



8th India-Australia Defence Policy Talks

For Prelims: 8th India-Australia Defence Policy Talks, [Comprehensive Strategic Partnership](#), [Nuclear Non-Proliferation Treaty](#), [2+2 Ministerial Dialogue](#), [Mutual Logistics Support Agreement](#), [QUAD](#).

For Mains: India-Australia Relations, challenges and Way Forward.

Source: [PIB](#)

Why in News?

The 8th **India-Australia Defence Policy Talks (DPT)** was held at **Canberra, Australia**.



What are the Key Highlights of the Talks?

- Both India and Australia reviewed the **bilateral defence cooperation** and explored new initiatives to further strengthen bilateral defence engagements.
- Both sides reaffirmed their commitment to fully implement the [Comprehensive Strategic Partnership](#) based on mutual trust and understanding, common interests and shared values.
- India highlighted the **potential of the Indian defence industry** with capacity and capability to

- cooperate with **Australian Armed forces** in its shipbuilding and maintenance plans.
- Both sides agreed for early finalization of **hydrography agreement**.

How have been the India- Australia Relations so far?

- **Historical Perspective:**
 - Australia and India for the first time established diplomatic relations in the **pre-Independence period**, when the Consulate General of India was first opened as a Trade Office in Sydney in 1941.
 - In 2014, Australia signed a Uranium supply deal with India, the first of its kind with a country that is a **non-signatory to the [Nuclear Non-Proliferation Treaty](#)**, in recognition of India's "impeccable" non-proliferation record.
- **Strategic Ties:**
 - In 2020, Prime ministers of both the countries elevated bilateral relationship from Strategic Partnership to **[Comprehensive strategic Partnership](#)** during **[India-Australia Leaders' Virtual Summit](#)**.
 - In 2022, there were a series of high-level **engagements and exchange of ministerial visits in 2022 and in 2023** including India-Australia virtual summit and Foreign Ministers meet. Several key announcements were made during 2nd India-Australia Virtual Summit including:
 - A Letter of Intent on Migration and Mobility Partnership Arrangement to foster the exchange of skills.
- **Defence Cooperation:**
 - The First India-Australia **[2+2 Ministerial Dialogue](#)** took place in September 2021 in New Delhi.
 - The **[Mutual Logistics Support Agreement \(MLSA\)](#)** was signed during the Virtual Summit in June 2020 to enhance defence cooperation.
- **Joint military exercises:**
 - **Bilateral:**
 - **[Naval Exercise Kakadu](#)**
 - **[Ausindex](#)** (Navy)
 - **Ex AUSTRA HIND** (Army)
 - **Multilateral Exercise:**
 - **[Malabar](#)**: Australia will host the "Malabar" exercises in August 2023, with participation from India, Japan, and the US.
 - **[Exercise Pitch Black 22](#)**.
- **China Factor:**
 - Australia-China ties became strained due to several reasons including Australia banning **Huawei from the 5G network**, call for enquiry into the origins of Covid-19 and Slamming **[china's human rights violations in Xinjiang](#)** and Hongkong.
 - China responded by imposing trade barriers on Australian exports, and by cutting off all ministerial contact.
 - India is facing Chinese aggression along the border which has been highlighted by incidents such as the Galwan **[valley clash](#)**.
 - Both Australia and India support a **rules-based international order** and they are seeking to forge regional institutions in the Indo-Pacific which are inclusive, promote further economic integration.
 - The countries' participation in **[Quad \(India, Australia, US, Japan\)](#)** is an example of their convergence of interests, based on shared concerns.
- **Multilateral Cooperation:**
 - Both are members of the **[Quad](#)**, Commonwealth, **[Indian Ocean Rim Association \(IORA\)](#)**, **[ASEAN Regional Forum](#)**, Asia Pacific Partnership on Climate and Clean Development, **[Indo-Pacific Economic Forum \(IPEF\)](#)** and have participated in the **[East Asia Summits](#)**.
 - Both countries have also been cooperating as members of the Five Interested Parties (FIP) in the **[World Trade Organization](#)** context.
 - Australia is an important player in **[Asia Pacific Economic Cooperation \(APEC\)](#)** and supports India's membership of the organisation.
- **Economic Cooperation:**
 - **[Economic Cooperation Trade Agreement \(ECTA\)](#)**:

- It is the first free trade agreement signed by India with a developed country in a decade which entered into force in December 2022.
- **Supply Chain Resilience Initiative (SCRI):**
 - India and Australia are partners in the trilateral arrangement along with Japan which seeks to enhance the resilience of supply chains in the **Indo-Pacific Region.**
- **Bilateral trade:**
 - Australia is currently India's 17th largest trading partner, and **India is Australia's 9th** largest trading partner.
 - The bilateral trade between India and Australia (April – November 2022) stood at USD 18,903 million.
 - Australia occupies the 29th position in FDI equity inflows into India with a cumulative FDI amount of USD 1,060.27 million from April 2000 – September 2022.
- **Cooperation in Education Sector:**
 - The Mechanism for **Mutual Recognition of Educational Qualifications (MREQ)** was signed in March 2023. This will facilitate mobility of students between India and Australia.
 - Deakin University and University of Wollongong are planning to open campuses in India.
 - More than 1 lakh Indian students are pursuing higher education degrees in Australian universities, making Indian students the second largest cohort of foreign students in Australia.
- **Cooperation on Clean Energy:**
 - In 2022, both countries signed a **Letter of Intent on New and Renewable Energy** for cooperation to reduce the cost of renewable energy technologies, including ultra low-cost solar and clean hydrogen.
 - India announced Australian Dollars (AUD) 10 million for Pacific Island Countries under the **International Solar Alliance (ISA).**
 - Both the countries committed to USD 5.8 million to the three-year **India-Australia Critical Minerals Investment Partnership.**

Way Forward

- The India-Australia relations have strengthened in recent years due to shared values, interests, geography, and objectives.
- Both countries envision **a free, open, inclusive, and rules-based Indo-Pacific region**, unilateral or coercive actions are not preferred and are to be avoided in resolving any disagreements or conflicts.
- Renewed relationship between India- Australia through initiatives such as India Australia bilateral Summits **give an opportunity to further strengthen the ties between the two countries** to play an active role in ensuring rule-based order in the Indo-Pacific.

UPSC Civil Services Examination, Previous Year Questions (PYQs)

Q.1 Consider the following countries: (2018)

1. Australia
2. Canada
3. China
4. India
5. Japan
6. USA

Which of the above are among the 'free-trade partners' of ASEAN?

- (a) 1, 2, 4 and 5
- (b) 3, 4, 5 and 6
- (c) 1, 3, 4 and 5
- (d) 2, 3, 4 and 6

Ans: (c)

- The Association of Southeast Asian Nations (ASEAN) has free trade agreements with six partners, namely the People's Republic of China, Republic of Korea, Japan, India as well as Australia and New Zealand.

PDF Refernece URL: <https://www.drishtias.com/printpdf/8th-india-australia-defence-policy-talks>