

Sino-Indian Port Politics in the Indian Ocean Region

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Abstract

This study evaluates the extent of Sino-India port politics in the Indian Ocean and its implications on the region. China, under the umbrella of BRI has started investing in ports of littoral Indian Ocean countries such as Pakistan, Myanmar, Bangladesh, Sri Lanka, Djibouti, Iran etc. India has been accusing China of encircling it through these projects. Since the commencement of BRI, Chinese and Indian presence has increased at key ports on major trade routes and surveillance points. The Indian national interests have been hurt by the Chinese investments in the port sector of Indian Ocean littoral countries. As counter measures, Indian has taken steps to revive its maritime policy, improve ties with global powers through QUAD alliance, foundational agreements with US, investments in ports of countries like Iran, Oman, Seychelles, Mauritius etc. and improving its navy and naval facilities. Sino Indian competition for resources and influence will have implications for the whole region. As the quest for energy increases between the two countries the economic integration will also increase in the region as compared to the past, especially through BRI projects. This can also result in the militarization of the Indian Ocean as both countries have increased investments in their respective naval forces. There is a need to find common ground so that the region can benefit and not face further problems.

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Introduction

The Belt and Road Initiative (BRI), presented by President Xi in 2013, gave policy coherence to China's growing economic ingress across and beyond the Indian Ocean Region (IOR). India has signed a series of military pacts with the US including the Communications Compatibility and Security Agreement (COMCASA), Logistics Exchange Memorandum of Agreement (LEMOA) and Basic Exchange and Cooperation Agreement (BECA), which will increase US and Indian defense and communication cooperation. (Briskey, 2022) in this paper Maritime India: The Quest for a Steadfast Identity stated that Indian naval strategy and doctrine that had been serving the country's interests since 1947 was deemed inadequate. The Indian Naval Strategy 2015 showed that the growing Chinese influence in the IOR brought a shift in Indian Naval doctrine that was once focusing just on maintenance of regional naval superiority. With this naval strategy, India now envisions to possess the capability to operate globally and plug into global coalitions.

As reported by News18, Indian PM Modi presented his vision for Indian Ocean Region in form of Mission SAGAR (Security and Growth for All in the Region) initiative, in 2015. Earlier in 2014 as reported by The Hindu, PM Modi while addressing the ASEAN Summit in Myanmar also announced that India's Look East Policy had become Act East Policy. The Sea Lines of Communications (SLOCs) passing through IOR are of extreme importance to India as the country hosts a huge trade bulk on its 12 major and 187 minor ports. As reported by United Nations Conference on Trade and Development,

India's maritime total merchandize export in 2021 was \$395,425 million. On Bab-el-Mandeb, India has shown interest in developing a naval base at Djibouti, which POLITICO in 2018 called the 'the most valuable military real estate in the world'.

India and China have been eyeing on increasing their influence on IOR's littoral states ~~in order~~ to secure their geopolitical interests. This can be viewed in both countries port projects in countries like Pakistan, Iran, Sri Lanka, Bangladesh, Myanmar, Seychelles, Mauritius, Djibouti and Oman. Gwadar Port in Pakistan is an important project of CPEC, the flagship project of BRI. On the Strait of Hormuz, India has invested heavily in Iran's Chabahar port, only 170km away from Gwadar. To much of New Delhi's frustration, China is also eyeing to become a partner in it. Amir Moghadam , Managing Director of the Chabahar Free Zone Organization announced that China launched direct shipping line to Chabahar port. Chinese ships were previously being unloaded at Bandr Abbas (Hellinc Shipping News 2023). Reports by Al-Jazeera revealed in August 2021 that India is developing a military facility on North Agaléga Islands, Mauritius (Bashfield, Why is India building a military base on Agaléga island? 2021). Indian Adani Group is also investing \$700 million in a West Container Terminal in Sri Lankan port at Colombo next to China's \$500 million run jetty (AFP, 2021). China has signed an Economic and Technical Cooperation Agreement in 2017 while as reported by The Wire in 2018 India is planning to develop military infrastructure on Assumption Islands, Seychelles (PTI ,2018). All the Indian and Chinese overseas investments can have a number of positive and negative implications on the region. The need is to find the points of convergences so that the region can benefit from a cooperative competition

between the two countries.

This study aims at finding answers to some important questions. First being that what are the historic dimensions of Sino-Indian port politics. Then comes the question of the extent that Chinese port projects and that if BRI is the stimulating factor of the increased port politics in Indian Ocean Region. And finally, that what are the possible implications of Sino-Indian port projects for the Indian Ocean Region.

The study's research strategy is based on the qualitative research approach. This approach is founded on descriptive, historical and explanatory approach to ideas, concerns, challenges and strategies. The data was obtained from secondary sources like journal articles, research publications, books, reviews, reports and newspapers.

1. Brief History of Sino-Indian Maritime Rivalry

In the new era of naval powers, the buildup of the navies of two most populous countries in the world will have its due contribution. With the dawn of 21st century, the geopolitical competition between the two countries is being defined in the maritime domain. India's real geopolitical and geo-economic interests lie in the maritime domain (Ward, 2017). Chinese President has sketched out his vision of '21st Century Maritime Silk Road' which will be designed to go from Chinese coasts to Europe's via Indian Ocean and South China sea on one route and to South Pacific on the other route (FMPRC, 2015). Later on, both these concepts gave identity to BRI (Freeman ,2018). Chinese naval policies have been more assertive under President Xi. PLAN (People's Liberation Army Navy) has conducted more exercises beyond the island chain

in Xi's era. China wants to project itself as a strong maritime power as an initiator and a follower of the global maritime affairs in near and far seas as well (Chan, 2021).

Raja Mohan in his book *Samudra Manthan: Sino-Indian Rivalry in the Indo-Pacific* stated that the rivalry between a 'Rising China' and an 'Emerging India' has been shifted to the sea from the land, in ways that it never did before. China is now looking to shift its trade from the Strait of Malacca to Indian Ocean, where Indian presence must be considered. China to keep its economy growing and its domestic and regional politics stable, peace in the Indian Ocean is crucial. India enjoys the longest and largest coastal area in Indian Ocean. India and China are both emerging sea powers and are rising simultaneously as maritime trade stars (Mohan, 2014).

In accordance with their importance levels, India has categorized its maritime interests in two major brackets. First section is their Primary area of interest engulfing the strategic points that offer it the access to Indian Ocean such as the Strait of Malacca, Hormuz, Bab-el-Mandeb, the Persian Gulf, Bay of Bengal, the Arabian Sea, India's EEZ (Exclusive Economic Zone), etc. Second section is India's Secondary area of interest. This area engulfs the Red Sea, the South Indian Ocean, the Eastern Pacific Ocean and most importantly the South China Sea (Navy, 2015).

2. Chinese and Indian Rival Projects in IOR

In March 2015, the government of China officially declared the vision and policies for 21st Century Maritime Silk Road. President Xi asserted that Chinese overseas ports as part of MSR (Maritime Silk Route) will be important

pivot points and key hubs for international trade in the coming years. With the annual amount exceeding US\$10 billion, Chinese state and private enterprises have invested in the port sector of 23 countries as part of BRI and almost 65% of Chinese overseas port investment was made on MSR route (Chen, Fei, Lee, & Tao, 2018). Despite Beijing inviting New Delhi several times to become a part of it, there has always been a refusal. India has been regarding BRI as China's national project with which they have nothing to do. New Delhi also perceived BRI as China's geo-economic expansion strategy which is a security threat for India (Khalid et al., 2017). Indian facilities in Andaman Islands and its base at Campbell Bay in Nicobar Islands have been modernized, India has been improving ties and investing in projects in island countries like Mauritius and Seychelles and has also signed logistic agreements with India such as LEMOA, COMCASA and BECA (Ghosh, 2020)

1. **Gwadar and Chabahar Ports**

In 1958, Oman relinquished the rights of Gwadar to the new formed State of Pakistan. The government in 2001 asked Chinese government to invest in Gwadar to make a deep-water port. The first phase of the port became operational in 2007 on which China had spent US\$220 million with the next phase being connecting it to the rest of the mainland through a highway and turn it into a bust port (Kaplan, 2011). Gwadar did get two new facilities but very few ships arrived and Gwadar remained mostly isolated. After this, a subsidiary of China State Construction Engineering Corporation, China Overseas Port Holdings Company took over Gwadar Port management. Gwadar became a Chinese port officially in 2013 and the dream of having a way in the Indian Ocean started to become a reality for China. BRI was

announced later that year and Gwadar was made an integral part of it through CPEC. President Xi visited Pakistan in 2015 and announced an investment of almost \$46 billion across Pakistan for road and railway projects including some \$11 billion for Gwadar's up gradation only (Miller, 2017). China needs a backdoor way for its energy imports in case it really has to face the Malacca Dilemma. The Strait of Malacca is a narrow stretch of water that could easily be blocked by Chinese rival nations like Singapore, which is also an Indian and US ally. This can be provided by Gwadar Port. For its security purpose, Pakistan has made agreement of \$6 billion with China to buy eight conventionally armed, diesel-powered attack submarines. This can further complicate matter with India and US who are already alleging China of using Gwadar as a military base which China has repeatedly dismissed (Chohan & Chandio, 2021).

As a rival of China's investment in Pakistan's Gwadar port, Indian government decided to do the same in Iran's Chabahar port. One of the main reasons of this Indian investment was to gain access to Afghanistan. An economically and politically independent Afghanistan from Pakistan was in favor of New Delhi (Amirthan, 2017).

Indian and Iranian governments signed an agreement which gave the operational rights of the port to India for 18 months. China's increasing march towards Middle East and Indian Ocean to quench its thirst for energy is pushing India towards making hard and risky choices. Middle East is an unstable region and only recently, Iran faced global sanctions. Though after 2015 when the country signed the agreement with P5+1, the sanctions were lifted. But this doesn't guarantee any long term stability (Bhattacharjee, 2018). India is

threatened by Gwadar for its success against Chabahar, as both are located at a distance of 70km from each other. Gwadar can easily surpass Chabahar on many segments as China has invested way more in Gwadar than India has in Chabahar. This is one of the reasons that India has been found busy in sabotaging Gwadar project and the arrest and confession of Indian spy Kulbhushan Jadev proves it (Khetran, 2018). Another source of anxiety for India may stem from the Sino-Iran 25 years Strategic deal of \$400 billion which according to New Delhi could pave the way for Beijing to invest in Chabahar in which India has high stakes (Mehdi, 2020).

This means that Chinese investment can open more doors for Chabahar than Indian investment as China has maritime relations with over 163 countries (Kazmim,2021).

2. **Djibouti, Seychelles and Agelega Island bases**

Djibouti has a number of advantages for China to invest in for various reasons. From Bab-el-Mandeb, US\$700 of annual Euro-Asian trade and world's 9% oil trade passes. Its geostrategic location can give a huge boost to Chinese economic interests as it is located on one of the busiest trade routes of the world. Djibouti currently controls the trade from the Red Sea to Indian Ocean, and is the linking point of Europe, Far East, Middle East, Horn of Africa and eventually Asia through Indian Ocean (Chaziza, 2018)

US, France, Saudi Arabia, Japan, Germany, Italy and now China holds a military base in Djibouti. China's support base for PLAN is some 8k away from the US base (Kulshrestha & Sanatan, 2017)

China had already surpassed US as the largest trade partner of Africa in 2009, now their increasing military influence so close to US base in Djibouti is quite

frustrating (Blanchard,2019).

China had once carried out a humanitarian aid operation in Yemen via PLAN and if it wants to continue doing more in the future, a base in Djibouti would be very favorable. The situation in the region doesn't seem to be getting peaceful in the future as well so PLAN may definitely get to do similar operations and this time the naval base at Djibouti would serve (Zhang, 2018). India signed a 20 years agreement with Seychelles in 2018 just after China inaugurated Djibouti base in 2017. India will invest to construct a jetty for its navy and an airstrip. The beginning of such a project clearly puts forward that New Delhi is expanding its geo-strategic wings as Chinese foothold becomes strong in the region (Miglani & Thande, 2018).

In this regard, India credited an amount of \$100 million so that Seychelles can buy defense equipment from India (Das,2019).

Mauritius and India signed an agreement in 2015 that India will help the country in the development of Agalega Islands. The projects of over US\$87 million were to be funded by the Indian government. New satellite images in 2021, as compared to those of 2014, show that a new 3000m long runway has been built that can host an Indian Navy's new Boeing P-8I maritime patrol aircraft. Images have also shown some barracks and other facilities that can be used as military training centers or parade grounds (BASHFIELD, 2021).

China and India have increased investments in the port sectors of countries in the same region. Chinese investment in Djibouti can be of great advantage for both countries, as it's going to be for Seychelles and Mauritius too with Indian investments, especially in economic terms. But the increased Sino-Indian naval activities in these countries can become a factor of increased militarization of

Indian Ocean.

3. Kyaukpyu Port and Andaman and Nicobar Islands

China has been investing in Myanmar's oil and gas sector since 2004. This not only has made the country's export wider but has also increased its economic dependence on China. Now under a wing of BRI, China has started work on several projects in the country. One project in Kyaukpyu is the construction of a deep sea port in and the development of an industrial area in its Special Economic Zone. Both projects have been estimated at some \$10 billion. The town where \$1.5 billion worth of oil and a parallel gas pipeline connects it with the Chinese city of Kunming in province of Yunnan. The oil and gas pipeline projects were completed between 2010 and 2015. The oil pipeline became operational in 2017 and reportedly has the capacity to send over 22 million barrels of oil to China (B. Poling, 2018).

A proposed corridor starts from Yunnan, extends to Mandalay in the south and Kyaukpyu in the west. Many authorities in Beijing have suggested that Gwadar and Kyaukpyu are the two main pillars of China's Indian Ocean (peng, 2018). The archipelago of Andaman and Nicobar Islands holds extreme importance for India due to a number of reasons. The biggest one of them being the huge chunk of trade that passes through Malacca Strait also passes through the EEZ (663,629 Sq Km) provided by ANI (Andaman and Nicobar Islands) to India (Roy & Aspi Cawasji, 2017).

The Chinese policy for the Strait of Malacca revolves around two factors, either they need to reduce the dependence on the strait or maintain enough presence in the Indian Ocean to secure the trade routes. Realizing the concern, India opened its only tri command service in ANI in 2001. India has also been

carrying out MILAN and MALABAR exercises in ANI as well (M. Baruah, 2015).

The strategic importance of ANI was neglected by the successive governments of India until the Kargil conflict, after when the government decided to establish 'Andaman and Nicobar Command' (ANC) in NC (Roy & Aspi Cawasji, 2017).

In order to ensure the security of ANI, Indian government could soon be working on 'Sea Denial', a naval warfare strategy to maintain its tactical stature in the Indian Ocean. The increased Indian security activities in ANI are the result of China accelerating its maritime activities in the Indian Ocean (Patki, 2021). This can be clearly seen as Rajeswari Pillai Rajagopalan, a New Delhi official said that "They (Chinese) are coming very close to India which is a worrying prospect as India's relations with China are already hostile. Even though Chinese projects are economic and civil in nature, the general worry is that regional countries are falling continuously into the Chinese influence (Pasricha, 2021).

4. India's SAGAR Policy and Foundational Agreements with US

Parshuram Sial stated that India's Look East Policy has been hailed as its one of the most significant works in the post-cold war era. Initially this policy was of economic nature but during the BJP government, this has taken a strategic shape as well. The transition from Look East to Act East, that took place in 2014, is a paradigm shift in Indian foreign policy by the Modi government (Sial, 2017). In March 2015, during his official visit to Mauritius, PM Modi spoke about SAGAR- Security and Growth for All in the Region at East Asia Summit. For the first time, India had presented a comprehensive policy for the

region that defined the relation between maritime growth, security and economic development. SAGAR presented a platform through which strategic relations with other littoral IOR states could be developed (Padmaja ,2018).

As a result of the foundational agreements (LEMOA, COMCASA, BECA), India is on the receiving end of advanced technology and information sharing system that will not only help modernize its military but also bring it closer to US(Ali, 2020). Logistics Exchange Memorandum of Agreement (LEMOA) was signed between India and US in 2016. India and US will be allowing their militaries to make use of each other's bases. This use includes refueling, refilling other necessary resources and provide logistics support to each other. Indian Navy seems to be getting a chance to increase its potential to operate in the Indian Ocean (Muneer ,2016). This also provides a major advantage to Indian Navy in Indian Ocean as it will be able to use the US base of Diego Garcia and Djibouti (Ramaswamy & Shivaswamy, 2018). Communications Compatibility and Security Agreement (COMCASA) was signed between India and US in September 2018. The major areas that this agreement covers are providing a legal framework which ensures the safe sale of sensitive communication equipment and codes by US to India. Secondly, India will gain access to US made information sharing equipment and the wide US intelligence database. Thirdly, COMCASA will increase the inter operations of the two militaries. Lastly, India can use this as leverage over China by having access to beneficial information (Shida, 2019).

This agreement also increases the tactical capabilities of Indian military (Ali, 2020). Basic Exchange and Cooperation Agreement (BECA) was signed on October 27, (2020) .BECA has increased chances for Indian military to

improve the automated system's accuracy and missile armed drones by gaining real time access to US geospatial intelligence. This will enable both countries to share high quality satellite images and also telephonic intercepts. Under BECA, the information sharing also includes that of the movement of Chinese troops and weapons along the Indian-China border. While this may not solve the Sino-Indian border issue, it will play a part in the increased arms race between the two (Mukhtar, 2020). India will also be able to monitor the movement of Chinese warships in Indian Ocean, as the agreement enables both countries to exchange nautical charts as well (Gupta, 2020).

India is on the receiving end of advanced technology and information sharing system that will not only help modernize its military but also bring it closer to US. On the other hand, US will be raising a counterbalance power to China in the region. These US-India agreements have implications for China (Ali, 2020).

3. Geopolitical Implications of Sino-Indian Port Projects for The Indian Ocean Region

The Sino-Indian rivalry has now expanded into the maritime sphere from the continent. On land China may have a strategic benefit over India but in the Ocean, India can turn the tide as China's trade passes through area where India has significant influence (Brewester, 2020). On the other hand, Abijit Singh in his article "Will the India-China border conflict lead to a naval war?" states that PLAN is world's second best navy. It is difficult to deny China the access to its near seas, however, the foundational agreements with the US will prove to be helpful in the time of need (Singh, 2020). Also, in the time of a future conflict India tries to block China's maritime trade, the whole region will

suffer. PLAN's presence across the IO on several naval bases means in that case, the littoral countries involved may also have to pay the price.

The strategic order in the future of the Indian Ocean Region is expected to become more and more instable as the maritime competition between China and India adds to the militarization of the Indian Ocean. India's engagement in the Indian Ocean is primarily around the security and defense domain. India has also turned towards logistics and data sharing agreements with countries like US and France (Lieberherr, 2021).

For both India and China, the energy demand just keeps on increasing with the increase in population. The International Energy Agency projects the Chinese oil demand to rise up to 850,000 b/d by the end of 2023 (Cahill, Mazzacco and Huang, 2023). On the other hand, Reuters reported that Indian energy demand grew 8%, which was double the rate as compared to the rest of South Asia (Singh et al., 2023).

Priyanshi Chauhan in her article "Energy Dimensions of Belt and Road Initiatives" stated that India and China have their highest energy dependence on MENA (Middle East and Northern Africa) region. This means that both countries are looking up to the same source countries. Both countries have port facilities around Strait of Hormuz around which almost 32.4% global petroleum trade passes (Chauhan, 2019).

In case of BRI the projects are expanded in different countries each with different climatic and geodynamic conditions (Ebrahim, 2017).

Gwadar has been set to get affected by the 3000MW coal power plant, part of the energy projects of CPEC. And the coal, imported from Indonesia, is to be transported by outdated railway system (Baloch, 2018).

Environmental Impact Assessment Report for projects at Andaman and Nicobar Islands showed that in the surrounding air the levels of SO₂ and NO_x are expected due to stack emissions and the marine water quality will be deteriorated (ANIIDCO, *Andaman & Nicobar Islands*, 2021).

The bright side is the increase in the economic integration in the region. China remains India's largest trade partner in the world. India and China have maintained their focus on elevating trade as a security imperative (Li, 2018).

Professor Peter Draper in his report "Building Trade Integration Dynamics in the Indian Ocean Rim Association: a Technical Analysis" stated that the market potential has increased in the IOR with rising economic activity and much can be owed to the increased maritime commerce competition between China and India. Yet, the region has still not become a Global Value Chain hub (Draper, 2019).

4. Is Bri the Reason for Increased Port Politics in IOR?

Belt and Road Initiative (BRI), the brainchild of Chinese President Xi Jinping was initiated by the Chinese government in 2013. The mega project involves investment in development and infrastructure initiatives that will connect regions from East Asia, all the way to Europe. The project is comprised of two prongs, land route (Silk Road Economic Belt) and the sea route (Maritime Silk Road). For land route, the aim is to build a network of roads, railways and energy pipelines that can break the bottleneck of the Asian connectivity. For the maritime route, the aim is to invest in the port sector all over the Indian Ocean Region, South-East Asia, Eastern Africa and some parts of Europe.

It has been estimated by Morgan Stanley that by 2027, the Chinese expenses for overall BRI projects could reach up to \$1.2 to \$1.3 trillion (Morgan Stanley,

2018).

BRI is a developmental project and for this China called for participation and investment internationally, particularly from the regional countries. Many regional countries such as Pakistan, Sri Lanka, Bangladesh and Myanmar have participated in the project, with the exception of India. Since the project was announced, India has stated its reservations regarding it. These reservations range from the project affecting India's sovereignty, as expressed by Indian Foreign Secretary Jaishankar about CPEC (The Economic Times 2018), to it being a factor to diminish India's natural position of influence in the Indian Ocean Region. But India hasn't just expressed skepticism but has also taken a number of steps to counter the expanding Chinese dominance in the region. For this, new projects have been started like those with Seychelles, Mauritius and Iran but also some former projects have been renewed like Andaman and Nicobar Islands, SAGAR, QUAD and Malabar exercises now that it's the need of the hour.

Soon after the announcement of BRI in (2013), PM Modi took power in New Delhi in 2014. The first major change in the Indian foreign policy came just a month after the formation of the BJP government, which was the transition of 'Look East' policy to 'Act East' policy. This was made clear by PM Modi during his address to ASEAN summit in Myanmar that India's Look East Policy was now Act East Policy. The Malabar exercises that were being carried out between US and India since 1992 (T. Singh,2014)were given a new life when QUAD members were also given permanent membership.

The strategic importance of the Andaman and Nicobar Islands was also realized by the BJP (Bharatiya Janta Party) government and the development

of new facilities in the island chain was started which not only included commercial but military facilities as well. Developed ANI means that Chinese trade passing through Strait of Malacca will now have to travel through the Indian controlled islands which has caused somewhat of a Malacca Dilemma for China. After China invested in Pakistan's Gwadar Port as part of CPEC which is the flagship project of BRI, India was soon to pick up its relations with Iran and invested in Chabahar Port which is located some 70 km from Gwadar. Although Iran has clarified at a number of times that it wants cooperation between the two ports and not competition, but for New Delhi, the investment will only bear fruit if Chabahar stands up to competition with the Chinese invested Gwadar Port. China set up a naval base in Djibouti in 2017 which has now become operational. Djibouti already has military bases of countries like US, France and Saudi Arabia and now there's China as well. India has been trying to establish its own port at Djibouti as well. But in an answer to China's Djibouti naval base, India signed an agreement with Oman in 2018 which allowed Indian navy to use facilities at Duqm Port. This makes India able to make its strong foothold in the Gulf, western Indian Ocean and parts of Eastern Africa as well where China already has BRI projects.

Not only India has increased its foreign port investments after the commencement of BRI but has also signed a number of defense pacts as well, the most important of which are LEMOA, COMCASA and BECA. With LEMOA comes the advantage for Indian Navy to use US naval facilities. This means that countries where there are US bases and no Indian bases are still in Indian access. This puts Indian navy in a relative advantage that key bases such as Diego Garcia can also be used by India. With COMCASA comes the

advantage that India will be using the same information and database sharing systems that US military is using. This agreement will also ensure the secrecy and security of Indian C4ISR. With BECA comes the advantage of getting the access to spatial intelligence from US. All the above three mentioned agreements were signed in 2016, 2018 and 2020 respectively.

In the maritime sphere, China is investing in port sector development of several countries and small island nations. This not only accounts for its energy needs but also puts it at key strategic locations. The Chinese advance towards western Indian Ocean is one of the solutions of the Malacca Dilemma. India on the other hands is investing in ports and signing agreements that can help it control growing Chinese leverage in its backyard.

6. Conclusion

India's central geographical location in the Indian Ocean has always made its policy makers think that the country is supposed to take up the front position in IOR. The new century has seen the Chinese taking up more important role both regionally and globally. BRI has caused anxiety in the Indian circles as the project puts China up front in the Indian backyard. The environment of conflict that has been defining the history of Sino-Indian relation still seems like a prominent factor. Ports in IOR give China an access to the energy rich regions like Middle East and Africa, an alternate way to avoid the Strait of Malacca and having presence on the key SLOCs in the Indian Ocean. These projects clearly indicate that the country is aiming at increasing, not only its economic but also the diplomatic influence in this region and beyond. Chinese economic investments have been accused of throwing receiving countries into a debt trap, military bases concern rivals of increasing the instability in the

region.

Chinese investments threaten the national interests of India. To counter this, India has increased reviving its maritime policy. With India signing a series of three foundational agreements with US, it puts Indian Navy at a relative advantage in the region. The reinvention of Look East Policy to Act East Policy has been done. India also wants to bring the regional countries on one platform through its SAGAR policy. India has also invested in the overseas port sector like Chabahar and Duqm Port, Assumption Islands, Agalega Islands, which allegedly also include a military base. India has also been working on modernizing the facilities as Andaman and Nicobar Islands. Both countries have increased their investments in the port sector of IOR countries in order to meet their growing energy needs and exert influence in the region. India not only increased investments in foreign port sector but also took steps to strengthen security, political and cultural ties with regional countries.

The implications on the IOR also include economic integration in region. The energy needs will only increase, and this is one of the reasons that both have accelerated foreign investments so much. On the other hand, both have started investing more in the modernization of their respective navies. Increased development of infrastructure in ports also has a fair share of toll on the environment as well. There are a number of points of convergences where the two countries can cooperate and the whole region may benefit from it. The concerned regional and global actors need to play a productive role in order to make sure the developments in the port sector remain a developmental factor for the regional economy and not a point of conflict.

7. Recommendations

Through BRI and Indian investments in port projects, economic integration has increased in the region, further steps should be taken to strengthen and grow this integration. Joint economic projects can not only bring about prosperity and development to both countries but also tie both into collaboration. This can also be in benefit for the whole region as economic partnership between two of the biggest regional markets increases, the overall economy of the region will also get stable. The swelling militarization of Indian Ocean should be a concern for all the regional countries, but specially India and China that have substantially increased their naval budgets in the past decade. Maritime issues such as piracy, terrorism and other humanitarian operations can bring PLAN and Indian Navy in collaboration, as it did in the past.

India and China should both consider the environmental toll that the port projects can have on the oceans and marine life. Such measures should be taken that reduce the waste produced on the ports and that it can be stopped from being dumped into the ocean. Under BRI, many coal projects are being developed on the ports but as the energy of the host countries increase there isn't much that can be done but to go ahead with them but at least modifications can be made to keep the environmental hazard to its lowest. Not only the ocean but the air is also being affected by the rapid construction of port projects in the habitat that was clean and healthy comparatively to the main land environment. Serious and drastic steps are required from both governments in this regard.

Despite there being many points of competition between the two, Indian and Chinese governments should work on the convergence ends that as well can be

mutually beneficial. Issues such as increasing population, unemployment, growing energy requirements, climate change etc. can be tackled with efficient investments and can also bring the two countries on a common ground to open the door to cooperation and partnership. Regional and international institutions have a role to play in decreasing the volatility and creating prospects of combined efforts for the alleviation of mutual obstructions. Not only organizations but countries that have stakes and interests in Indian and Chinese investment projects should play a productive role.

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