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मनोहर पर्रिकर रक्षा अध्ययन एवं विश्लेषण संस्थान

# WEST ASIA DIGEST

*Monthly Compilation of News Items from West Asia*

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## **Netanyahu returns as Prime Minister of Israel**

A new government was formed in Israel on December 29, 2022, under the leadership of Prime Minister Benjamin Netanyahu. In the vote of confidence in the 120-member Knesset, 63 members voted in favour of the new government, with 54 members opposing it. The new government is a coalition of six parties namely Likud, Shas, United Torah Judaism, Religious Zionism, Otzma Yehudit and Noam, and is termed the “most far-right and religiously conservative government” in the history of Israel. Netanyahu was sworn in as Israel's Prime Minister for the sixth time. Among others, Yoav Galant has been appointed as the Minister of Defence, Itamar Ben-Gvir as Minister of National Security and Eli Cohen as the Minister of Foreign Affairs. In his address to the Parliament, Netanyahu said that his government will give top priority to ending the Arab-Israeli conflict, stopping Iran's nuclear programme, expanding relations with the Gulf countries and enhancing Israel's military capacity.

## **Israeli President visits the UAE and Bahrain**

Israeli President Isaac Herzog, accompanied by a business delegation, visited Bahrain and the UAE. Herzog's visit was the first-ever visit by an Israeli President to Bahrain. Prior to leaving for Bahrain, Herzog said that the trip was “predominantly a message of peace in the region.” In Bahrain, Herzog met with King Hamad bin Isa Al Khalifa and discussed issues related to bilateral ties. The King underlined Bahrain's position on the Palestinian issue and said the Kingdom is in favour of “achieving a just, comprehensive, and sustainable peace that guarantees the

legitimate rights of the Palestinian people.” Herzog also visited the Bahrain Economic Board of Development together with representatives of Israeli economic bodies. In the UAE, Herzog attended the Abu Dhabi Space Debate and met with the Emirati President Sheikh Mohammed bin Zayed Al Nahyan. Since assuming the presidency, this was his fourth meeting with President Mohammed bin Zayed. During the meeting, both leaders discussed ways to strengthen and expand the relations and recognised the importance of peace for the region.

## **Xi Jinping visits Saudi Arabia**

Chinese President Xi Jinping was on an official three-day visit to Saudi Arabia and met with King Salman and Crown Prince Mohammed bin Salman. During the visit, the two countries signed 34 agreements and MoUs to expand the collaboration in the areas such as hydrogen energy, judiciary, Chinese language education, housing, direct investment, radio and television, digital economy, economic development, standardisation, news coverage, tax administration, and anti-corruption. One of the key agreements signed between the two countries is the harmonisation plan between Saudi Vision 2030 and the Belt and Road Initiative, which talks about enhancing joint cooperation and coordination between the two countries in various fields such as the automotive industry, supply chains, logistics, water desalination and infrastructure etc. Both also agreed to expand cooperation in peaceful uses of nuclear power and innovation in the energy sector. The visit underlined China's ambitions to expand its influence in the Gulf, which has traditionally been close to the US. Xi also participated in the China-

GCC Summit and the China-Arab States Summit which affirmed the support for the “China-Arab community with a shared future in the new era”, thereby highlighting the role of the China-Arab Cooperation Forum. A number of leaders from other Arab countries also participated in these summits.

### **Jordan hosts Baghdad-II Conference**

Jordan hosted the second edition of the Baghdad Conference on December 20, 2022, which brought together Saudi Arabia, Iraq, France, the UAE, Qatar, Iran, Turkey, Egypt, Kuwait, Bahrain, Oman and the European Union to discuss the security and stability of Iraq. The Conference agreed to continue to support “stability, sovereignty and the democratic process” in Iraq. They also pledged to support “Iraq's efforts to establish dialogue as a way of resolving regional crises.” On the sidelines of the Conference, Iran’s foreign minister Hossein Amir-Abdollahian had a “friendly conversation” with his Saudi counterpart, Faisal bin Farhan Al Saud. Since April 2022, both countries have been holding talks to restore diplomatic relations, mediated by Baghdad.

### **Saudi Arabia and the UK sign a defence cooperation plan**

Saudi Minister of Defence Prince Khaled bin Salman during his visit to London, met the British Secretary of Defence Ben Wallace on December 13, 2022. The two countries signed the Defence Cooperation Plan which focuses on developing the capabilities of the Saudi Ministry of Defence, localising military industries, enhance bilateral cooperation in the military and defence field, thereby strengthening the security and defence

partnership between the two countries. Defence Secretary Ben Wallace described the agreement as “a key milestone between our two nations, as we look to enhance our defence partnership further in support of mutual and regional security.”

### **Aramco and TotalEnergies to build US\$ 11 billion petrochemical complex in Saudi Arabia**

The Saudi Arabian Oil Company (Aramco) and French Energy giant TotalEnergies will undertake the construction of a world-scale petrochemical facility ‘Amiral’ in Saudi Arabia. The Amiral complex will be integrated with the exiting Saudi Arabia Total Refining and Petrochemical (SATORP) refinery located in Jubail on Saudi Arabia’s eastern coast. The complex will be owned and operated by Aramco and TotalEnergies. The project is worth US\$11 billion of investment, of which US\$ 4 billion will be funded through equity by Aramco (62.5 per cent) and TotalEnergies (37.5 per cent). The construction of the petrochemical plant is scheduled to begin during the first quarter of 2023 and its commercial operation is targeted to begin in 2027. The petrochemical facility will enable the creation of high-value chemicals from refinery-off gases, naphtha, ethane and natural gasoline supplied by Aramco.

### **Qatar and Germany sign a 15-year LNG deal**

ConocoPhillips, Germany and QatarEnergy, Qatar announced the signing of two agreements pertaining to the supply of LNG to Germany for 15 years starting in 2026. The agreement will provide Germany with 2 million tonnes of LNG annually arriving from Ras Lagan in Qatar to Germany's northern LNG terminal at

Brunsbuettel. This deal marks the first long-term supply to Europe from Qatar's North Field expansion project. This deal comes after QatarEnergy signed a 27-year sales and purchase agreement deal with China's Sinopec recently.

### **IMF approves US\$ 3 billion support package for Egypt**

The International Monetary Fund (IMF) has approved a US\$ 3 billion support package for Egypt over a period of the next four years. The announcement followed a preliminary agreement reached in October between Egypt and the IMF after Egypt's central bank introduced a series of reforms. The agreement is also known as the Extended Fund Facility Arrangement and will give the Egyptian government immediate access to US\$ 347 million. According to the IMF, the package will introduce a series of structural and economic reforms, including a "durable shift to a flexible exchange rate regime" and a "monetary policy aimed at gradually reducing inflation." The Egyptian economy is grappling with the aftereffects of the Covid-19 pandemic and the Russia-Ukraine War.

### **External Affairs Minister visits the UAE**

India's External Affairs Minister, Dr. S. Jaishankar visited the UAE to attend and inaugurate the India Global Forum 2022. The Forum brought together the leading political, business and cultural personalities from India, the UAE and across the world. During the visit, he met with his counterpart, Sheikh Abdullah bin Zayed, and reviewed the "prospects of further consolidating the long-standing relations

and the comprehensive strategic partnerships between the two friendly nations." In addition, they also discussed the expansion of ties across all areas, particularly in health, technology, digitalisation, economy, and trade, in light of the comprehensive economic partnership signed in 2022 by the two nations. Both the leaders deliberated on ways to enhance cooperation involving the multilateral groups and organisations, including the I2U2, BRICS and the Shanghai Cooperation Organisation (SCO).

### **India participates in the Abu Dhabi Space Debate**

India's Minister of State for Science & Technology Dr. Jitendra Singh led an official delegation to the Abu Dhabi Space Debate, a two-day-long international space summit organised by the UAE. In the opening ceremony, he shared his views on the space sector and said that India is a "key global player in the space sector" and reiterated India's keen interest in expanding the space cooperation with the UAE. To attract foreign governments and private entities towards the Indian space sector, he said that India is promoting start-ups in the space sector to ease the entry of foreign government and private sector enterprises. Indian Space Promotion and Authorisation Centre (IN-SPACe) has been "tasked with the objective of hand-holding nascent private entities in the Space sector." He also spoke on India's active partnership with the UAE since 2017, when PSLV launched UAE's first nano-satellite, Nayif-1. He concluded by welcoming UAE to the G-20 Summit and G-20 meeting during India's chairmanship.