



CAATSA Sanctions on Turkey

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Why in News

The USA administration has recently imposed **sanctions on Turkey** for its purchase of the **S-400 missile system** from Russia.

The issue of **sanctions under Section 231** of the Countering America's Adversaries Through Sanctions Act (CAATSA) for purchase of Russian arms is of **particular interest to India**, which is also in the process of buying the **S-400 from Russia**.

Key Points

- **Background:**

- Previously, the United States had made it clear to Turkey that its purchase of the S-400 system would **endanger the security of the USA**.
 - The procurement will provide substantial funds to **Russia's defense sector**, as well as Russian access to the **Turkish armed forces** and defense industry.
- Turkey yet decided to move ahead with the procurement and testing of the S-400, despite the availability of alternatives such as **NATO-interoperable systems (such as USA's Patriot missile defense system)**, to meet its defense requirements.
 - Turkey is a **North Atlantic Treaty Organization (NATO)** ally of the USA.
 - **NATO** is a **military alliance** established by the **North Atlantic Treaty** (also called the **Washington Treaty**) in 1949, by several Western nations to provide collective security against **the Soviet Union**.
- In 2019, the USA had removed Turkey from its **F-35 jet program** over concerns that **sensitive information could be accessed by Russia** if Turkey used Russian systems along with the USA jets.
- The **S-400 Triumph air defence system** integrates a **multifunction radar, autonomous detection and targeting systems, anti-aircraft missile systems, launchers, and command and control centre**. It is capable of firing **three types of missiles** to create a layered defence.
 - It is a mobile, **surface-to-air missile system (SAM)**. It is the most dangerous operationally deployed **modern long-range SAM (MLR SAM)** in the world, considered much ahead of the US-developed **Terminal High Altitude Area Defense system (THAAD)**.
 - Thaad is **US anti ballistic missile defence system**

- **Sanctions on Turkey:**

- Sanctions were imposed on Turkey's main defence procurement agency, **the Presidency of Defense Industries (SSB)**.
- These sanctions comprise a ban on granting **specific U.S. export licenses and authorisations for any goods or technology**.
- Also, a ban on loans or credits by U.S. financial institutions totaling more than 10 million USD in any 12-month period.
- A **ban** on U.S. Export-Import Bank assistance for exports and mandated U.S. opposition to loans by international financial organisations to SSB.

Countering America's Adversaries Through Sanctions Act (CAATSA)

- Enacted in 2017, it is a US federal law that **imposed sanctions on Iran, North Korea and Russia**.
- Includes sanctions **against countries that engage in significant transactions with Russia's defence and intelligence sectors**.

- The Act empowers the US President to impose at least five of the 12 listed sanctions on persons engaged in a “significant transaction” with Russian defence and intelligence sectors.
- Its “ultimate goal”, “is to prevent **revenue from flowing** to the Russian Government.

Concerns for India:

- India, inked a Rs. 39,000 crore deal to buy the **S-400 Triumph long-range surface-to-air missile** systems from **Almaz-Antey Corporation of Russia** in October 2018 and the **delivery is expected to start in 2021**.
 - Apart from the S-400 air defence system, **Project 1135.6 frigates** and **Ka226T helicopters** will also be affected. Also, it will impact joint ventures, like **Indo Russian Aviation Ltd, Multi-Role Transport Aircraft Ltd and Brahmos Aerospace**. It will also affect India's purchase of **spare parts, components, raw materials and other assistance**.
 - As per the **Stockholm International Peace Research Institute (SIPRI) Arms Transfer Database**, during the period 2010-17, Russia was the **top arms** supplier to India
 - **Russian Origin Indian Weapon:**
 - Nuclear submarine **INS Chakra**, the Kilo-class conventional submarine, the supersonic **Brahmos cruise missile**, the **MiG 21/27/29** and **Su-30 MKI** fighters, **IL-76/78** transport planes, **T-72 and T-90 tanks**, Mi-series of helicopters, and **Vikramaditya** aircraft carrier,
- The CAATSA contains 12 types of sanctions. Of these, **10 will have very little, or no, impact** on India's current relations with either Russia or the US. There are only **two sanctions** that may impact either **India-Russia relations or India-US relations**.
 - The **first** of these, which is likely to have an impact on India-Russia relations, is the **“Prohibition of Banking transactions”**.
 - This would mean difficulties for India in making payments in US Dollars to Russia for the purchase of the S-400 systems.
 - The **second sanction** will have greater consequences for India-US relations.
 - This is the **“export sanction”** which has the potential to completely derail the **India-US Strategic and Defence partnership**, as it will deny the license for, and export of, any items controlled by the US to the sanctioned person such as
 - All dual-use high technology goods and technology,
 - All defence related items,
 - All nuclear related items and
 - All other items from the US requiring prior review and approval of the United States Government.
 - It will effectively **bar India from buying any major defence equipment from the US**, putting a stop to any Defence and Strategic Partnership between India and the US. The MDP (Major Defence Partner) designation would lose its relevance in that context.

Way Forward

Russia always saw India as a balancer that's why Russia facilitated India's inclusion into SCO and formation of RIC doctrine. India today is in a unique position where it has a favourable relation with all great powers, and she must leverage this position to help in building a peaceful world order. Finally, there is a need to develop closer ties not only with Russia but also with the United States, which could balance any moves towards a strategic partnership between China and Russia.

Source:TH