ISAS Brief No. 585 – 2 July 2018 Institute of South Asian Studies National University of Singapore 29 Heng Mui Keng Terrace #08-06 (Block B) Singapore 119620 Tel: (65) 6516 4239 Fax: (65) 6776 7505 www.isas.nus.edu.sg http://southasiandiaspora.org



India and the Seychelles: Controversy over an Island

On 22 June 2018, President Danny Faure of the Seychelles arrived in India for a six-day state visit. In a press statement welcoming the President, India's Prime Minister Narendra Modi announced a US\$100 million (S\$136.4 million) line of credit to the Seychelles for the purchase of military hardware from India so as to improve the country's maritime capacity. He also stated that they would work together on the Assumption Island project, "keeping in mind each other's interest in this regard".¹ The latter part of the announcement, referring to India's role in a stalled project to develop facilities on the island, caught many by surprise. It marks the latest twist in a story about India's growing maritime ambition and the interlocking of domestic and global geopolitics in the Indian Ocean.

Jivanta Schoettli²

The Assumption Island Agreements: A Tale of Twists and Turns

In March 2015, Indian Prime Minister Narendra Modi's visit to the Seychelles marked an important watershed in India's maritime diplomacy. The first visit of an Indian prime

¹ "Translation of Prime Minister's Press Statement during the State Visit of President of Seychelles to India", Ministry of External Affairs, Government of India, 25 June 2018. https://www.mea.gov.in/Speeches-Statements.htm?dtl/30016/Translation+of+Prime+Ministers+Press+Statement+during+the+State+Visit+of+ President+of+Seychelles+to+India. Accessed on 26 June 2018.

² Dr Jivanta Schoettli is Visiting Research Fellow at the Institute of South Asian Studies (ISAS), an autonomous research institute at the National University of Singapore. She can be contacted at isassj@nus.edu.sg. The author bears full responsibility for the facts cited and opinions expressed in this paper.

minister to Seychelles in 34 years, it was the first stop in a five-day visit to three strategically important Indian Ocean island states, including Mauritius and Sri Lanka. On this bilateral visit, Modi was accompanied by Indian Foreign Secretary S Jaishankar and National Security Adviser Ajit Doval. The two countries signed memoranda of understanding (MoU) in the fields of renewable energy, hydrography, a protocol agreement on the sale of navigational charts and the development of facilities on Assumption Island. Interestingly, while details were released about an MoU pertaining to the development of infrastructure on another island – Agalega in Mauritius³ – no details were made publicly available at the time on the "Agreement on the Development of Facilities on Assumption Island", save for a reference in the Indian Ministry for External Affair's text describing India-Seychelles relations.⁴ Soon after Modi's visit, controversy began to brew over the question of what exactly had been negotiated.

In the Seychelles, the local press and opposition figures picked up reports in the Indian media about the island having been *leased* to India,⁵ prompting the Chief of Staff of the Seychelles People's Defence Forces (SPDF), Lieutenant Colonel Michael Rosette, to state in a press interview that, "there is no lease agreement", that the MoU signed is for the Indian government to help the Seychelles government, through the SPDF, build military infrastructures on Assumption.⁶ Coming at a sensitive time when the sitting President, James Michel, was preparing the ground for a handover of power to the Vice-President in October 2016, the issue was sidelined. In a bid to push the deal forward, which, according to the Seychelles' constitutional law, required ratification in parliament, Foreign Secretary Jaishankar made an unannounced visit to the Seychelles in October 2017.

³ " List of Agreements/MoUs signed between India and Mauritius during the visit of the Prime Minister to Mauritius (March 11, 2015)", Ministry of External Affairs, Government of India, 25 June 2018. http://mea.gov.in/bilateral-documents.htm?dtl/24900/List_of_AgreementsMoUs_signed_between_India_ and_Mauritius_during_the_visit_of_the_Prime_Minister_to_Mauritius_March_11_2015. Accessed on 26 June 2018.

⁴ "India-Seychelles Relations - Political Relations", Ministry of External Affairs, Government of India, 18 December 2017. https://www.mea.gov.in/Portal/ForeignRelation/sey_dec.pdf. Accessed on 26 June 2018.

⁵ See for example, "India, Seychelles agree to lease Assumption Island for 'infrastructure development'", DNA, 11 March 2015. http://www.dnaindia.com/india/report-india-seychelles-agree-to-lease-assumptionisland-for-infrastructure-development-2067859. Accessed on 25 June 2018.

⁶ ""There is no lease" says SPDF chief of staff – India to help build facilities for Seychelles defence forces on Assumption" Seychelles News Agency, 21 March 2015. http://www.seychellesnewsagency.com/articles/ 2590/There+is+no+lease+says+SPDF+chief+of+staff++India+to+help+build+facilities+for+Seychelles+def ence+forces+on+Assumption. Accessed on 26 June 2018.

This laid the groundwork for the signing of a new agreement on 27 January 2018. Comparing this agreement with the 2015 agreement (both were subsequently leaked online in March 2018 in a major security breach), key changes were made. The 2018 document is much longer and the validity of the agreement was extended from 10 to 20 years, with provisions for renewal after every decade. The preamble in the revised agreement places the initiative with the Seychelles for requesting support and cooperation from India to develop the facilities. Article 1 of the 2018 agreement specifies that the infrastructure will be on "a designated part of the island" while the 2015 text made no such distinction, referring instead to the entire Assumption Island. The new agreement also clearly mentions that the Seychelles will continue to own the island and that the newly developed facilities will be jointly managed with India. As originally planned, a Joint Project Monitoring Committee is responsible for the implementation of the project but the 2018 version introduces modifications in its composition, adding as co-chair, the Seychelles Secretary of State for Foreign Affairs, along with the Indian High Commissioner. Article 6 on 'The Management, Administration, Operation and Maintenance of the Facilities', which in 2016 was a single paragraph, became the most detailed section in the 2018 version.

The agreement appeared to be on track at the beginning of the year. However, on 6 March 2018, a day before the Seychelles National Assembly opened and President Faure called upon legislators to ratify the agreement, a YouTube video appeared online, alleging that the island had been sold to India, along with links to three folders containing the entire texts of the 2018 final agreement, the 2015 agreement and a "secret side letter" on the conditions under which Indian military personnel would operate on the island.⁷ On 20 March 2018, the Seychelles opposition leader, Wavel Ramkalawn, stated categorically that his party, the Linyon Demokratik Seselwa (LDS), "has nothing more to do with the Assumption agreement. Secondly, [the] LDS will not ratify the agreement on Assumption and thirdly where [the] LDS is concerned the agreement on Assumption is dead."⁸ The LDS has held a majority in the National Assembly since 2016 and it is reportedly the first time that the opposition is at loggerheads with the government on a policy issue. In a press conference on 5 June 2018, the

⁷ "Assomption (Seychelles Islands)", *Youtube*, https://www.youtube.com/watch?v=qOwG9JhRZxE.Accessed on 25 June 2018.

⁸ "Opposition in Seychelles says it won't support military base deal with India", *Seychelles News Agency*, 20 March 2018. http://www.seychellesnewsagency.com/articles/8864/Opposition+in+Seychelles+says+it+ won %27t+support+military+base+deal+with+India. Accessed on 25 June 2018.

President announced that the deal was no longer up for discussion, not at home nor with India, in his upcoming state visit.⁹

The latest twist on 25 June 2018, with both Modi and Faure stating that their countries were willing to work on the Assumption Island project while keeping each other's concerns in mind, is being interpreted as a positive step forward.

Maritime Neighbours and Strategic Partners: India and the Seychelles

The Seychelles is an archipelago of 115 islands, with a total land area of 455 square kilometres and an Exclusive Economic Zone of 1.3 million square kilometres. India has long played a key role in developing the military capacity of the country, providing monetary support, equipment and training to the SPDF. In April 2012, during a visit by then-Indian President, Pratibha Patil, then-President Michel described his country as a "rock of dependability" for India in the area and thanked India for its help in protecting the country's vast exclusive economic zone from piracy.¹⁰ Dating back to the 1980s, the Indian navy has played a role in the Seychelles' domestic politics, helping to avert a coup against the government, and in the country's national security apparatus. Thanks to the Indian diaspora population (more than 10 per cent of the total population), there is also a sense of ethnic affinity, although this pales in comparison with Mauritius, a neighbouring Indian Ocean Island state where more than 68 per cent of the population is of Indian origin. There has long been a sense amongst Indian leaders of this region being part of a natural sphere of influence for India.¹¹

However, an important change in the geopolitics of this region can be traced back to the early 2000s when multilateral anti-piracy operations began off the coast of Somalia. The

⁹ "President of Seychelles: New foreign worker quota system; Indian military base proposal dead", *Seychelles News Agency*, 5 June 2018. http://www.seychellesnewsagency.com/articles/9246/President+of+ Seychelles+ New+foreign+worker+quota+system%3B+Indian+military+base+proposal+dead. Accessed on 26 June 2018.

¹⁰ "Seychelles says it would be 'rock of dependability' for India", *The Hindu*, 30 April 2012. https://www.thehindu.com/news/national/seychelles-says-it-would-be-rock-of-dependability-for-india/ article3370486.ece. Accessed on 24 June 2018.

¹¹ In the first visit by an Indian Prime Minister to Mauritius, Indira Gandhi referred to the country as "Chhota Bharat", a phrase that was meant affectionately to refer to the country as a smaller version of India. It was used again by Modi in 2015.

Seychelles' capital city port, Port Victoria, became the preferred port of call for rest and recreation for military vessels based in the Gulf of Aden and Horn of Africa, especially for 'Operation Atalanta', the European Union's counter-piracy initiative. During this time, China participated in international efforts, contributing a naval task force in December 2008 that marked the first deployment of the Chinese navy on an operational mission outside its claimed territorial waters. In the process, the navy of the People's Liberation Army gained experience and access to this part of the Indian Ocean. Since then, China has been building up its presence and clout in the Western Indian Ocean with regular patrols, and investments in ports and coastal infrastructure projects, and, in 2017, through the opening of a Chinese military support base in Djibouti, located in the Horn of Africa.

In the Seychelles too, China has been investing in multi-million prestige projects such as the new National Assembly Building inaugurated in 2009, a new *Palais de Justice* (judiciary building) in 2013 as well as a number of ongoing projects. With this context in mind, Modi's visit to the Seychelles in March 2015, as part of his tour of three crucial Indian Ocean island states, took on added significance.

Big Countries, Small Island States and Maritime Geopolitics

Both India and China, big countries with large ethnic diasporas and historically endowed cultural spheres of influence, are discovering the challenges that come with 'doing' great power politics. The development of island infrastructure has come to be seen as a euphemism for the development of strategic assets, even in the case of Assumption Island where, as it transpired, the aim of building residential barracks for the Seychelles coast guard, improving a jetty and an existing air strip appear rather innocuous. Especially as the two major Asian powers extend their maritime capabilities, they will run the risk of getting embroiled in the domestic politics of smaller island states. These islands, once upon a time vocal supporters of the Indian Ocean Zone of Peace idea, free of great power politics and extra-regional interference, have also developed ambitions and aspirations of their own, acting to capitalise upon old and new-found geostrategic importance. Devoid of a continental hinterland, these island states are both especially vulnerable to and acutely aware of the need to make gains while placating the big players.

For India, since March 2015, when Modi announced a maritime vision of SAGAR or 'Security and Growth for All in the Region' and the five points pertaining to India's maritime vision, concrete actions have followed through. Strategic agreements have been reached with key littoral states, including Indonesia, where the jointly issued 'Shared Vision of India-Indonesia Maritime Cooperation in the Indo-Pacific' carried a reference to improving connectivity between the strategically-located Sabang Island of Indonesia and India's Port Blair.¹² Prior to that, Modi's visit to Oman in February 2018 was another example of increasing India's visibility and access in the western Indian Ocean region. In addition, crucial steps have been taken to reach agreements that provide India with the use of American and French bases across the length and breadth of a unified maritime expanse that constitutes the idea of the 'Indo-Pacific'. These mark significant and substantial breakthroughs in India's maritime diplomacy.

Unlike the United States (US) or Britain, however, Indian policymakers refrain from describing island infrastructural projects in terms of plans for a military base, preferring instead to use the term 'facility'. This reflects the country's own particular attitude towards the construction of military bases that is associated with the 19th century approach of Britain which involved setting up a network of military bases around the world to sustain a global empire, a model replicated later by the US. Instead, Indian diplomats like to emphasise the norms of collaboration and cooperation, projected under the rubric of SAGAR and enshrined in agreements like the 2018 version of the Assumption Island deal. This could provide India with a distinctive and effective strategy of oceanic outreach to enhance and maintain a global maritime presence that is also potentially more responsive to the inevitable sensitivities and politics surrounding the development and use of overseas 'facilities'.

• • • • •

¹² "Shared Vision of India-Indonesia Maritime Cooperation in the Indo-Pacific", Press Information Bureau, Government of India, 30 May 2018. http://pib.nic.in/newsite/PrintRelease.aspx?relid=179630. Accessed on 25 June 2018.