

CURRENTLY - FROM NEWS TO NOTES

DAILY CURRENT AFFAIRS

The Hindu & The Indian express

Headline	Source
EU's overture	The Indian Express, Editorial, Page 12
PM Modi to review Maritime Heritage Complex at Lothal	The Hindu, Page 4

Headline	Source
Fed's pivot	The Indian Express, Page 12
U.S. to revoke waiver on Chabahar port sanctions	The Hindu, Page 16
Saudi-Pakistan defence pact: Significance for the 2 countries	The Indian Express, Page 19



1

'Broad-based Trade and Investment Agreement (BTIA)' is sometimes seen in the news in the context of negotiations held between India and

- (a) European Union
- (b) Gulf Cooperation Council
- (c) Organization for Economic Cooperation and Development
- (d) Shanghai Cooperation Organization

2017

2

Which of the following adopted a law on data protection and privacy for its citizens known as 'General Data Protection Regulation' in April 2016 and started implementation of it from 25th May, 2018?

- (a) Australia
- (b) Canada
- (c) The European Union
- (d) The United States of America

2019





3

Consider the following statements :

Statement-I :

The European Parliament approved The Net-Zero Industry Act recently.

Statement-II :

The European Union intends to achieve carbon neutrality by 2040 and therefore aims to develop all of its own clean technology by that time.

Which one of the following is correct in respect of the above statements ?

- (a) Both Statement-I and Statement-II are correct and Statement-II explains Statement-I
- (b) Both Statement-I and Statement-II are correct, but Statement-II does **not** explain Statement-I
- (c) Statement-I is correct, but Statement-II is incorrect
- (d) Statement-I is incorrect, but Statement-II is correct

2024

4

Which organization has enacted the Nature Restoration Law (NRL) to tackle climate change and biodiversity loss?

- (a) The European Union
- (b) The World Bank
- (c) The Organization for Economic Cooperation and Development
- (d) The Food and Agriculture Organization

2025





5

Consider the following statements :

The 'Stability and Growth Pact' of the European Union is a treaty that

1. limits the levels of the budgetary deficit of the countries of the European Union
2. makes the countries of the European Union to share their infrastructure facilities
3. enables the countries of the European Union to share their technologies

How many of the above statements are correct?

- (a) Only one
(b) Only two
(c) All three
(d) None

2023

6

With reference to 'Global Climate Change Alliance', which of the following statements is/are correct?

1. It is an initiative of the European Union.
2. It provides technical and financial support to targeted developing countries to integrate climate change into their development policies and budgets.
3. It is coordinated by World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD).

Select the correct answer using the code given below :

- (a) 1 and 2 only
(b) 3 only
(c) 2 and 3 only
(d) 1, 2 and 3

2017





EU's OVERTURE

Brussels' new strategy document shows keenness to recognise New Delhi as a valuable partner in shaping global order

THE EU'S LATEST strategy document on India, issued this week, marks a definitive moment in the evolution of Delhi's relations with Brussels, long defined by mutual neglect. This had begun to change in the 21st century, but the two sides had struggled to boost the partnership quickly. In the last few years, there has been a determined effort by Brussels and Delhi to plug the gap between the promise of the partnership and its performance. Troubled by the assertion of Russia, the muscular economic policies of China, and the disruption of historic US alliances by President Donald Trump, Europe is in the middle of rebooting relationships with other powers. Its latest outreach to India is part of that effort. Framed as a "comprehensive strategic agenda" to deepen, broaden, and better coordinate cooperation, the EU strategy is a blend of ambition and pragmatism. In stating that "India's success benefits the EU, just as the EU's success benefits India," Brussels has moved from treating New Delhi as a useful interlocutor to recognising it as an indispensable partner in shaping the international order.

The EU is the second most important commercial partner of India, after the US. Bilateral goods trade has climbed to €120 billion and services to €60 billion. Yet, India still accounts for less than 2.5 per cent of the EU's total trade. The EU, therefore, focuses on securing a far-reaching Free Trade Agreement with India that reduces tariff and non-tariff barriers and unlocks the enormous possibility of trade and investment flows between Europe and India. After years of drift, India is now equally committed to an early conclusion of the FTA. Buffeted by a massive and persistent trade deficit with China, and shocked by Trump's exorbitant tariffs, India sees free trade with the EU as a major strategic objective now. The EU also frames India as a rapidly expanding manufacturing and technology hub hosting nearly half of global capability centres; India appreciates Europe's edge in research, regulation and green and digital technologies. Together, they could gain from EU-India Innovation Hubs, a Startup Partnership, and joint work in AI, semiconductors, and outer space.

In the emerging multipolar world, the EU also recognises the growing salience of security cooperation with India. The planned EU-India Security and Defence Partnership will anchor cooperation on maritime security, defence industrial expansion and modernisation, cyber and hybrid threats, counterterrorism, and crisis management. Yet the war in Ukraine casts a long shadow. The EU is not on the same page with Delhi on India's oil imports and defence ties with Moscow. This is not surprising, given the fact that Europe is now in the middle of a prolonged and unwanted war with Russia since Moscow's invasion of Ukraine in early 2022. It is time, though, for India to stop seeing Europe through the eyes of Russia, as it has since Independence. While Delhi must maintain a productive relationship with Moscow, it also needs to balance its ties with Brussels and Moscow. The rapidly rising stakes in India's relationship with the European Union require such a recalibration.

EU's Overture – The Indian Express, Opinion, Page 12

GS Paper 2 – International Relations

Prelims – European Union, International Groupings

Context

EU has released a new strategy on India, signalling deeper cooperation in trade, security, technology, and global governance amidst changing geopolitics (Russia's aggression, China's rise, US unpredictability).

European Union (EU)

Formation & Evolution

- **Origins: Began with European Coal and Steel Community (ECSC), 1951 → promoted economic integration.**
- **Treaty of Rome, 1957: Established the European Economic Community (EEC).**
- **Maastricht Treaty, 1993: Formally created the European Union (EU) with broader political, economic, and monetary integration.**
- **Lisbon Treaty, 2009: Strengthened EU's institutional framework and decision-making process.**

Members

- 27 member states (after UK exited via Brexit in 2020).
- Not all members use the Euro (only 20 countries are in the Eurozone).

Important Institutions of the EU

1. **European Council** – Heads of state/government of member countries; sets political direction and priorities; permanent president (Charles Michel, since 2019).
2. **European Commission** – Executive body; proposes laws, enforces EU rules, manages policies and budget; led by Commission President (Ursula von der Leyen).
3. **European Parliament** – Directly elected; co-legislates with Council of the EU; oversees institutions and approves budget.
4. **Council of the European Union (Council of Ministers)** – Represents member states' governments; co-legislates with Parliament; coordinates policies (foreign, security, economic).
5. **Court of Justice of the EU (CJEU)** – Ensures uniform application of EU law; resolves disputes among institutions, states, businesses, individuals.
6. **European Central Bank (ECB)** – Manages Euro and Eurozone monetary policy; maintains price stability, supervises banks; HQ in Frankfurt, Germany.

1. Euro (€)

- Common currency of the EU.
- Used by 20 of 27 member states (Eurozone).
- Aims to promote trade, investment, and financial integration.

2. Schengen Agreement

- Provides passport-free movement across 27 European countries (some non-EU like Norway, Switzerland).
- Boosts mobility, tourism, and labour integration.
- Opt-outs: e.g., Ireland.

3. Common Agricultural Policy (CAP)

- Started in 1962.
- Subsidises farmers, ensures food security, stabilises markets, supports rural development.

Key EU Initiatives

- Climate-Related

1. **European Green Deal (2019)** – Roadmap for EU to become climate-neutral by 2050.
2. **European Climate Law (2021)** – Made 2050 neutrality legally binding; set -55% emissions target by 2030.
3. **Fit for 55 Package (2021)** – Legislative package to achieve 2030 targets.

4. **Carbon Border Adjustment Mechanism (CBAM, 2023; full rollout 2026)** – Carbon tariff on imports of carbon-intensive goods (steel, cement, fertilisers, etc.).
5. **REPowerEU Plan (2022)** – Reduce reliance on Russian fossil fuels, accelerate renewable energy.
6. **Nature Restoration Law (2023)** – First global law mandating restoration of degraded ecosystems (forests, wetlands, rivers).

Economic + Tech Related

1. **NextGenerationEU (2020)** – €750 bn COVID recovery package, focus on green & digital transition.
2. **Global Gateway (2021)** – €300 bn connectivity and infrastructure plan (EU's answer to China's BRI).
3. **EU Chips Act (2023)** – €43 bn boost to semiconductor industry to reduce external dependence.
4. **Minimum Corporate Tax (2022)** – Implemented OECD's 15% global minimum corporate tax.
5. **EU-India FTA Relaunch (2022)** – Restarted negotiations for trade agreement with India.
6. **EU Industrial Strategy (2020, updated 2021)** – Supply chain resilience in semiconductors, pharma, rare earths.



7) Which one of the following is **not** a Harappan site?

- (a) Chanhudaro
- (b) Kot Diji
- (c) Sohgauna
- (d) Desalpur

2019

8) The famous female figurine known as 'Dancing Girl', found at Mohenjo-daro, is made of

- (a) carnelian
- (b) clay
- (c) bronze
- (d) gold

2025

9) Which one of the following ancient towns is well-known for its elaborate system of water harvesting and management by building a series of dams and channelizing water into connected reservoirs?

- (a) Dholavira
- (b) Kalibangan
- (c) Rakhigarhi
- (d) Ropar

2021

INBRIEF



PM Modi to review Maritime Heritage Complex at Lothal

Prime Minister Narendra Modi will be on a visit to Gujarat on September 20 where he will review the progress of the National Maritime Heritage Complex (NMHC) at Lothal in Ahmedabad district. He will also inspect the works completed so far and hold a detailed review meeting with officials regarding the ongoing projects at the site. Lothal, once a prominent trading hub of the Indus Valley Civilisation, is a symbol of India's maritime strength and prosperity. "NMHC will seamlessly blend history, education and research. Lothal, which served as a thriving port 5,000 years ago, will be revitalised, showcasing its illustrious maritime legacy," officials said.

PM Modi to review Maritime Heritage Complex at Lothal

Source: The Hindu, Page 4

Prelims: Culture – Indus Valley Civilization (IVC) Sites

Context

Prime Minister will visit Gujarat on Sept 20 to review the progress of the National Maritime Heritage Complex (NMHC) at Lothal (Ahmedabad).

- Lothal: An important Harappan port and trade hub (~5,000 years ago).
- Aim: Revitalise the site as a blend of history, education, research showcasing India's maritime legacy.

Important Harappan/Indus Valley Sites & Findings

- Harappa (Punjab, Pakistan): First discovered site (1921); granaries, seals, cemeteries.
- Mohenjo-daro (Sindh, Pakistan): Great Bath, Great Granary, bronze dancing girl, bearded priest.
- Lothal (Gujarat, India): Dockyard, bead-making factory, evidence of overseas trade.
- Kalibangan (Rajasthan): Fire altars, ploughed fields, bangles.
- Banawali (Haryana): Planned town, fire altars, toy carts.
- Rakhigarhi (Haryana): Largest IVC site in India; human skeletons, ornaments.



- Dholavira (Gujarat): Water reservoirs, signboard with Indus script, urban planning.
- Chanhudaro (Pakistan): Bead-making, bangle-making, shell artifacts.
- Surkotada (Gujarat): Evidence of horse bones.
- Kot Diji (Pakistan): Fortified settlement, pre-Harappan pottery.

11

10

Consider the following statements :

1. Tight monetary policy of US Federal Reserve could lead to capital flight.
2. Capital flight may increase the interest cost of firms with existing External Commercial Borrowings (ECBs).
3. Devaluation of domestic currency decreases the currency risk associated with ECBs.

Which of the statements given above are correct ?

- (a) 1 and 2 only
- (b) 2 and 3 only
- (c) 1 and 3 only
- (d) 1, 2 and 3

2022

Indian Government Bond Yields are influenced by which of the following?

1. Actions of the United States Federal Reserve
2. Actions of the Reserve Bank of India
3. Inflation and short-term interest rates

Select the correct answer using the code given below.

- (a) 1 and 2 only
- (b) 2 only
- (c) 3 only
- (d) 1, 2 and 3

2021



FED'S PIVOT

US Central Bank has cut rate after nine months. It needs to ensure price stability and maximum employment

AFTER HOLDING STEADY for nine months, on Wednesday, the US Federal Reserve lowered the target range for the federal funds rate by 25 basis points to 4 to 4.25 per cent. The decision, though, was not unanimous. Stephen Miran, a recent appointee of Donald Trump, was in favour of a more aggressive rate cut of 50 basis points. Notwithstanding Trump's repeated calls to reduce interest rates, the Fed's pivot does indicate that further policy easing is on the cards. In fact, the central bank's latest projections, which accompanied this "risk management rate cut", do indicate the possibility of multiple rate cuts this year.

While the decision to lower rates is due to a weakening labour market, recent data also point towards inflation staying higher than previously expected, complicating the policy matrix. As per the US Bureau of Labour Statistics, non-farm payroll employment increased by just 22,000 in August, significantly lower than expectations. Alongside, the combined employment in June and July was also revised downwards. The Fed highlighted this weakness. It noted that "job gains have slowed, and the unemployment rate has edged up", adding that the "downside risks to employment have risen". Alongside this deterioration in the labour market, inflation risks are also surfacing. Inflation, as measured by the personal consumption expenditures price index, has been inching upwards – from 2.2 per cent in April to 2.6 per cent in July. But, while the central bank's expectation of inflation this year remains unchanged at 3 per cent, it expects price pressures to remain elevated – it has raised its inflation projection for next year to 2.6 per cent, up from 2.4 per cent earlier. Inflation is now expected to return to the 2 per cent target only by 2028. The Fed has, however, also marginally revised upwards its growth forecasts. But, the uncertainty over the economic outlook continues to linger. Fed Chairperson Jerome Powell acknowledged that, saying, "It's not incredibly obvious what to do".

The decision to lower interest rates comes against the backdrop of increasing attacks on the central bank's independence by Trump, who has not only been quite vocal about the path of monetary policy he prefers, but has also tried to fire Fed Governor Lisa Cook. Powell, whose term as Fed chair ends in May 2026, will have to navigate this period carefully as the central bank seeks to fulfil its dual mandate of price stability and maximum employment.

Fed's Pivot

The Indian Express, Page No. 12 Editorial

Geoeconomics, GS-3

Context

- After keeping rates steady for nine months, the U.S. Federal Reserve cut its policy rate by 25 basis points (to 4–4.25%).
- This decision comes amidst a weakening U.S. labor market and persistent inflationary pressures.
- Fed signaled the possibility of further rate cuts this year.
- Inflation in the U.S. remains sticky, while growth forecasts have been revised marginally upward.
- The move reflects balancing risks: slowing job creation vs. elevated inflation.

Impact of U.S. Fed Rate Cuts on India

1. Capital Flows

- Lower U.S. rates → Foreign investors may move capital towards emerging markets (like India) for better returns.
- Could increase FPI inflows into Indian equity and debt markets.



2. Rupee Movement

- Fed easing reduces dollar strength → likely appreciation or stabilization of Indian rupee.
- Helps reduce imported inflation (esp. crude oil, gold).

3. Stock Market Boost

- Lower U.S. yields → More global liquidity → Positive sentiment for Indian equities.
- Sectors like IT, Pharma, and Banking may benefit from stronger investor inflows.

4. Bond Market Relief

- Indian bond yields may soften as foreign investors show higher interest.
- Eases government's borrowing costs.

5. Oil Prices Effect

- A weaker dollar often leads to higher crude oil prices.
- Could hurt India's import bill, though rupee stability may cushion impact.

6. Export Competitiveness

- Softer dollar → Indian exports to the U.S. may face relative pricing pressure.
- But overall demand in U.S. may improve if Fed support revives growth.

7. Monetary Policy Space for RBI

- With Fed easing, RBI gets more flexibility to focus on domestic growth without worrying about sharp capital outflows.



12

What is the importance of developing Chabahar Port by India ?

- (a) India's trade with African countries will enormously increase.
- (b) India's relations with oil-producing Arab countries will be strengthened.
- (c) India will not depend on Pakistan for access to Afghanistan and Central Asia.
- (d) Pakistan will facilitate and protect the installation of a gas pipeline between Iraq and India.

2018



U.S. to revoke waiver on Chabahar port sanctions

Decision will hamper India's plans for regional connectivity, investment of over ₹200 crore in the project in Iran; move comes just days after U.S., India had signalled rapprochement on trade issues

Suhasini Haidar
NEW DELHI

In yet another harsh measure by the Donald Trump administration, U.S. Secretary of State Marco Rubio announced on Thursday that the country was revoking its waiver of sanctions over the Iranian port of Chabahar within 10 days, ending a special waiver given to India in 2018.

The decision, among a number of other moves by the U.S. to impose "maximum pressure on Iran", including designating several entities involved in Iran's oil trade, will affect India's plans to develop the Shahid Beheshti terminal at the Chabahar port as an alternative trading route for India, circumventing Pakistan, to send cargo to Afghanistan and Central Asia.

The Ministry of External Affairs (MEA) did not respond to requests for a comment on the development, which could severely hamper India's plans for regional connectivity.

President Trump had first announced that he planned to end the waiver given to India in his pre-



Key link: The Chabahar port is being developed by India and Iran to boost connectivity and trade ties. GETTY IMAGES

vious term, on February 5 this year, as he signed an executive order mandating Mr. Rubio to "rescind or modify" all such orders that provided any relief to Iran.

"Consistent with President Trump's maximum pressure policy to isolate the Iranian regime, the Secretary of State has revoked the sanctions exception issued in 2018 under the Iran Freedom and Counter-Proliferation Act (IFCA) for Afghanistan reconstruction assistance and economic development, effective September 29, 2025," the State department said in a statement.

"Once the revocation is effective, persons who op-

erate the Chabahar port or engage in other activities described in the IFCA may expose themselves to sanctions under the IFCA," it added.

Earlier this month, National Security Adviser Ajit Doval had discussed intensifying India's engagement with Iran on Chabahar during a conversation with Iranian SNSC Secretary Ali Larjani over telephone. According to an Iranian official release issued in Tehran, Mr. Doval discussed "expanding cooperation in economic ties, security and defence relations, and advancing the Chabahar port project," adding that the two sides would meet in Delhi soon.

According to a note issued by the Shipping Ministry in 2024, India has spent about ₹200 crore of a total allocation of ₹400 crore on the Chabahar project since 2016.

"The port recorded a 43% rise in vessel traffic and a 34% increase in container traffic in 2023-24" the note said.

The imposition of sanctions on Chabahar is the fourth such round of sanctions the Trump administration has passed that directly affects India, and comes just days after the two sides had signalled a rapprochement on trade issues.

In 2017-18, India had conceded to the U.S.'s demand to end all oil imports from Iran and then from Venezuela. India has not so far agreed to cutting down its imports of oil from Russia this year, despite the U.S.'s demand and imposition of a penalty tariff of 25% on all Indian goods in addition to a 25% "reciprocal tariff" already in place.

The sanctions will cost India in terms of its investment in the Iranian port, for which the Modi government signed a 10-year lease agreement in May 2024.



“U.S. to revoke waiver on Chabahar port sanctions”

The Hindu, Page 16

International Relations

Important Sea Routes and Places in News

Context

The U.S. has decided to revoke the special waiver (granted in 2018) that allowed India to develop Iran’s Chabahar Port without facing sanctions. India has already invested over ₹200 crore in the project. This decision may disrupt India’s connectivity strategy and its trade with Afghanistan and Central Asia.

Importance of Chabahar Port for India

- **Bypass Pakistan:** Direct access to Afghanistan & Central Asia.
- **Strategic balance:** Counterweight to China’s Gwadar Port in Pakistan.
- **Trade gateway:** Facilitates India’s regional trade and energy security.
- **Regional presence:** Strengthens India’s influence in West & Central Asia.
- **Long-term lease:** India signed a 10-year agreement in May 2024, ensuring continued role

Summary

The U.S. move to revoke India’s waiver on Chabahar sanctions threatens to derail India’s investment and regional connectivity goals. Despite India’s progress at the port and recent Indo-U.S. trade rapprochement, Washington’s “maximum pressure” on Iran could hurt India’s strategic access to Afghanistan and Central Asia, while benefiting rivals like China at Gwadar.

Saudi-Pakistan defence pact: Significance for the 2 countries

SHUBHAJIT ROY

NEW DELHI, SEPTEMBER 18

PAKISTAN AND Saudi Arabia signed a mutual defence pact on Wednesday, formalising a defence and security partnership that dates back to the 1960s.

Pakistan Prime Minister Shehbaz Sharif and Saudi Crown Prince Mohammed bin Salman, the kingdom's de facto ruler, embraced after signing the agreement. Pakistan's powerful army chief, Field Marshal Asim Munir, was also present.

While not many details about the pact are out yet, a key clause has made headlines around the world: "any aggression against either country shall be considered an aggression against both".

"This agreement, which reflects the shared commitment of both nations to enhance their security and to achieving security and peace in the region and the world, aims to develop aspects of defence cooperation between the

two countries and strengthen joint deterrence against any aggression," a statement from the Pakistani prime minister's office said.

The agreement had been in the works for a while, but was signed in the aftermath of Israel's recent strike in Qatar. Amid Israel's increased belligerence, and the US defence promise looking shakier than ever, this is the first major defence pact an Arab nation has signed, with a nuclear-armed nation.

Pakistan-Saudi Arabia ties

Pakistani troops went to Saudi Arabia in the late 1960s amid concerns about Egypt's war in Yemen at the time. The military cooperation deepened after the 1979 Grand Mosque seizure in Mecca, when Pakistan's special forces helped Saudi troops.

In 1982, the two sides institutionalised security ties through a Bilateral Security Cooperation Agreement that enabled Pakistani training, advisory support and deployments on Saudi soil. Saudi Arabia was a key buyer of



Shehbaz Sharif (left) with Mohammed bin Salman in Riyadh. X/@PakPMO

Pakistan-made arms, and Pakistani personnel trained the Saudi Air Force.

Retired Pakistani Brig Gen Feroz Hassan Khan wrote that Saudi Arabia provided "generous financial support to Pakistan that enabled the nuclear program to continue, especially when the country was under sanctions" (Eating Grass: The Making of the

Pakistani Bomb).

In a 2007 US diplomatic cable published by WikiLeaks, American diplomats in Saudi Arabia said that their Pakistani counterparts had brought up the idea of the kingdom pursuing a weapons program alongside Islamabad.

"...They understand that [Saudi Arabia] does want to protect itself and the region...it is logical for the Saudis to step in as the physical 'protector' just as they have been increasingly stepping in as peace mediators in various regional conflicts," the cable read.

Wednesday's signing represents Pakistan's most consequential formal defence commitment in decades, offering both strategic and economic benefits. It secures vital Saudi investment and funding at a time of fiscal strain, while shoring up Islamabad's claim of being a pan-Islamic security provider.

Husain Haqqani, former Pakistan ambassador to the US, posted on X, "Most likely, Pakistan will now be able to buy US weapons it needs, with Saudi money, which the Trump administration seems willing to sell."

For Saudi Arabia, it strengthens defences against threats from Iran, Yemen's Houthi militias, and the regional turbulence caused by Israel.

Saudi Arabia's ties with India

The Indian government has been cautious in its first official comments.

Ministry of External Affairs official spokesperson, Randhir Jaiswal, said: "The Government was aware that this development, which formalises a long-standing arrangement between the two countries... We will study the implications... for our national security as well as for regional and global stability."

Saudi Arabia has for long invested in a political, strategic and economic relationship with India.

India is the second largest trade partner of Saudi Arabia, whereas the kingdom is the fifth largest trading partner of India. In FY 2023-24, bilateral trade stood at USD 42.98 billion, with Indian exports at USD 11.56 billion and imports at USD 31.42 billion. There is also a 27-lakh

strong Indian diaspora in Saudi Arabia.

The historic visit of King Abdullah to India in January 2006 was a watershed moment that resulted in the signing of the Delhi Declaration. It was followed by the Riyadh Declaration in 2010 during the visit of then PM Manmohan Singh to the Kingdom, which elevated the bilateral ties to a Strategic Partnership.

Since Prime Minister Narendra Modi's 2016 visit to Riyadh, various high level visits from both sides have taken place.

During the Pahalgam attack on April 22, Modi was in Saudi Arabia, and his hosts were quick to condemn the incident. Later, Saudi Minister of State for Foreign Affairs, Adel al-Jubeir, made an unannounced visit during Operation Sindoor.

In the past, Saudi Arabia has not made too strong a criticism of the abrogation of Article 370 from Jammu and Kashmir. The Saudis have sought to talk to both India and Pakistan during times of conflict between the neighbours — and have not taken sides in recent crises. That gives some confidence to Delhi about Riyadh's approach.



Call For More Info

8377072252



2nd Floor, 32-B, Pusa Road Opposite Metro Pillar No. 122 Block 11 Old Rajinder Nagar, Rajinder Nagar, New Delhi, Delhi, 110005



understand.upsc



UnderStandUPSC.com



UnderStand UPSC



UnderStand UPSC

Saudi-Pakistan defence pact: Significance for the 2 countries

Source: The Indian Express, Page No. 19 Explained

International Relations

Context

Pakistan and Saudi Arabia signed a new defence and security pact, reviving a partnership that dates back to the 1960s. The agreement comes at a time of rising tensions in West Asia (Iran, Yemen, Israel) and reflects Saudi Arabia's search for stronger regional defence ties. Pakistan, with its military expertise and nuclear status, is seen as a valuable partner for Riyadh.

Summary of the Article:

- **The Pact:** Signed by Pakistan PM Shehbaz Sharif and Saudi Crown Prince Mohammed bin Salman in Riyadh; Pakistan Army Chief was also present.
 - **Main Idea:** Both nations commit to strengthen defence cooperation and deter aggression.

• Historical Ties:

- Pakistan first sent troops to Saudi Arabia in the 1960s.
- Pakistani pilots flew Saudi jets in the 1970s.
- Pakistan trained the Saudi Air Force and provided military advisers.

• Strategic Angle:

- Pakistan is seen as a “nuclear umbrella” for Saudi Arabia.
- Saudis have supported Pakistan financially during crises.
- U.S. cables (2007) indicated Saudis considered Pakistan as a fallback for nuclear weapons access.

- **Why Now:** Signed soon after Israel's strike in Qatar, amid Israel-U.S. defence coordination and rising Iranian influence.

- **Saudi Interest:** Strengthening security against Iran, Yemen's Houthis, and instability caused by Israel's actions.

Impact on India:

1. **Caution in Diplomacy:** India is watching closely, aware of Saudi–Pakistan defence deepening but maintains strong ties with Riyadh.
2. **Economic Angle:** Saudi Arabia is India’s 2nd-largest trading partner in Middle-East ; bilateral trade (FY 2023–24) stood at \$52.98 billion.
3. **Energy Security:** India imports large amounts of Saudi crude oil; stable relations are crucial.
4. **Diaspora Factor:** 2.7 million Indians live in Saudi Arabia, sending significant remittances.
5. **Strategic Balance:** India–Saudi ties are strong (Delhi Declaration 2006, Riyadh Declaration 2010, Modi’s frequent visits), but closer Saudi–Pak defence ties may limit India’s strategic room.
6. **Security Concern:** Strengthened Pak–Saudi military links may embolden Pakistan diplomatically and militarily, potentially complicating India’s security calculus.

UPSC Mains Question (GS-2 – IR, 150 words):

“Saudi Arabia and Pakistan have recently signed a defence pact, reviving a partnership that dates back to the 1960s. Analyze the strategic significance of this agreement for both countries and assess its possible implications for India.”