-rajiv-gandhi-killeers

<sup>&</sup>lt;sup>95</sup> Cabinet endorses reparation bill, 13 June 2018, https://news.lk/news/sri-lanka/item/20943-cabinet-endorsesreparation-bill

<sup>&</sup>lt;sup>96</sup> Gayoom and top judges found guilty of obstructing justice, 13 June 2018, https://maldivesindependent.com/crime-2/gayoom-and-top-judges-found-guilty-of-obstructing-justice-138802

<sup>&</sup>lt;sup>97</sup> Government of India, Ministry of External Affairs, 14 June 2018, http://www.mea.gov.in/press-releases.htm?dtl/29977/Press\_Release\_on\_the\_Political\_Situation\_in\_the\_Maldives

is under fire for a crackdown on civil society, the media and opposition that has intensified in the past few months. The criminal court's recent decision to imprison his half-brother and former president, Maumoon Abdul Gayoom, along with two top judges has triggered a fresh round of condemnation from the international community.<sup>98</sup>

#### • Japan grants MVR 41 mln to develop Maldives health sector

The government of Japan has granted JPY 300 million (MVR 41 million) to the Maldivian government to develop the country's health sector. The Minister of Foreign Affairs Dr Mohamed Asim had signed the grant assistance agreement, under the Japanese Economic and Social Development Cooperation Programme on behalf of the Maldivian government, while his Japanese counterpart Taro Kono signed on behalf of Japan. The signing ceremony was held at the foreign affairs headquarters of Japan on 15<sup>th</sup>.<sup>99</sup>

# West Asia

#### Iraq and GCC

#### • Iraq's Sadr and Amiri announce political alliance<sup>100</sup>

Moqtada al-Sadr and Iranian-backed militia chief Hadi al-Amiri, who won first and second place respectively in Iraq's May parliamentary election, announced on Tuesday an alliance between their political blocs.

The move announced from the Shi'ite holy city of Najaf is the first serious step towards forming a new government after weeks of negotiations between parties. It comes exactly one month after an election marred by historically low turnout and fraud allegations. The two Shi'ite figures said they would keep the door open for other winning blocs to join them in forming a new government. "Fatih and Saeroon announce forming the nucleus of the largest bloc and call on all winning blocs to participate in this alliance under a government program agreed upon by all that is suitable to face the challenges, crises, and problems facing Iraq," a Fatih spokesman said in a statement.

#### • KDP and PUK throw their support behind Sadr-Fatih alliance<sup>101</sup>

The parties which won the most seats in Iraq's election from the Kurdistan Region have thrown their support behind a recently announced Shiite bloc. The two parties from the Kurdistan Region say they will have a joint stance and will send a joint delegation to meet with the Shiite politicians as soon as possible. The two parties are calling on Kurdistani and Iraqi parties to let shared interests override any internal rivalries "Tonight, with the efforts of the loyal to rescue the country from political stalemate, an effort for the formation of Sayirun and Fatih alliance was announced. The politburos of the PUK and the KDP see this step as positive and believe that it is the start of a political roadmap to put an end to the political deadlock," read a joint KDP-PUK statement released early on 13<sup>th</sup> May.

<sup>&</sup>lt;sup>98</sup> Maldives slipping into 'autocratic rule', 15 June 2018, https://maldivesindependent.com/society/maldivesslipping-into-autocratic-rule-138824

<sup>&</sup>lt;sup>99</sup> Japan grants MVR 41 mln to develop Maldives health sector, 17 June 2018, https://edition.mv/news/6232

<sup>&</sup>lt;sup>100</sup> https://www.reuters.com/article/us-iraq-election-abadi/iraqs-sadr-and-amiri-announce-political-allianceidUSKBN1J821X

<sup>&</sup>lt;sup>101</sup> http://www.rudaw.net/mobile/english/kurdistan/13062018

# • UAE pledges Dh11 billion in economic aid to Ethiopia<sup>102</sup>

In a strong display of support for new Ethiopian Prime Minister Abiy Ahmad Ali, the Abu Dhabi Fund for Development (ADFD) has pledged Dh11 billion (\$3billion) in assistance to Ethiopia during a visit on 15<sup>th</sup> May by Sheikh Mohammed bin Zayed, the Crown Prince of Abu Dhabi.

ADFD will deposit Dh<sub>3.7</sub>bn in the National Bank of Ethiopia to ease foreign currency shortages in the Horn of Africa nation, state news agency Wam said. "One billion US dollars will be deposited in the National Bank in a few days time to tackle the foreign currency shortage," Ahmed Shide, head of Ethiopia's Government Communications Affairs Office, told Reuters. Large spending on infrastructure projects has contributed to a shortage of Ethiopia's foreign currency reserves, which had reached less than one month's worth of imports, analysts told Reuters. The remaining Dh<sub>7.3</sub>bn is intended to stimulate the Ethiopian economy and encourage joint investments.

# Turkey

# • Four Dead as Violence Mars Election Campaigning in Turkey

Four people were killed and eight wounded in Turkey after clashes erupted during a ruling party member's campaign stop on 14 June, the latest indication of boiling tensions in the run-up to the country's June 24 elections. Ibrahim Halil Yildiz, a member of parliament from the ruling Justice and Development Party (AKP), was touring the predominantly Kurdish town of Suruc in southeast Turkey when a fight broke out between his entourage and shopkeepers, the BBC reports.<sup>103</sup>

# • Turkey hits 'critical gathering' of PKK in north Iraq

The Turkish Army has hit a "critical" gathering of the PKK terror group in northern Iraq's Qandil region, President Recep Tayyip Erdogan said on 16 June. Speaking live to Turkish broadcaster Kanal 7, Erdogan said: "During these last operations, we hit their very critical gathering. "We have not received the results yet, but it is certain that we have hit them." Asked if any senior members of PKK were hit, Erdogan said there was a good chance of that. Turkey has launched anti-terror operations in both Qandil and Sinjar regions in northern Iraq, the president said on 11 June.<sup>104</sup>

# • Turkey: Presidential candidate makes TV speech from prison

Turkey's state broadcaster aired a campaign speech by a jailed presidential candidate on 17 June, a week before snap parliamentary and presidential elections. Selahattin Demirtas asked voters in the June 24 elections to prevent the "one-man regime" of President Recep Tayyip Erdogan. He called Turkey's current climate a "teaser" and warned that "the actual scary part of the movie has not yet begun."<sup>105</sup>

<sup>103</sup> "Four Dead as Violence Mars Election Campaigning in Turkey", Time, 15 June 2018, <u>http://time.com/5313201/four-killed-turkey-election-kurds-suruc/</u>

<sup>&</sup>lt;sup>102</sup> https://www.thenational.ae/uae/uae-pledges-dh11-billion-in-economic-aid-to-ethiopia-1.740868

<sup>&</sup>lt;sup>104</sup> **"Turkey hits 'critical gathering' of PKK in north Iraq",** Anadolu Agency, 16 June 2018, https://www.aa.com.tr/en/politics/turkey-hits-critical-gathering-of-pkk-in-north-iraq/1176727

<sup>&</sup>lt;sup>105</sup> "**Turkey: Presidential candidate makes TV speech from prison**", Star Tribune, 17 June 2018, http://www.startribune.com/turkey-presidential-candidate-makes-ty-speech-from-prison/485776582/

# • Turkey Says Its Air Strikes Kill 35 Kurdish Militants In Northern Iraq

Turkish warplanes killed 35 militants from the Kurdistan Workers Party (PKK) in air strikes in northern Iraq's Qandil mountain region on 15 June, the Turkish military said. Turkey's President Tayyip Erdogan had said on 16 June that Turkish warplanes had struck a meeting of the outlawed PKK in Qandil, where he believed high-profile militants had been hit.<sup>106</sup>

# • Turkey: Record breaking growth among G-20

In the first quarter of 2018, Turkey, together with India, started the new year with a new record of 7.4 percent gross domestic product growth year-over-year. Let's remind ourselves that in 2017, Turkey realized the highest growth among the G-20 and Organization for Economic Co-operation and Development (OECD) countries with 7.4 percent.<sup>107</sup>

# Saudi Arabia

• How Jordan's economic crisis exposed Saudi Arabia's leadership vacuum Saudi Arabia did not come to Jordan's rescue with a \$2.5bn aid package, although King Salman very much wanted to appear as if it had. What happened was an attempt by King Salman to take the credit for the money that Kuwait had already pledged. What resulted was a scramble by rival Gulf states to support Jordan.<sup>108</sup>

# • New Korean ambassador signals golden age of ties with Saudi Arabia

New South Korean Ambassador to Saudi Arabia JO Byung Wook has heralded a new age of "win-win economic cooperation" between the two countries. He said that he expected to witness a dynamic transformation in the Kingdom under Vision 2030 and hoped to continue the legacy of consolidation of the two countries' relationship by his predecessors, ushering in a new era of bilateral economic ties.<sup>109</sup>

• Saudi Arabia soap opera showing liberal society prompts fury among hardliners

With scenes of unveiled women and mixed-sex musical soirees, a new Saudi Arabian soap opera, set in the 1970s, is evoking nostalgia about the kingdom's modern past. A period before the rise of religious fundamentalist. But, with Crown

<sup>&</sup>lt;sup>106</sup> "**Turkey Says Its Air Strikes Kill 35 Kurdish Militants In Northern Iraq**", Eyewitness News, 18 June 2018 <u>http://ewn.co.za/2018/06/17/turkey-says-its-air-strikes-kill-35-kurdish-militants-in-northern-iraq</u>

<sup>&</sup>lt;sup>107</sup> "**Turkey: Record breaking growth among G-20**", Daily Sabah, 18 June 2018, <u>https://www.dailysabah.com/columns/alkin-kerem/2018/06/18/turkey-record-breaking-growth-among-g-20</u> <sup>108</sup> "How Jordan's economic crisis exposed Saudi Arabia's leadership vacuum", Middle East Eye, 15 June 2018 <u>http://www.middleeasteye.net/columns/how-jordans-economic-crisis-exposed-saudi-arabias-leadership-vacuum-</u> <u>571141841</u>

<sup>&</sup>lt;sup>109</sup> "New Korean ambassador signals golden age of ties with Saudi Arabia", Arab News, 16 June 2018, http://www.arabnews.com/node/1322381/saudi-arabia

Prince Mohammed bin Salman's liberalising plans for the country, it is also giving viewers an unintended taste of what could be to come.<sup>10</sup>

# • Saudi Arabia condemns Afghanistan suicide bombing

An official from the Saudi ministry of foreign affairs said that the kingdom strongly condemns the suicide attack in Afghanistan's eastern city of Jalalabad that took the lives of 14 people. The official extended the kingdom's condolences to the families of those killed, as well as to the government and people of Afghanistan, wishing the injured a speedy recovery.<sup>111</sup>

# • Saudi Arabia, UAE conduct air strikes on Yemen's Hudaida airport

The Saudi and Emirati-led coalition has conducted air strikes on Yemen's Hudaida airport to support forces attempting to seize control from Houthi fighters inside, according to Saudi and Houthi media. The coalition launched a major offensive five days ago that could cut off supply lines to the capital Sanaa, which is controlled by the Houthis. Each side holds various parts of the airport.<sup>112</sup>

# **International Economic Issues**

# • Beijing-based AIIB clears \$1.2-bn loans to India for infra projects, another \$1.9 bn under review

On June 12, 2018, *The Economic Times* reported that Beijing-based Asian Infrastructure Investment Bank (AIIB) has approved six projects worth \$1.2 billion in loans to India for infrastructure related projects and additional \$1.9 billion is under review. The fund will invest in six projects, including \$500 million in the Mumbai Metro and \$455 million in rural roads in Andhra Pradesh. This also includes \$200 million to the National Investment and Infrastructure Fund (NIIF). Najeed Haider, Manager of Investment Operations, said, "We have invested \$1.2 billion across six projects and the board has given approval for another six for \$1.9 billion." "We are looking to invest in areas like power, energy, transportation, renewal energy and waste management. There are many more discussions happening and this number will go up. We do not have a country target. Next year may be higher." <sup>113</sup>

 $<sup>^{\</sup>rm 110}$  "Saudi Arabia soap opera showing liberal society prompts fury among hardliners",

Middle East Monitor, 16 June 2018, https://www.middleeastmonitor.com/20180616-saudi-arabia-soap-opera-showing-liberal-society-prompts-fury-among-hardliners/

<sup>&</sup>lt;sup>111</sup> "Saudi Arabia condemns Afghanistan suicide bombing", Al Arabiya, 17 June 2018, <u>https://english.alarabiya.net/en/News/gulf/2018/06/17/Saudi-Arabia-condemns-Afghanistan-suicide-bombing-</u>.html

<sup>&</sup>lt;sup>112</sup> **"Saudi Arabia, UAE conduct air strikes on Yemen's Hudaida airport",** Al Jazeera, 18 June 2018, https://www.aljazeera.com/news/2018/06/saudi-uae-conduct-air-strikes-yemen-hudaida-airport-180617101117769.html

<sup>&</sup>lt;sup>113</sup> Shilpy Sinha, "Beijing-based AIIB clears \$1.2-bn loans to India for infra projects, another \$1.9 bn under review", *The Economic Times*, June 12, 2018, https://economictimes.indiatimes.com/news/economy/infrastructure/beijingbased-aiib-clears-1-9-bn-loans-to-india-for-infra-projects/articleshow/64551937.cms (accessed on June 13, 2018)

# • Tokyo approves bill in next step toward enactment of new Trans-Pacific Partnership

On June 13, 2019, the Diet approved a bill to ratify the 11-country Comprehensive and Progressive Agreement for Trans-Pacific Partnership. The bill was adopted at a plenary session of the Upper House by a majority vote, with support mainly from the ruling Liberal Democratic Party and its coalition partner Komeito. The Lower House passed the bill in May. The parliamentary approval is expected to help speed up related domestic procedures and add momentum toward the realization of an early enactment of the agreement. In order to ratify the pact, Japan also needs to enact TPP-related legislation, which cleared the Lower House last month and includes measures to support the domestic agricultural sector and reinforce the protection of intellectual property rights. The government and the ruling coalition hope to ensure the measure is enacted during the current Diet session. The pact mainly seeks to slash tariffs on farm and industrial products, protect intellectual property rights, simplify customs procedures and establish rules on ecommerce.<sup>114</sup>

Meanwhile, Indonesia is making preparations to join TPP on June 12, 2018. Speaking to the Nikkei Asian Review on the sidelines of the Future of Asia conference, hosted by Nikkei, Jusuf Kalla, Vice President of Indonesia, said that Indonesia "is now studying the conditions, the possibility" of joining the trade agreement. He further added, "Of course, if TPP is free of tax, and Indonesia still pays tax, then it is not easy for Indonesian goods to compete in the market".<sup>115</sup> Colombia has also made formal request to join Pacific trade pact on June 15, 2018.<sup>116</sup>

# • India has trade deficit with 10 Regional Comprehensive Economic Partnership (RCEP) members

On June 17, 2018, *The Economic Times* reported that India had trade deficit with as many as 10 member countries, including China, South Korea and Australia, of the Regional Comprehensive Economic Partnership (RCEP) grouping of 16 nations which have been negotiating a mega trade pact since November 2012. According to the commerce ministry data, India's trade deficit -- the difference between imports and exports -- with seven countries (Indonesia, Thailand, China, Japan, South Korea, Australia and New Zealand) of RCEP has in fact increased in 2017-18 as compared to the previous fiscal. The trade gap with China, Korea, Indonesia and Australia has increased to USD 63.12 billion; USD 11.96 billion; USD 12.47 billion and USD 10.16 billion in 2017-18. It was USD 51.11 billion, USD 8.34 billion, USD 9.94 billion and USD

<sup>&</sup>lt;sup>114</sup> "Tokyo approves bill in next step toward enactment of new Trans-Pacific Partnership", *The Japan Times*, June 13, 2018,

https://www.japantimes.co.jp/news/2018/06/13/business/economy-business/tokyo-approves-bill-nextstep-toward-enactment-new-trans-pacific-partnership/#.Wyc9YTczbIV (accessed on June 14, 2018)

<sup>&</sup>lt;sup>115</sup> Shotaro Tani, "Indonesia is making preparations to join TPP", *Nikkei Asian Review*, June 12, 2018, https://asia.nikkei.com/Spotlight/The-Future-of-Asia-2018/Indonesia-making-preparations-to-join-TPP (accessed on June 14, 2018)

<sup>&</sup>lt;sup>116</sup> "Colombia has made request to join Pacific trade pact: Mexico", *Reuters*, June 16, 2018, https://www.reuters.com/article/us-trade-tpp-colombia/colombia-has-made-request-to-join-pacific-trade-pact-mexico-idUSKBN1JB2QV (accessed on June 18, 2018)

8.19 billion respectively in the previous financial year, 2016-17. The case is same with regard to Japan, Thailand and New Zealand. However, the trade gap has dipped with the remaining three nations - Lao, Brunei, Malaysia -- in 2017-18.<sup>117</sup>

<sup>&</sup>lt;sup>117</sup> "India has trade deficit with 10 Regional Comprehensive Economic Partnership (RCEP) members", *The Economic Times*, June 17, 2018, https://economictimes.indiatimes.com/news/economy/foreign-trade/india-has-trade-deficit-with-10-regional-comprehensive-economic-partnership-rcep-members/articleshow/64620160.cms (accessed on June 18, 2018)