

Far and Wide

Every week we share selection of six news from six continents that we believe will impact our world in the near or distant future

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G7 Summit commits to promoting India-Middle East-Europe Economic Corridor

Welcome to the latest edition of Far and Wide, where we embark on a journey to explore intriguing stories and global developments.

In a significant move at the recent G7 summit, member nations committed to advancing the India-Middle East-Europe Economic Corridor. This ambitious project aims to enhance economic integration and enhance connectivity between these regions, marking a strategic step towards fostering global trade and cooperation.

The corridor, envisioned as a modern trade route, will link India to Europe through the Middle East, facilitating smoother and more efficient transportation of goods, services, and energy resources. The initiative highlights the importance of infrastructure development, including ports, railways, and highways, which are crucial for reducing transit times and costs. India, with its rapidly growing economy, stands to benefit immensely from this corridor. Improved connectivity with the Middle East and Europe will open new markets for Indian goods and services, driving economic growth and creating job opportunities. Moreover, it will enhance energy security by providing more direct access to energy supplies from the Middle East. The Middle East, positioned as a central hub in this corridor, will gain from increased trade flow and investment. Enhanced infrastructure will not only boost regional economies but also promote stability through economic interdependence. For Europe, the corridor offers a more direct trade route with South Asia, reducing reliance on longer sea routes and potentially lowering the carbon footprint of freight transport. This initiative aligns with the G7's broader goals of sustainable development and economic resilience. By promoting infrastructure investments and regional integration, the corridor aims to create a more interconnected and robust global economy.

The commitment to the India-Middle East-Europe Economic Corridor reflects the G7's recognition of the strategic importance of this project. As planning and development proceed, it is expected to bring substantial economic benefits and strengthen ties between Asia, the Middle East, and Europe, paving the way for a new era of international collaboration and prosperity.

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Source: The Hindu

<https://www.thehindu.com/news/international/g7-summit-commits-to-promoting-india-middle-east-europe-economic-corridor/article68292418.ece/amp/>



Europe

G7 Summit Endorses India-Middle East-Europe Economic Corridor

At the recent G7 summit, member nations committed to advancing the India-Middle East-Europe Economic Corridor, an ambitious project aimed at enhancing economic integration and connectivity between these regions. This initiative marks a strategic step towards fostering global trade and cooperation.

The corridor is envisioned as a modern trade route linking India to Europe through the Middle East, facilitating smoother and more efficient transportation of goods, services, and energy resources. Infrastructure development, including ports, railways, and highways, is crucial for reducing transit times and costs. India, with its rapidly growing economy, stands to benefit immensely by gaining access to new markets in the Middle East and Europe, driving economic growth and creating job opportunities. Moreover, the corridor will enhance energy security by providing direct access to Middle Eastern energy supplies.

The Middle East, as a central hub, will benefit from increased trade flow and investment, boosting regional economies and promoting stability through economic interdependence. For Europe, the corridor offers a more direct trade route with South Asia, reducing reliance on longer sea routes and potentially lowering the carbon footprint of freight transport. This commitment underscores the G7's recognition of the corridor's strategic importance. As planning and development proceed, it is expected to bring substantial economic benefits and strengthen ties between Asia, the Middle East, and Europe, ushering in a new era of international collaboration and prosperity.



North America

India, US in 'advanced stage of talks' for combat vehicles

India and the United States are in advanced talks regarding the joint manufacture of the latest Stryker Armoured Infantry Combat Vehicles (ICV), a key development in their defense collaboration. The project involves a three-phase strategy: initial off-the-shelf purchase of Stryker vehicles via the US Foreign Military Sales program, followed by joint production in India, and eventual collaboration on future advanced capabilities. This plan's success depends on the Stryker meeting the operational needs of India's mechanized infantry battalions, significant indigenization, and technology transfer to an Indian partner, either a defense PSU or a private firm.

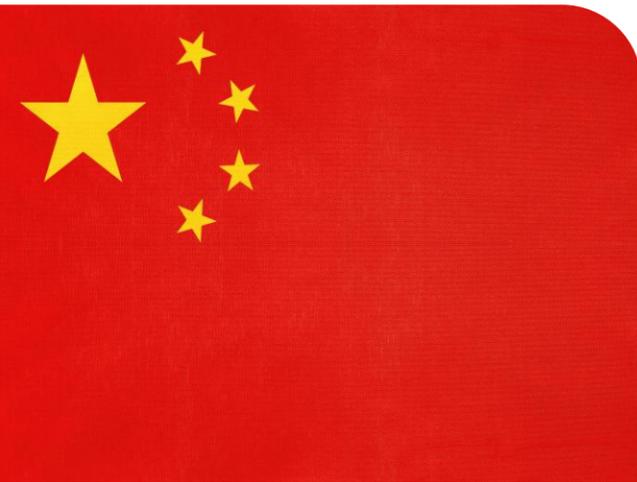
The Indian Army seeks to replace **over 2,000 BMP-II vehicles with advanced ICVs**, including indigenous models. The US, promoting the Stryker, underscores its commitment to bilateral defense cooperation, highlighted by US Defense Secretary Lloyd J. Austin and National Security Advisor Jake Sullivan's visits to India. Since 2007, the US has secured approximately \$22 billion in Indian defense contracts.

Additionally, India and the US are finalizing two major defense deals this fiscal year: the procurement of **31 MQ-9B drones worth \$3.9 billion** and the co-production of **GE-F414 jet engines with 80% technology transfer** for India's Tejas Mark-II fighters, valued at about \$1 billion.



Source: The Times of India

<https://timesofindia.indiatimes.com/india/india-us-in-advanced-stage-of-talks-for-combat-vehicles/articleshow/111043934.cms>



South America

China's Megaport in Peru Raises Concerns in the US

Source: The Times of India

<https://timesofindia.indiatimes.com/world/chinas-megaport-in-south-americas-peru-rattling-us-report/articleshow/110990962.cms>

China's new infrastructural project in South America, a megaport in Peru, has raised significant concerns in the United States. Viewed as part of China's Belt and Road Initiative (BRI), this megaport aims to strengthen economic ties and extend China's global influence. Located in Chancay, 80 kilometers north of Lima, the port is set to become a key hub in maritime logistics, efficiently linking South American markets with Asia. With the capacity to handle up to 1.5 million twenty-foot equivalent units (TEUs) annually, the Chancay port promises to reduce transportation time and costs, offering a competitive alternative to current routes. Peru stands to gain economically through job creation, increased trade, and better global market connectivity.

However, the United States views this development with apprehension. The port's strategic location gives China a significant presence in South America, traditionally within the US sphere of influence. American officials worry about potential security risks, fearing the port could serve both commercial and military purposes. Amidst broader US-China tensions, the US is concerned about China's expanding influence, which could challenge its geopolitical dominance. The Chancay port construction showcases China's strategic planning and commitment to enhancing its global trade network.



Asia

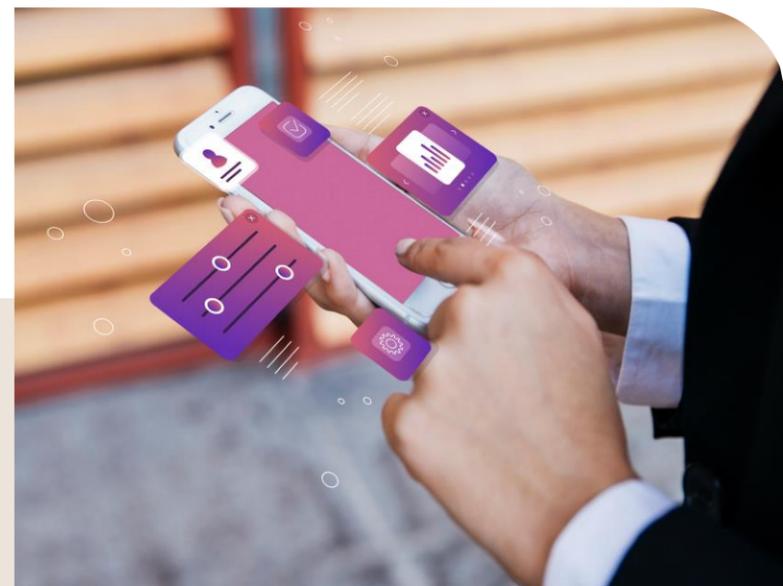
Digital Wallets Surpass Cash and Cards in Asia, Led by China and India

Digital wallets have overtaken traditional cash and card transactions as the leading payment method in Asia, spearheaded by China and India. This shift is fuelled by rapid technological advancements and widespread smartphone use. China, with its robust fintech infrastructure, has seen massive adoption of platforms like Alipay and WeChat Pay, making everyday transactions seamless and secure. These platforms are deeply integrated into daily life, from grocery shopping to online purchases.

In India, digital wallet usage has surged due to the Government's push for a cashless economy and the affordability of smartphones. The introduction of the Unified Payments Interface (UPI) has been pivotal, allowing instant bank transfers via mobile devices. Platforms such as Paytm, PhonePe, and Google Pay have leveraged UPI's infrastructure, driving widespread adoption.

Beyond China and India, countries like Indonesia, Malaysia, and Thailand are also experiencing rapid growth in digital wallet usage. The appeal of convenience, security, and efficiency is attracting consumers across the region. Traditional banks and card companies are now adapting to this evolving landscape.

The rise of digital wallets signifies a major transformation in Asia's financial ecosystem. As technology continues to evolve, digital wallets are expected to further dominate, shaping the future of payments in the region.



Source: CNBC

<https://www.cnbc.com/amp/2024/06/13/china-india-lead-as-digital-wallets-overtake-cash-and-cards-in-asia.html>



Oceania

India sends humanitarian aid to landslide-hit Papua New Guinea

India has dispatched 19 tonnes of humanitarian and disaster relief aid to Papua New Guinea following devastating landslides that struck the country. The assistance, comprising essential supplies such as tents, blankets, and medicines will help alleviate the suffering of those affected by the natural disaster. India also previously announced a \$ 1 million assistance to the country.

The landslides which were triggered by heavy rains, have severely impacted several communities in Papua New Guinea, causing significant loss of life and displacing thousands of people. The Indian government responded swiftly to the crisis, reflecting its commitment to supporting international humanitarian efforts in times of need.

Source: The Economic Times

<https://timesofindia.indiatimes.com/india/india-sends-humanitarian-aid-to-landslide-hit-papua-new-guinea/articleshow/110958062.cms>

India's aid package, coordinated through its Ministry of External Affairs, includes **13 tonnes of disaster relief material** including temporary shelter, water tanks, hygiene kits and ready to eat meals and 6 tonnes of emergency use medicine, medical equipment, baby food along with other things. This gesture solidifies India's solidarity with the people of Papua New Guinea during this challenging period and its' commitment to supporting pacific island partners through the Forum for India – Pacific Islands Cooperation (FIPIC). Overall, India's swift response and provision of essential supplies to **Papua New Guinea illustrate a compassionate and supportive approach** in international disaster relief, aiming to mitigate the immediate suffering and facilitate recovery efforts in the affected regions.



Africa

ANC and DA Forge Alliance to Form South African Government of National Unity

South Africa's ruling African National Congress (ANC) and the primary opposition party, Democratic Alliance (DA), along with two smaller opposition parties, have reached an agreement to establish a government of national unity. This development comes after extensive speculation regarding potential coalition partners for the ANC, which lost its parliamentary majority for the first time in three decades during last month's elections, securing 40% of the vote. The DA secured the second position with 22% of the vote. The agreement sets the stage for Cyril Ramaphosa, leader of the ANC, to continue serving as president of South Africa.

ANC Secretary-General Fikile Mbalula emphasized ongoing discussions beyond the current sitting aimed at forming a government of national unity. The alliance between the Democratic Alliance (DA) and the ANC is unprecedented, given their historical rivalry spanning decades. The ANC, led by Nelson Mandela, spearheaded the anti-apartheid struggle and won South Africa's first democratic elections in 1994. President Ramaphosa's preference for partnering with the DA and IFP reflects a strategy aimed at addressing South Africa's economic challenges and infrastructure deficiencies, amidst internal divisions within the ANC. However, significant policy differences persist, particularly regarding the creation of a government-funded national health service and black economic empowerment policies, which the DA opposes on grounds of cost and alleged favouritism.



Source: BBC

<https://www.bbc.com/news/articles/c8007w4vqveo.amp>