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Foreign Minister in Iran, May 2010

By

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A number of bilateral issues were discussed when India's External Affairs Minister S M Krishna was in Tehran to attend the G-15 meet of developing countries from Asia, Africa and Latin America.¹ The Islamic Republic of Iran is India's second largest supplier of oil after Saudi Arabia and in 2009 India imported US\$ 10 billion worth of crude oil from Iran thereby making it the third largest market for Iranian oil exports. On the Iran-Pakistan-India gas pipeline, for long India has been expressing its concerns over security issues and pricing. There are also several joint ventures in shipping, refineries and fertilizers that need reviews. A bilateral air services agreement awaits ratification. Apart from that, the two countries are in the process of finalising a bilateral investment promotion and protection agreement and a double taxation agreement to improve business relations.

Krishna's four-day Tehran visit during 15-18 May 2010 was seen as a step towards further improving relations between the two countries, especially in the wake of continuing Iranian disappointment over New Delhi's vote in the International Atomic Energy Agency that proposed a fresh round of UN sanctions. Relations between the two countries turned frosty till Foreign Secretary Nirupama Rao paid a visit to Tehran in February this year, bringing some thaw.²

¹ The members of G-15 are: Algeria, Argentina, Brazil, Chile, Egypt, India, Indonesia, Islamic Republic of Iran, Jamaica, Kenya, Malaysia, Mexico, Nigeria, Senegal, Sri Lanka (current chairmanship), Republic of Venezuela and Zimbabwe.

² 'Long Handshakes and dosas, Indo-Iran relations back on keel', Raj Chengappa, *The Tribune (Online edition)*, India, 19 May 2010, <http://www.tribuneindia.com/2010/20100519/main3.htm>

Official Meetings

External Affairs Minister Krishna held a meeting with the Iranian President Mahmoud Ahmadinejad on 18 May who described India as 'a global leader and an economic powerhouse.' A spokesperson for the External Affairs Ministry said that the two leaders met for about 30 minutes, during which they discussed bilateral, regional and international issues of mutual concern and interest to the two countries. They are said to have discussed the recent developments in Pakistan and Afghanistan. This meeting assumes significance because during the visit of Pranab Mukherjee, Krishna's predecessor in 2008, there was no meeting between President Ahmadinejad and Indian Foreign Minister³.

A day earlier, Krishna met with his Iranian counterpart Manouchehr Mottaki on the sidelines of the G-15 summit and discussed ways to enhance bilateral relations. On 16 May Krishna held a meeting with the Speaker of the Iranian Parliament Ali Larijani at the Majlis, where both discussed regional issues of common concern, including the prevailing situation in Afghanistan. Both leaders noted that terrorism is a common challenge for both the countries and there is a similarity of outlook. They also expressed happiness over New Delhi hosting the upcoming meeting of the 16th India-Iran Joint Commission and added that as bilateral trade has crossed the 14 billion dollar mark it was the desire of the two nations to boost ties in all sectors.⁴

The External Affairs Minister's visit to Iran is set against the background of Western powers trying to impose new sanctions against Tehran over its suspect nuclear programme. New Delhi has always advocated dialogue and diplomacy to resolve the Iranian nuclear issue.

Iran-Pakistan-India (IPI) Pipeline

Asked about the status of the Iran-India gas pipeline, Krishna observed, "That certainly will be one of the aspects of my discussions with Iran. We have always been supportive of the gas pipeline involving India, Pakistan and Iran and that is part of the energy security that we are looking forward to... and we hope that we are able to clinch the issue"⁵. On the issue of the IPI pipeline, senior Indian officials said that about one and a half months ago India proposed a block of dates in May for a meeting of the Joint Working Group on Oil and Energy. However, Tehran is yet to respond to this proposal. It was conveyed to the Iranians that India's participation was being prevented solely by its concerns over security of the pipeline that would pass through the volatile Baluchistan province in south-western Pakistan and over pricing differences.⁶

³ 'India seeks velvet divorce from Iran', M K Bhadrakumar, *Asia Times* (Online), 5 November 2008

http://www.atimes.com/atimes/South_Asia/JK05Df01.html

⁴ 'India a global economic powerhouse', Naveen Kapoor, Tehran, *ANI*, www.rediff.com, 18 May 2010,

<http://business.rediff.com/report/2010/may/18/india-a-global-economic-powerhouse-says-iran.htm>

⁵ 'S M Krishna to clarify to Iran India's position on IAEA vote', PTI, *DNA Read the World*, 13 May 2010,

http://www.dnaindia.com/india/report_sm-krishna-to-clarify-to-iran-india-s-position-on-iaea-vote_1382663

⁶ 'Krishna heads to Tehran; Afghanistan, Pipeline on agenda', *Hindustan Times*, 13 May 2010,

<http://www.hindustantimes.com/Krishna-heads-to-Tehran/Article1-543191.aspx>

G-15 Meeting

Taking part in the G-15 meeting held during 17-20 May External Affairs Minister Krishna observed that the G-15 should be made into an effective platform, not only for South-South cooperation but also to define and refine policies in sectors such as trade, money and finance, equitable development, food and energy security and climate change. He further assured India's preparedness to cooperate with other G-15 members to undertake new projects for deepening and expanding our cooperation. "We need to consolidate ourselves as partners in development, willing to work towards creating a global environment of enhanced understanding and cooperation that is conducive to inclusive and sustainable development," he observed. The External Affairs also met his Venezuelan counterpart Nicolas Maduro Moros, while briefly interacting with the Deputy Prime Minister of Belarus and the Indonesian Industry Minister.⁷

Afghanistan and Security Concerns

In a separate meeting in Tehran India's deputy National Security Adviser Alok Prasad conveyed to Supreme National Security Council (SNSC) chief Saeed Jalili India's keenness to seek Iran's cooperation in stabilizing violence-torn Afghanistan. This helped chalk out the agenda for Krishna's visit to Tehran. In the past, along with Iran and Russia, India had supported the Northern Alliance that dislodged the Taliban regime in 2001 in the wake of the post 9/11 US strike against the militia. The common concern of both countries was to keep the Taliban out from the government in Kabul. Sources viewed the Indo-Iranian security dialogue within the context of India's efforts to form a potent alliance comprising of "like-minded" countries like Russia and Iran in dealing with the situation in Afghanistan once the reintegration, as well as reconciliation, process starts to set in.⁸

India and Iran also agreed to hold a meeting of the Joint Commission (JC), described by officials as the "most important instrument to review and give an impetus" to bilateral ties. Its last meeting was held in Tehran about 18 months ago. The dates for the next meeting of the JC would be finalized shortly. Speaking of Afghanistan and Pakistan, Krishna spoke of India's "strategic development partnership" with Kabul and maintained that despite the attacks on its embassy and citizens, India's commitment to assist its friends in Afghanistan remained undiluted. India, he said, desired cooperative and cordial ties with Pakistan. However, India's concern was terrorism and both sides would attempt to bridge the trust deficit through dialogue. Both New Delhi and Tehran agreed that terrorism emanating from Afghanistan and Pakistan was a "common challenge."⁹

⁷ 'India favours reforming Multilateral FI's', Sandeep Dikshit, *The Hindu*, 18 May 2010, <http://www.thehindu.com/2010/05/18/stories/2010051855531400.htm>

⁸ 'India seeks Iran help for stabilizing Afghanistan', Sachin Parashar, *Times Of India*, 13 May 2010, <http://timesofindia.indiatimes.com/articleshow/5924112.cms>

⁹ 'Af-Pak terrorism a common challenge to India, Iran; Larijani', Sandeep Dikshit, *The Hindu*, 17 May 2010, <http://beta.thehindu.com/news/national/article431800.ece>

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