



# IAS PARLIAMENT

*Information is a Blessing*

A Shankar IAS Academy Initiative

## GIST OF IDSA

JUNE 2018



**Shankar IAS Academy™**

Door No 18, New Plot No 259 /109,  
AL Block, 4th Avenue, Shanthi Colony,  
Annanagar, Chennai - 600040.



# **I N D E X**

## **IDSA – JUNE 2018**

1. JORDAN ECONOMIC CRISIS .....	3
2. INDO-JORDAN TIES.....	4
3. UZBEKISTAN MODEL TO COUNTER VIOLENT EXTREMISM .....	5
4. CONCERNS IN INDO-US DEFENCE TIES .....	7
5. WANING INDO-US TIES.....	8
6. ALTERATION IN INDIA'S FOREIGN POLICY.....	9
7. INDIA'S FOREIGN POLICY RE-ORIENTATION .....	10
8. US-NORTH KOREA SUMMIT .....	12
9. DRAWBACKS AND OUTCOMES OF SINGAPORE SUMMIT .....	13
10. WORSENING INDO-MALDIVES TIES.....	14
11. SIGNIFICANCE OF UNCITRAL DELIBERATION.....	15

## IDSA – JUNE 2018

### 1. JORDAN ECONOMIC CRISIS

#### Why in news?

- In recent times Jordan is facing worst crises with its neighbourhood.

#### What is the historic account of Jordan crisis?

- The Hashemite Kingdom of Jordan is a sovereign Arab State, which is surrounded by Israel, Lebanon, Syria, Iraq, Saudi Arabia, and Egypt.
- The State is juxtaposed with the histories of many of its neighbours who have been caught in an endless cycle of violence, civil wars, and possible disintegration.
- Often caught in regional tension and conflict, Jordan has been unwillingly dragged into a host of upheavals in its neighbourhood.
- Palestine's partition made Jordan an active player in the Arab-Israeli conflict and the June War only further complicated its position.
- While it lost the West Bank in that war, it continues to host a substantial number of Palestinians, often estimated at over 40 per cent of the population.
- This 'people-without-territories' situation has fuelled many of Jordan's social pressures, identity crises, and national tensions.



#### What are the recent happenings in the state?

- The recent crisis was triggered when the government sought to increase the income tax, an unpopular move in any country, to ease its financial constraints.
- This sparked widespread protests in a country that has one of the highest degrees of subsidy on basic food, fuel and above all water.
- The kingdom is a semi-rentier economy that depends upon remittances from abroad and foreign aid and assistance.
- Due to a host of economic and political developments, both have dropped in recent years.
- As an emergency measure, Saudi Arabia, UAE, and Kuwait met and agreed to provide immediate financial assistance to the tune of US\$2.5 billion.



### **What are the others concerns for Jordan?**

- Neither the change of government nor the financial assistance from the Gulf countries will solve Jordan's problems.
- There is a need to evolve a national consensus and bring about economic reforms, but the options are extremely limited as Jordan lack natural resources except Dead Sea minerals.
- Apart from this Jordan is the second driest country in the world with scarce water resources.
- Jordan has a large refugee population; besides over two million Palestinian refugees, it has been hosting over 1.5 million Iraqi and Syrian refugees.
- Out of its 9.5 million inhabitants, as many as 2.9 million, or nearly a third of the resident population, are non-citizens.
- Their presence adds to the social and economic pressures on this resource-scare country.

## **2. INDO-JORDAN TIES**

### **What is the issue?**

- Jordan is facing economic and socio-political crisis in recent times, which would impact India's diplomacy.

### **What are the existing ties between India and Jordan?**

- India has far greater stakes in Jordan than commonly recognized, Both countries have a joint venture in the form of the Jordan India Fertiliser

Company (JIFCO) established with a production capacity of 15,000 tons of phosphoric acid per day.

- For long, New Delhi has been ignoring Amman, and popular discourses in India are in favour of the energy-rich Gulf Arab countries and Iran or technologically advanced Israel.
- Important as these other countries are, Jordan is equally if not more important though its importance lies elsewhere.

### **What are recent improvements in Indo-Jordan ties?**

- **Trade relations** - Recently Indian Farmers Fertiliser Cooperative (IFFCO) bought a 37 per cent stake in the Jordan Phosphate Mines Company (JPMC) for US\$130 million.
- Indian administration has been pursuing an assertive but delicate policy towards the Middle East, especially vis-à-vis the Arab-Israeli conflict.
- **Diplomacy** - A more forceful and public bonhomie with Israel is accompanied by equally assertive engagements with other key players of the region, especially, Saudi Arabia, Iran and, above all, Palestine.
- Many nations hailed this balanced and de-hyphenated approach of India with the middle east and Jordan is a pivot to India's emerging policy towards the Israeli-Palestinian conflict.
- **Bilateral ties** - Recently Indian delegates were received by the Jordan



monarch and both nation jointly addressed the relevance of Islamic heritage in tackling the problems of today.

- Thus Jordan is the pivot for India to maintain its new-found balance vis-à-vis Israel and Palestine.

#### ***What will be the impact of Jordanian crisis to India?***

- Directly Jordan crisis will reduce India's ability to engage with Palestine and provide economic assistance.
- Instability in the Kingdom will have a cascading effect on the larger Palestinian issue and return the region to a cycle of violence. Neither scenario is good for India.
- India cannot compete with the rich Arab countries and offering financial aid is beyond its capacity.
- An unstable Jordan will undermine India's newly found nuanced and balanced approach towards the Israeli-Palestinian conflict and push it back to the insipid, ineffective and routine of yester years.

#### ***What measures needs to be taken?***

- A stable and prosperous Jordan serves larger Indian interests, especially when the Kingdom is the most inclusive society in the entire Middle East.
- India should invest in the Jordanian economy towards job creation the major issue facing the country and its youth.

### **3. UZBEKISTAN MODEL TO COUNTER VIOLENT EXTREMISM**

#### ***Why in news?***

- Uzbekistan has organized an International Conference on Preventing and Countering Violent Extremism and Radicalization.

#### ***What are the existing concerns in Uzbekistan?***

- Uzbekistan has been fighting extremism for the last two decades, ever since the Islamic Movement of Uzbekistan (IMU) tried to overthrow former President to establish an Islamic State in the country.
- Uzbekistan was often criticised for its poor human rights record and its alleged violation of religious freedom.
- The use of mass media by extremist organisations such as the Islamic State of Iraq and Syria (ISIS) has been very successful in attracting youth from Uzbekistan.

#### ***What is the conference about?***

- The conference was organised by the Government of Uzbekistan along with the Organisation for Security and Co-operation in Europe (OSCE) in Tashkent and Samarkand.
- The Conference was dedicated to understanding youth policies, sharing of experiences, and formulating a common understanding on the issue of preventing and countering violent extremism and radicalisation that leads to terrorism.



- The key objective of the conference was to look at best practices and develop a holistic approach to preventing and countering the spread of violent extremism and terrorism among the youth.
- There was general consensus among the participants to attain the goals of sustainable development and the creation of an inclusive and prosperous world.

### ***What is the Uzbek model to counter extremism?***

- **Holistic approach** -Uzbekistan has taken various measures to enhance democratic, judicial, legal, and economic reforms, development of civil society institutions and greater focus on improving the status of education.
- Uzbekistan has been actively working towards preventing access to online sources of extremism by blocking websites of extremist organisations.
- **Educational reforms** - Under “Enlightened Islam” mission Uzbekistan government is establishing scientific research centre on Islamic learning and an Islamic Civilisation Centre for greater exchange of ideas and interaction with universities and schools.
- Education remains strictly secular in Uzbekistan and school reforms call for increasing students’ understanding of “the role of secular values and religious affairs in a secular society.
- All madrassas are state controlled, Greater emphasis is given to

promoting tolerance, inter-faith dialogue and co-existence.

- **Empowerment of youths** -Uzbek Government has intensified its effort particularly vis-à-vis the migrant youth by providing them education and options of employment.
- Uzbek Government pays special attention to promoting art, culture, and sports in its various programmes for the youth.

### ***How Uzbek model can be used by the global community?***

- International standards of youth policies need to be formulated to promote multilateral cooperation in social support of young generation, protection of their rights and interests.
- Promoting tolerance and harmony among the religious groups, and fighting stereotypes, biases and prejudices should be a common cause.
- A sustainable mechanism can be created for their involvement in making decisions and their implementation, inter alia, internationally based on this model.
- Addressing extremism is possible only if youths are constructively engaged and imparted modern education and legal awareness.
- Apart from this the best way to address the problem of extremism is to have a counter propaganda and greater involvement of youth in this process.



## **4. CONCERNS IN INDO-US DEFENCE TIES**

### **What is the issue?**

- Countering America's Adversaries through Sanctions Act (CAATSA), passed by the US Congress has placed India in a bind.

### **What is CAATSA?**

- The Act provides for the imposition of sanctions on those who engage in any significant transactions with Russian entities identified by the US administration.

### **What are the impacts for India?**

- The list of 39 proscribed entities notified under the provisions of the Act reads like a who's who of the Russian defence industry, with several of which India has been dealing for decades. These dealings have come under a cloud now.
- The prospect of being sanctioned by the United States seems to have made Indian banks reluctant to remit amounts that are due, or open letters of credit, under the terms of such contracts.
- Contractual defaults are a serious matter, which could, among other things, affect the delivery schedule and frustrate the execution of contracts.
- The dialogue mechanism set up under the US-India Defence Technology and Trade Initiative (DTTI) is inadequate to address and settle pressing issues in real-time.

- The optics of Indian ministers virtually pleading for an exemption from sanctions under CAATSA could linger in the public and bureaucratic memory for a long time and condition the future trajectory of the India-US defence relationship.

### **What are the measures under discussion?**

- India and Russia may already be working on resolving this problem with or without the US involvement.
- The issue is likely to figure in the '2+2' talks between the Indian external affairs and defence ministers and their American counterparts in upcoming meets.
- There is a strong possibility of some modus vivendi being found in the forthcoming '2+2' talks to let India honour its contractual commitments without facing the prospect of being sanctioned.
- The ongoing muddle clearly indicates that the defence trade between India and US companies is susceptible to minor factors.

### **What is the way forward?**

- With a large proportion of its inventory being of Russian origin, it is axiomatic that India can ill-afford to have ongoing contracts for supply of equipment, spares and other services stalled because of contractual default on its part.
- Nor will it serve India's defence objectives to hold back any purchases from Russia till the Act remains in



force or completely sever defence ties with Russia.

- Thus Mutual and shared interests must form the basis of an enduring solution to the present quandary, which requires recognition of the new US partners like India.

## 5. WANING INDO-US TIES

### *What is the issue?*

- Indo-US bilateral ties are seemingly going out of balance to the extent of impinging on India's sovereign interests.

### *What is the status of Indo-US ties?*

- The Indo-US defence relationship has been growing since the signing of the New Framework for Defence Cooperation in 2005.
- More particularly after the US Congress passed the Hyde Act in December 2006 to enable bilateral cooperation on nuclear issues.
- The process of forging closer politico-military relations was set in motion with the signing of the Defence Technology and Trade Initiative (DTTI) in 2012.
- It was followed by the renewal of the 'Framework for India-US Defence Relations' in June 2015.

### *What defence agreements India about to sign with US?*

- Taking the defence relationship further required India signing the so-called three "foundational accords".
- **Logistics Support Agreement (LSA)** - which the US signs with allies to

facilitate each side's military operations including basing arrangements.

- **Communication Inter-operability and Security Memorandum of Agreement (CISMOA)** -A legal framework that enables the transfer of critical, secure and encrypted communications between weapon platforms to facilitate "interoperability".
- **Basic Exchange and Cooperation Agreement (BECA)** -for sharing sensitive geospatial intelligence gathered from satellites and other space-based platforms.

### *What are the concerns with such agreements?*

- The signing of the LSA and CISMOA demanded access to each other's bases and integrating each other's communications networks.
- Apprehensions were raised that signing the CISMOA would allow America to intrude into Indian military communication systems.
- Besides, the existing Russian-origin and indigenous Indian military platforms would not be compatible with CISMOA.
- From the US perspective, these accords were not only meant to ensure the protection of US military interests but also create a string of dependency for the client state.
- A strong opinion has grown in India that the strategic tilt towards the US has not only grossly upset the



country's geopolitical image but is entailing the high risk of undermining national interests as well.

- In case of various nations who are the clients of US, they were get forced into accepting the American diktat in their foreign and defence policies.
- Thus the intent behind the US insistence on the foundational agreements is to make India dependent and ultimately a client state.

#### ***What is the way forward?***

- The sanctions under CAATSA could endanger India's overall defence ties with Russia, and even worse, it could impact spares procurement for weapons of which 70 per cent are of Russian origin.
- The upshot is that making structural changes in a system that advantages America and compels India to undermine its own interests would damage India's defence preparedness.
- As of now India is clear that it will go ahead with the purchase of the Triumf missile system from Russia for Rs 40,000 crore.
- Further, New Delhi has rightly announced its commitment to follow UN sanctions, not US sanctions on Iran and wants to continue to trade with Iran.
- Clearly, the Indo-US defence partnership will continue to remain a tale of flip-flops.

## **6. ALTERATION IN INDIA'S FOREIGN POLICY**

### ***What is the issue?***

- In recent times India is trying to recalibrate its relation with global economic powers.
- But India approach with US relations is not quite balancing out.

### ***What are the recent events on Indo-US relations?***

- India in the Shangri-La Dialogue spoke of India and the U.S.'s "shared vision" of an open and secure Indo-Pacific region.
- But India's views differed so much from US, which seemed clear that New Delhi and Washington no longer see eye-to-eye on this issue, and several others as well.
- India referred to the Indo-Pacific, a term coined by the U.S. for the Indian and Pacific Oceans region, as a natural geographical region, not a strategic one.
- US called the Indo-Pacific a "priority theatre" and a "subset of [America's] broader security strategy" for his military command, now renamed the Indo-Pacific Command.

### ***What foreign policy priorities of India concerns US?***

- India maintains good relation with the U.S., Russia and China in equal measure.



- Where USA vowed to counter China's moves in the Indo-Pacific, and U.S. National Defence Strategy puts both China and Russia in its crosshairs as the world's two "revisionist powers".
- A year ago, India seemed clear in its intention to counter China's growing clout in its neighbourhood, especially post-Doklam, challenge the Belt and Road Initiative (BRI), and back a Quadrilateral grouping of India, the U.S., Japan and Australia to maintain an open Indo-Pacific.
- But India's stand has changed in recent times as the Doklam issue has been buried, the BRI isn't as much a concern as before.
- The government's non-confrontational attitude to the Maldives and Nepal also indicates a softened policy on China in the neighbourhood.
- Recently India also rejected an Australian request to join maritime exercises along with the U.S. and Japan.
- Contrast to this is India's acceptance of military exercises with countries of the Shanghai Cooperation Organisation (SCO), the Russia-China led grouping.
- US has now confused as India publicly enters the international arena in the corner with Russia and China, while proclaiming its intention to continue energy deals with Iran and Venezuela in defiance of American sanctions.
- Trade protectionism is clearly the other big point of divergence between India and the U.S., which have in recent months taken each other to the World Trade Organisation on several issues.
- There has been a surge in disputes between the two countries on the new American steel and aluminium tariffs.
- USA's actions on CAATSA and Iran nuclear deal have also had a direct impact on India, given its high dependence on defence hardware from Russia and its considerable energy interests in Iran.

## **7. INDIA'S FOREIGN POLICY RE-ORIENTATION**

### ***What is the issue?***

- In recent times union government has shifted considerably in its policy signalling with his neighbouring nations.

### ***What are India's recent stands on foreign policies?***

- Indian Prime Minister visited Indonesia, Malaysia and Singapore,

### ***What will be implications of India's policy?***

- US had come to accept India's diffidence on signing outstanding India-U.S. foundational agreements.



three of India's most important partners in Southeast Asia recently for foreign policy positioning.

- In the past few months, the government has shifted considerably in its signalling, with China and Russia for informal summits.
- These measures have taken place at a time the U.S. administration has sharpened its aim at China and Russia with sanctions and threats of a trade war.
- India tries for a strategic posturing on the global stage, and striving for a more balanced approach in what it increasingly sees as an uncertain world.

#### ***What are the significant foreign policy improvements?***

- India has maintained its commitment to relations with the U.S. in order to build a "free and open" Indo-Pacific region, maintain the "international rules-based order".
- It plans to work together to combat terrorism and terror financing as they have done more recently at the UN and the Financial Action Task Force.
- India's has showed its interest in membership of the Quadrilateral with the U.S., Japan and Australia to tackle Chinese influence in south Asian region.
- At the same time India has also ready to co-operate in Shanghai Cooperation

Organisation the Russia-China-led grouping of Central Asian countries.

- It is significant that in Singapore India chose the platform of the Shangri-La Dialogue of defence leaders of the Asia-Pacific region to emphasise Indian "strategic autonomy".

#### ***What is India's plan on Shangri-La dialogue?***

- The Shangri-La Dialogue (SLD) is a "Track One" inter-governmental security forum held annually by an independent think tank International Institute for Strategic Studies (IISS).
- It is attended by defence ministers, permanent heads of ministries and military chiefs of 28 Asia-Pacific states.
- The summit serves to cultivate a sense of community among the most important policymakers in the defence and security community in the region.
- In the recent meet India has referred the concept of the "Indo-Pacific" to India's relations with Russia, the U.S. and China.
- India used the dialogue to unveil a seven-point vision for the Indo-Pacific region.
- While warning the world about the possible return of "great power rivalries", India emphasised the importance and centrality of the ASEAN in the concept of the Indo-Pacific.



## 8. US-NORTH KOREA SUMMIT

### *Why in news?*

- Recently US-North Korea had a historic summit in Singapore.

### *What is the summit about?*

- For long, denuclearisation for the US and its allies meant dismantling of North Korea's nuclear weapons, ballistic missile programme and chemical and biological weapons under international monitoring in a complete, verifiable and irreversible manner.
- To achieve such mandates US and N.Korean administration participated in the Singapore summit, It has unleashed mixed signals about America's Korea policy.
- It has deepened fault lines with regional allies over potential redefining of the Northeast Asian security landscape.
- While this summit is only the first step to what can very well prove to be a long drawn process of achieving denuclearisation in the Korean Peninsula, the first round clearly belonged to Chairman Kim.
- Leading up to this much anticipated summit, N. Korea had already shut down the Punggye-ri nuclear test site, halted its nuclear and ballistic missile tests.
- The nation also committed itself to complete denuclearisation at

Panmunjom Declaration and had also released three American hostages.

### *What are the issues with outcome of the summit?*

- North Korea left no mention of complete, verifiable, irreversible denuclearisation (CVID) in the Joint Statement, no definite timeline for denuclearisation, ensuring regime stability.
- In fact, Washington failed to garner any significant commitment from N. Korea other than what it had earlier agreed in the Panmunjom Declaration, issued after the inter-Korean summit held recently.
- While the Joint Statement underscores "complete denuclearisation of Korean Peninsula", the challenge lies in addressing the differing interpretations of what denuclearisation implies to both parties.
- The statement failed to categorically define what constitutes denuclearisation.
- Furthermore, USA expects allies including South Korea and Japan to shoulder the cost of denuclearisation among themselves being "right next door" .

### *What are the impacts for the neighbourhood nations?*

- **North Korea** - It entails removal of US nuclear umbrella and extended



deterrence from the Peninsula, withdrawal of US troops and end of US “hostile” policies.

- **Japan** - USA’s primary focus on securing continental US from North Korean intercontinental ballistic missiles (ICBMs) has left Japan tense.
- Japan fears scaling down of the US engagement from the region and favours augmenting trilateral cooperation with the US and South Korea.
- **China** -Beijing will be more than happy to see presence of the US forces shrinking in its neighbourhood on one hand, and flaring rift between the US and its regional allies on the other.
- There is a perception that severe economic stress could lead to the collapse of N. Korea unleashing complex challenges for China, therefore, stability in the Peninsula comes first.

#### ***What is the way forward?***

- The summit lacked concrete action plan mainly on how to achieve complete denuclearisation of the Peninsula, which has been the most contested issue.
- USA need to clearly define its denuclearisation action plan in terms of goals, methodology and timeline in consultation with the regional allies.
- US should also clearly demonstrate to Pyongyang that tangible steps need to be undertaken immediately and very much under international monitoring.

## **9. DRAWBACKS AND OUTCOMES OF SINGAPORE SUMMIT**

#### ***What is the issue?***

- The much anticipated Singapore summit has taken place between N. Korea and USA
- The future course will largely depend upon how N. Korea chooses to play it out.

#### ***What is the significance of the meet?***

- Establishment of new US-DPRK (Democratic People’s Republic of Korea) relations with commitment to build a lasting and robust peace regime on the Korean Peninsula.
- USA’s commitment to provide security guarantees to North Korea and end US-South Korea Joint war games.
- Reaffirming the Panmunjom declaration, N. Korea committed to work towards complete denuclearisation of the Korean Peninsula (without laying down any time frame).
- USA agreed to freeze joint US-South Korean military exercises in exchange for continued freeze on North Korean nuclear and missile testing.

#### ***What are few draw backs with the declarations?***

- The negotiation process is expected to be a long drawn affair requiring strategy and patience.



- South Korea and Japan not being part of the process was a matter of concern.
- There are scepticism about N. Korean administration's promise of denuclearisation which is evident from the fact that earlier N. Korean administrations also lied to US Administrations about their nuclear programme.
- There are also fear that future negotiations with North Korea are unlikely to result in substantial disarmament even as the US gradually withdrew from the region.
- Singapore Summit marks the beginning of a phenomenon which will go on to reset the existing strategic alignments in the region with far reaching ramifications.

#### ***What are the expected outcomes?***

- Considering China's ability to play spoiler, Beijing will ensure that the long term outcomes in terms of shaping the architecture of the Korean Peninsula are in its favour.
- While the US may be able to ensure the security of its homeland, it is bound to gradually yield strategic space to China in the region.
- The emerging geostrategic landscape of North East Asia is bound to have a cascading impact on the entire Asia-Pacific region.

## **10. WORSENING INDO-MALDIVES TIES**

### ***What is the issue?***

- Various actions of Maldivian administration has put Maldives on a collision course with India.

### ***What is the status of Indo-Male ties?***

- There has been a series of setbacks in India-Maldives ties, starting from March 2015.
- Indian administration cancelled a visit to Maldives in a show of disapproval of actions of Maldivian administration.
- Recently India criticised the Maldives government for its incarceration of former President and Chief Justice, sentenced to 19 months in prison for an alleged plot to unseat the then president of Male.
- India called the trial a sham, saying the sentencing put a question mark on the credibility of the presidential election process.
- The strain is now evident in two areas where India-Maldives ties had been the strongest: strategic relations and people-to-people engagement.

### ***What are the reasons behind worsening ties?***

- India has called out many actions of Maldivian government, including the conduct of polls, treatment of the judiciary and, and declaration of a state of emergency.



- Even the presidential election which India has been calling for is a point of contention.
- Bolstered by a newly strengthened relationship with China, Maldives administration showed no inclination to heed India's advice.

### ***What are the impacts of the worsening ties?***

- The Maldives has conveyed to India that it will not extend the lease of Indian helicopters or the visas of personnel manning them.
- The worsening signals between the two nations has marked downturn in defence cooperation between the two countries, which normally coordinate maritime and EEZ (Exclusive Economic Zone) patrols together.
- Meanwhile, hundreds of Indians offered employment in the Maldives at resorts, hospitals and colleges have been denied work visas for the past few months.

### ***What measures needs to be taken?***

- Maldivian government must reconsider its policies and revive its co-operation with India.
- India too must pause to consider why relations have soured so badly.
- India's vocal protests on democratic rights in the Maldives have been at variance with the past policy of taking a more muted line in public while

encouraging democracy in official conversations.

- India's interventions in the island nation always aimed at strengthening the government there, with any misgivings conveyed only through quiet diplomacy.

## **11. SIGNIFICANCE OF UNCITRAL DELIBERATION**

### ***Why in news?***

- India is about to participate in the deliberations at the United Nations Commission on International Trade Law (UNCITRAL).

### ***What is the UNCITRAL deliberations about?***

- Commercial disputes are resolved not only through courts and arbitration but also through mediation.
- The deliberations will consider how these settlement agreements in disputes in international commercial transactions will be implemented by courts in different countries.
- UNCITRAL has formulated principles on which countries should recognise and enforce mediation agreements arising from cross-border disputes.
- Once formalised, countries will have a consistent framework for enforcing mediation agreements made in other countries.



### ***How UNCITRAL draft convention works?***

- The convention will link laws adopted by countries to recognise domestic mediation and extend them beyond their boundaries.
- It defines mediation as a “process whereby parties attempt to reach an amicable settlement of their dispute with the assistance of a third person (the mediator).
- Courts of a country before which a mediated settlement agreement is brought must ensure implementation of the terms of settlement.
- The courts will allow a party to a settlement agreement to rely on this agreement as a defence in cases filed on the basis of disputes already settled by the agreement.
- When the settlement agreement comes up before the court for implementation or enforcement, the court will review it on the basis of certain conditions.
- Once the agreement has been reviewed, the court must enforce the agreement on the terms agreed, Courts can decline enforcement only on these conditions.
- The importance of the draft convention is in the identification of these conditions after careful deliberation.
- Mediated settlement agreements typically don't need court assistance for enforcement since the terms of

settlement have been chosen and determined by the parties.

### ***What are the existing concerns to India in dispute resolution?***

- India has lost substantial earnings as a result of international disputes being taken for resolution outside the country.
- International transactions involve the application of different laws, by virtue of the persons from different countries being involved, or their undertaking a business in a third country.
- Due to this there are various policy gap on outcomes from the mediation process involving cross-border disputes.

### ***How this draft convention will resolve India's issues?***

- Strengthening the dispute resolution policies will encourage dispute resolution in India.
- By this definitive legal frame work businesses will be encouraged to consider mediation in managing and resolving disputes that arise in their commercial transactions.
- This convention comes the certainty that settlement agreements through mediation will be acknowledged as a resolution of the dispute, and will be respected and enforced.
- The convention is opportune to India and will facilitate legal reform to ease dispute resolution.