

# Enhancing Defense and Security Cooperation with India

Fiscal Year  
July 2017

## Joint Report to Congress



Joint Report to Congress  
in accordance with section 1292 of the  
National Defense Authorization Act (NDAA) for  
Fiscal Year (FY) 2017(Pub. L. 114-328) submitted jointly by  
the Department of Defense and Department of State on  
enhancing defense and security cooperation with India.

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This report to Congress is submitted pursuant to section 1292 of the National Defense Authorization Act for Fiscal Year 2017 (P. L. 114-328). This provision states that not later than 180 days after the date of the enactment of the Act, and annually thereafter, the Secretary of Defense and Secretary of State shall jointly submit to the congressional defense committees and the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives a report on how the United States is supporting its defense relationship with India in relation to a range of specified actions.

The report includes a description of joint actions taken by the Secretary of Defense and Secretary of State necessary to: (A) recognize India's status as a Major Defense Partner of the United States; (B) designate an individual within the executive branch who has experience in defense acquisition and technology to reinforce, through interagency coordination, the success of the Framework for the U.S.-India Defense Relationship and help resolve remaining issues impeding defense trade, security cooperation, and co-production and co-development opportunities; (C) approve and facilitate the transfer of advanced technology, consistent with U.S. conventional arms transfer policy, to support combined military planning with India's military for missions such as humanitarian assistance and disaster relief, counter-piracy, freedom of navigation, and maritime domain awareness missions, and to promote weapons systems interoperability; (D) strengthen the effectiveness of the U.S.-India Defense Technology and Trade Initiative and the durability of the Department of Defense's "India Rapid Reaction Cell;" (E) to collaborate with the Government of India to develop mutually agreeable mechanisms to verify the security of defense articles, defense services, and related technology, such as appropriate cyber security and end-use monitoring arrangements, consistent with U.S. export control laws and policy; (F) promote policies that will encourage the efficient review and authorization of defense sales and exports to India; (G) encourage greater government-to-government and commercial military transactions between the United States and India; (H) support the development and alignment of India's export control and procurement regimes with those of the United States and multilateral control regimes; and (I) continue to enhance defense and security cooperation with India in order to advance the United States interests in South Asia and the greater Indo-Asia-Pacific region.

## **Introduction**

The United States and India maintain a broad-based strategic partnership, underpinned by shared democratic values and interests and strong people-to-people ties. The United States and India are natural partners on a range of political, economic, and security issues. With a mutual desire for global stability, the United States and India have an increasing convergence of interests, including on maritime domain awareness, counter-piracy, counterterrorism, humanitarian assistance, and coordinated response to natural disasters and transnational threats. The partnership has strengthened significantly during the past two decades, and it enjoys broad political support in both countries. The United States and India hold more than 40 government-to-government dialogues, and our bilateral cooperation spans a wide range of areas, from space, maritime security, and counterterrorism to health, commerce, and cybersecurity. We see a growing convergence with India on our strategic outlook for the region, and we view India as an increasingly important regional security partner within and beyond the Indo-Asia-Pacific region.

## **Defense Cooperation**

Defense cooperation has emerged as an important pillar of the U.S.-India partnership. Following the lifting of U.S. sanctions against India in 2001, bilateral defense relations have experienced sustained and significant improvement. In 2005, the United States and India signed the New Framework for the India-U.S. Defense Relationship, establishing a path toward an increasingly broad, complex, and strategic level of cooperation. This was renewed in 2015 with the Framework for the U.S.-India Defense Relationship, which provides guiding principles for bilateral defense engagement, emphasizes strengthening our military exercises, promotes greater cooperation on maritime security and defense trade, and encourages increasingly close consultations on regional security issues. Today, U.S.-India defense cooperation has expanded significantly in scope and quickened in pace, as reflected in our strategic-level engagement and several recent bilateral agreements.

In 2015, the two countries concluded the Joint Strategic Vision (JSV) for the Asia Pacific and Indian Ocean Region, underscoring closer U.S.-India ties and the importance of our cooperation on promoting peace, prosperity, and stability in the region. The JSV emphasizes regional cooperation between the United States and India, particularly on maritime security.

While the United States and India enjoy close defense cooperation across a range of areas, maritime security has become an important focus of our cooperation, consistent with the JSV and the defense framework. Both nations share a commitment to a rules-based international order, the free flow of global commerce, and the freedom of navigation. Moreover, both countries share concerns about maritime threats and a desire to respond to natural disasters and humanitarian crises. As a result, the United States and India established a Maritime Security Dialogue in 2016 to coordinate our maritime-related security and defense cooperation.

The United States and India continue to take steps to increase our ability to cooperate militarily. Most notably, in 2016, the U.S. Department of Defense (DoD) and the Indian Ministry of Defence (MOD) concluded the Logistics Exchange Memorandum of Agreement (LEMOA), which seeks to simplify logistics exchanges between our two militaries.

### *Military Exercises*

The U.S. DoD and the Indian MOD are increasing the scope, complexity, and frequency of participation together in military exercises. These exercises will help enable the United States and India to have an effective combined response to military missions such as providing humanitarian assistance and disaster relief, countering piracy, and responding to transnational threats and terrorism. Our annual Army exercise, YUDH ABHYAS, a battalion-level field-training exercise, continues to increase in scope and consists of a Brigade-level Command Post Exercise, a Battalion-led Company Field Training Exercise, and several Expert Academic Exchanges.

Our annual naval exercise, MALABAR, has included Japan as a participating partner since 2014 and has in recent years focused on increasing our cooperation on anti-submarine warfare, maritime patrol and reconnaissance, aircraft carrier operations, as well as air defense. India has deepened its involvement with the biennial Rim-of-the-Pacific (RIMPAC) exercise hosted by U.S. Pacific Command. India started as an exercise observer in 2006 and deployed a ship in 2014 and 2016.

In 2016, the Indian Air Force and U.S. Air Force exercised together in the multilateral RED FLAG-Alaska exercise. In 2017, the United States expects to relaunch our bilateral Air Force exercise, COPE INDIA. The U.S. Air Force is also focused on expanding cooperation with the Indian Air Force on C-130J/C-17 transport aircraft capabilities, flight safety, humanitarian assistance and disaster relief, and combat search and rescue.

U.S. Special Operations Forces partner with Indian counterparts on two exercises – TARKASH and VAJRA PRAHAR. In 2015, U.S. Special Forces conducted an inaugural TARKASH joint-combined counterterrorism training exercise with the Indian National Security Guards (NSG), the Ministry of Home Affairs' premiere counterterrorism force, and it conducted a second TARKASH exercise with the NSG in March 2017. In January 2016, U.S. and Indian Special Forces restarted VAJRA PRAHAR, focused on small-unit special operations.

### *International Military Education and Training*

The U.S. DoD and the Indian MOD have a robust International Military Education and Training (IMET) program that brings Indian military personnel to U.S. institutions for training. Since 2003, India has received at least \$1 million of IMET funding each year. IMET funds India's best and brightest future leaders to our schools for the purpose of facilitating Indian participation in premier professional military education courses such as those at National Defense University and Naval War College. This program enables clearer mutual understanding and develops closer military relations between the United States and India. IMET graduates typically return to fill senior strategic and operational billets within their respective militaries. For India, seven of the last nine Indian Navy Chiefs have been U.S. professional military education graduates. For Fiscal Year (FY) 2017, the Department of State allocated \$1.3 million in International Military Education and Training funds for India.

## *Peacekeeping*

The United States and India continue to expand cooperation on peacekeeping. The history of U.S.-India cooperation on United Nations (UN) peacekeeping dates back to the deployment of the Indian Army 60<sup>th</sup> Field Ambulance, an elite group of medical paratroopers, as part of the UN mission in Korea. Today, India is consistently in the top three force-and police-contributing countries to the United Nations and plays a critical role supporting peacekeeping operations around the world. In 2016, India and the United States conducted a three-week combined peacekeeping course for the first time, and trained 38 peacekeeping partners from 10 African countries. The next iteration of the joint course will be held during the summer of 2017. The United States and India are also developing a plan for two Indian instructors to participate in a U.S.-sponsored mobile training team in Africa in late 2017. This enduring cooperation on peacekeeping speaks to the history and strength of the Indo-U.S. security partnership and our mutual commitment to uphold the ideals of the United Nations.

## *Defense POW/MIA Accounting Agency Missions*

The United States and India continue to work together to locate, identify, recover, and honorably repatriate the remains of approximately 400 unaccounted-for U.S. service members from World War II. The genesis of this relationship began in 1978 when the Government of India voluntarily turned over three sets of World War II remains. Our engagement with the Government of India in this important area is an opportunity to pursue the humanitarian mission of accounting for U.S. personnel lost during World War II.

## **Defense Trade and Technology Cooperation**

As our shared interests have expanded, the United States and India have experienced growing progress in bilateral defense trade and technology cooperation. Since the mid-2000s, U.S.-India defense trade has continued to reinforce our strategic partnership, enable greater interaction between our armed forces, and better align our defense establishments. The United States and India continue efforts to develop a mutual understanding of our respective procurement and acquisition systems in order to enable stronger cooperation.

Since 2008, the United States and India have concluded more than \$15 billion in defense trade, including the transfer from the United States to India of C-130J and C-17 transport aircraft, P-8I maritime patrol aircraft, Harpoon missiles, Apache and Chinook helicopters, and M777 light-weight Howitzers. India operates the second largest C-17 and P-8 fleets in the world, recently using its C-17s to deliver humanitarian assistance to Nepal and evacuate civilians from Yemen. With the support of the U.S. Government, the U.S. defense industry provided India with proposals for F-16 Block 70 and F/A-18 Super Hornet fighter aircraft. These proposals will help create and maintain jobs in both countries and demonstrate the depth of our commitment to defense cooperation.

## *Defense Technology and Trade Initiative*

In 2012, the U.S. DoD and the Indian MOD established the Defense Technology and Trade Initiative (DTTI) as a means of strengthening our industrial cooperation and moving away from the traditional “buyer-seller” dynamic and toward a more collaborative relationship. DTTI seeks to overcome bureaucratic obstacles to cooperation, identify opportunities to advance the sharing of defense technologies, collaborate on science and technology projects, partner with industry on defense-focused co-development and co-production business opportunities, and jointly explore government process and policy changes needed to further this emerging relationship.

Under DTTI, there are seven Joint Working Groups exploring projects across a range of mutual interests including: aircraft carriers; jet engines; intelligence, surveillance, and reconnaissance; chemical-biological protection; naval systems; and air systems. DTTI is uniquely situated to take advantage of our respective industrial and technological capabilities through co-production and co-development opportunities. DoD continues to pursue a range of projects designed to expand cooperation into new areas. DTTI has made possible the transfer of radar, gas turbine engine, night-vision, and other technology to India, and facilitated important cooperation on topics such as aircraft carrier design.

Beginning in mid-2014, DoD’s efforts under DTTI have been led by the Under Secretary of Defense for Acquisition, Technology, and Logistics (USD (AT&L)). The day-to-day work of DTTI is undertaken by the DTTI Interagency Task Force, co-chaired by the Director for International Cooperation, Office of the USD (AT&L). To support DTTI, DoD established the India Rapid Reaction Cell (IRRC) in 2015 – a team of full-time personnel exclusively focused on advancing the work of DTTI.

As outlined in the National Defense Authorization Act (NDAA) for FY 2017, the future leadership of DTTI will consist of an individual with experience in defense acquisition and technology to reinforce and ensure the success of the U.S.-India Defense Relationship. This individual will help resolve remaining issues impeding bilateral defense trade and other cooperation. The NDAA for FY 2017 also directs the Department to reorganize the Office of the USD (AT&L) into two new Under Secretary positions—one for Research and Engineering (USD (R&E)) and one for Acquisition and Sustainment (USD (A&S)). This change will take effect no later than February 2018. The organizational responsibility for DTTI will be determined as part of the reorganization of AT&L; however, this determination will not affect DTTI’s ongoing work.

## *Major Defense Partner*

As a reflection of the increasing strategic importance of the U.S.-India security relationship and the significant progress both countries have made in advancing defense cooperation, the United States designated India a “Major Defense Partner” in June 2016 – a status unique to India. The designation is intended to elevate defense trade and technology sharing with India to a level commensurate with that of our closest allies and partners. It also seeks to institutionalize changes the United States has made to ensure strong defense trade and technology cooperation, and is intended to strengthen our efforts under DTTI.

The Major Defense Partner designation reflects the readiness of the United States to facilitate the export of goods and technologies for projects, programs, and joint ventures in support of official U.S.-India defense cooperation. This designation aims to support the development of defense industries and their integration into the global supply chain and provide a way to approve and facilitate the transfer of advanced technology. In particular, two significant modifications have been made to the Export Administration Regulations (EAR). First, the EAR establishes a presumption of approval for export licensing, which increases the efficiency and reliability of licensing decisions. Second, the EAR includes an authorization for India to be a Verified End User (VEU) for commercial and military exports, which negates the necessity of individually validated licenses for approved VEU applicants. These two modifications better enable India to cooperate with the United States on the manufacturing of large projects and enable instantaneous exports to provide a just-in-time supply chain.

Implementation of India's status as a Major Defense Partner is a joint responsibility of the Departments of Defense, State, and Commerce. The Department of Commerce plays a critical role in ensuring Indian industry is able to navigate EAR changes for appropriate use. The set of policies established under the Major Defense Partner designation strengthens the confidence and increases the transparency of the U.S.-India bilateral commercial and defense trade relationship and reflects the increasing importance of our defense partnership.

#### *Export Control Regimes*

The United States and India share a commitment to preventing the proliferation of weapons of mass destruction and their means of delivery. Since 2010, the United States has supported India's membership in the four multilateral export control regimes—Wassenaar Arrangement, Nuclear Suppliers Group (NSG), Australia Group, and the Missile Technology Control Regime— as India prepared to take the steps required for membership in each one.

The United States welcomed India as a member of the Missile Technology Control Regime and its subscription to the Hague Code of Conduct Against Ballistic Missile Proliferation in June 2016. The United States welcomed India's application to join the NSG and it continues to re-affirm that India is ready for membership. The United States has called on NSG members to support India's application. The United States has also re-affirmed its support for India's membership in the Australia Group and Wassenaar Arrangement as soon as India meets each group's membership criteria.

#### *Technology Security*

Technology security is an area of growing cooperation between the United States and India. DoD launched the Senior Technology Security Group (STSG) in 2002 to develop a mutual understanding of our respective national export controls and technology security processes, and to establish an ongoing technology security dialogue between MoD and DoD counterparts. The Director of the Defense Technology Security Administration is the U.S. co-chair of the STSG, which most recently met in December 2016. The STSG co-chairs recognize that safeguarding technology will be a critical element for the long-term success and viability of DTTI and other defense cooperative efforts, and they are actively seeking ways in which the United States and India might strengthen technology security cooperation.

## *Cyber Security*

The United States and India have a strategic cyber relationship that reflects our common vision and shared principles for cyberspace. Both countries are committed to an open, interoperable, secure, and reliable cyberspace environment, and both also recognize the importance of bilateral and international cooperation for combating cyber threats and promoting cybersecurity.

After Prime Minister Modi's June 2016 visit, the United States and India released the "Framework for the U.S.-India Cyber Relationship," which recognizes the value of enhancing and institutionalizing our broad-based cooperation on cyber issues. The framework highlights priority areas for U.S.-India cyber cooperation including strengthening critical internet infrastructure and undertaking skill development and capacity building programs.

## **Conclusion**

The U.S.-India defense relationship has matured and strengthened significantly over the past 15 years. Our strategic partnership rests on our shared democratic values, security interests, and strong people-to-people ties. The myriad of defense cooperation activities and, unique to India, Defense Technology and Trade Initiative and Major Defense Partner designation, attest to the importance both countries place on the defense relationship. The momentum behind the relationship and converging security interests will result in a more secure Indo-Asia-Pacific region and beyond.