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As in 2017 and 2019, two Chinese People's Liberation Army (PLA) surveillance vessels travelled south to monitor exercises being conducted as part of Talisman Sabre 2021 (TS 21) - a biannual exercise conducted by the Australian and US forces to build trust and interoperability among allies and partners in the Indo Pacific theatre. This exercise assumes particular significance as it comes at the back of increased strategic competition between China and the US. Bearing the brunt of the fallout, US allies and like-minded partners in the region are trying to shore up defences against Beijing's unilateral actions.

The Australian quoted PM Scott Morrison saying, "They're allowed to be there and the law says they can be there – the Law of the Sea – just like the law says we can be up in the South China Sea. And so we would just simply say that we think the same tolerances and the same appreciation of those international laws apply. Of course, we watch them. And they are watching us."



This year the exercise involves over 17,000 participants from seven nations in a month-long multi-domain exercise that aims to strengthen military capabilities to respond to the full range of Indo-Pacific security concerns. In addition to the U.S. and Australia, participating forces from Canada, Japan, New Zealand, the Republic of Korea

and the United Kingdom are part of this iteration and delegations from India, Indonesia, France, and Germany are observers. The exercise includes force preparation (logistic) activities, amphibious landings, ground force manoeuvres, urban operations, air combat and maritime operations.

The TS 21 highlighted many firsts —the U.S. Army Pacific Air and Missile Defense units working with Australian Defence Force counterparts completed the first-ever Patriot surface-to-air missile firing on Australian soil during the exercise. Soldiers based in Japan and Guam from 38th Air Defense Artillery Brigade, 94th Army Air and Missile Defense Command, also in a historic first successfully engaged drone targets with the Patriot missiles.

In essence, the Talisman Sabre series of military exercises are focused on invading and defending islands in the Indo-Pacific region. China's recent military actions and specific threats made to the Taiwan straits are obviously in focus. Japan too has been vocal about its concerns especially regarding threats to its

Senkaku islands. According to top military commanders, the troops participating in TS 21 too are executing drills equivalent to the largest beach invasions in decades which itself is a loud signal to China.

The TS 21 comes amidst statements from US Secretary of State Antony Blinken declaring that any attack on the Philippines would automatically trigger a US response under a mutual defence treaty. Recently Japanese Deputy Prime Minister Aso had warned that any invasion of Taiwan by China could be met with a military response by Japan and the US. Australia, which has upped its defence budget this year due to deteriorating relations with Beijing, is considering purchasing the Patriot missiles from the US too. The TS 21 exercises coincide with the 70th anniversary of the signing of the US-Aus ANZUS Treaty and both countries reaffirming their alliance to evolve to meet the security challenges of the day.

Iran's New Oil Pipeline: Circumventing Straits of Hormuz Chokepoint

President Hassan Rouhani inaugurated Iran's new oil export terminal located at Jask on the Gulf of Oman on 22 July. Rouhani hailed the inauguration of the new terminal as a "historic day" as this terminal will allow Iranian tankers to circumvent the strategically vulnerable Strait of Hormuz, which has been a focus of regional tension for decades. Iran's other major oil terminal is located at the port of Kharg in the Persian Gulf accessed through narrow the Strait of Hormuz. "We had a terminal and if there was a problem, our oil exports would be cut off," Rouhani acknowledged. He said the new terminal will "secure the continuation of Iran's oil exports" and defeat Washington's sanctions on Iran.

The oil export terminal at Jask is the final element of Iran's strategic project linking the Goreh oil production facility in the Bushehrport city to a new oil terminal at Bandar-e-Jask in the Sea of Oman through a 1000 km oil pipeline. Construction on the project was started two years ago at the estimated cost of \$2 billion to circumvent the Straits of Hormuz Chokepoint. The project has been developed with financial assistance from Russia. Iranian firm Zalvand Company is the co-investor in the project, along with Russian company RAO Rosneftgazstroy and Germany-based engineering services company Marcon Ingenieuresellschaft.

With the completion of the integrated pipeline and terminal project, Jask is expected to be the second-biggest oil export terminal in the country after the Kharg Island terminal in the Gulf that currently accounts for approximately 90% of Iran's oil exports through the Strait of Hormuz. The new facility can export heavy crude, light crude and gas condensates. It has been equipped with three metering facilities and six 36-inch pipelines that connect to three SPMs. Storage capacity in the Sea of Oman terminal is 10 million barrels, half of Kharg. Iran considers the terminal important to diversify its export sources, to supply feedstock for domestic petrochemical products to be exported.



The Goreh-Jask pipeline and export terminal at the port of Jack will reduce shipping congestion in the Straits of Hormuz, improve access to overseas markets in the east and increase the ability of the country to export oil at a time of conflict in the region. Lastly, the completion of the pipeline enables Iran to be better prepared to increase exports at a time when America is likely to lift its economic sanctions on the country.

Russia Celebrates the 325th Anniversary of Its Navy Day

On 25 July 2021, Russia celebrated the 325th anniversary of its Navy Day. Presided over by Commander-in-Chief and President of Russia, Vladimir Putin, the main naval parade on the Neva River in St. Petersburg witnessed the participation of over 4,000 military personnel in more than 50 combat ships, submarines and aircraft. On display were some of Russia's most advanced naval equipment.

The event also witnessed the participation of naval ships from India, Vietnam, Iran and Pakistan apart from delegations of 20 foreign navies. Notably, the Indian and Russian navies conducted joint maritime exercises in the Baltic Sea under the INDRA series of bilateral defence exchanges post the culmination of Navy Day celebrations.



The Russian Navy Day was first celebrated in 1696 under Tsar Peter the Great. A regular feature for centuries, celebrations were cancelled by the Supreme Soviet's Presidium in 1980. It was eventually restored by President Putin in July 2017 who sought to commemorate the maritime sacrifices of

Russian naval personnel. This was part of a broader national strategy of rekindling patriotism amidst Russia's ongoing confrontation with the West.

The navy forms an integral part of the Kremlin's attempts to make a comeback on the global stage anchored in its massive 20 trillion roubles military modernisation programme. The naval resurgence has enabled Russia to deploy its new military capabilities to project power and increase its global strategic footprints. In effect, the Kremlin has sought to leverage its military strength to project the image of Russia as a strong and independent state. This sentiment was reflected in Russia's military intervention in Syria, its first post the dissolution of the Soviet Union. It enabled Russia to position itself as a vital stakeholder in the West Asian quagmire. Given the size of the country, Russian naval interests cover a vast maritime space including Baltic, Black and Caspian seas, the Indo-Pacific and the Arctic.

In his address during the parade, Putin said the navy's capabilities were growing and it would get 40 new vessels this year. Russian Navy combat capability would include hypersonic strike systems and underwater drones. In a separate statement released via Russian news agencies, the defence ministry said testing of the Belgorod, the first submarine capable of carrying the Poseidon drones, was underway and testing of the weapons systems was nearing completion.

Naval parades are also an advertisement of Russia's advances in military technology. In this context, weapons exports are not only a source of foreign exchange but also an instrument of building strategic partnerships. This is particularly relevant at a time when arms exports are one of the few areas where Russia is globally competitive. Today, Russia is seeking to overcome its economic weakness through its military modernisation programme. It is expected that new technologies in the defence sector would be diffused into the civilian space to modernise the Russian economy, underpinned by innovation.