



India-Australia 2+2 Ministerial Dialogue

For Prelims: India-Australia 2+2 Ministerial Dialogue, [Maritime Domain Awareness \(MDA\)](#), [Artificial Intelligence \(AI\)](#), [Anti-Submarine Warfare](#), Nuclear Non-Proliferation Treaty, Comprehensive Strategic Partnership.

For Mains: India-Australia 2+2 Ministerial Dialogue, Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.

[Source: PIB](#)

Why in News?

Recently, the 2nd [India-Australia 2+2 Ministerial Dialogue](#) was held in New Delhi, India, where foreign Affairs Ministers and Defense Ministers of both countries attended the Meeting.



What are the Key Highlights of the India-Australia 2+2 Ministerial Dialogue?

- **Enhanced Cooperation:**
 - Both nations emphasized further cooperation in information exchange and Indo-Pacific [Maritime Domain Awareness \(MDA\)](#), underlining the importance of these aspects in strengthening their strategic ties.
 - The Quad's Indo-Pacific MDA is in the implementation phase, slated to be a prominent agenda item at the upcoming Quad summit hosted by India.
- **Implementing Arrangements:**
 - Both sides discussed the implementing arrangements on **hydrography cooperation** and cooperation for **air-to-air refueling, signaling** a step toward concrete collaboration in defense areas.
- **Niche Training Areas:**
 - There's a **shared vision to collaborate in specialized training areas** such as

Artificial Intelligence (AI), Anti-Submarine Warfare, anti-drone warfare, and the cyber domain, highlighting a commitment to developing advanced defense capabilities.

▪ **Defense Industry Collaboration:**

- Both countries recognized **the potential of deepening cooperation in defense industry and research** as a means to enhance their already strong relationship.
- They Identified potential areas of collaboration including shipbuilding, ship repair and maintenance, as well as **aircraft maintenance, repair, and overhaul.**

▪ **Research in Underwater Technologies:**

- Discussion on joint research in underwater technologies and collaboration between defense start-ups **signifies a push for innovation and technological advancement** in defense strategies.

▪ **Reaffirmed Bilateral Defense Relations:**

- Both countries reaffirmed **commitment to strengthen bilateral defense relations** and expressed satisfaction over increasing military-to-military cooperation, joint exercises, exchanges, and institutional dialogues.

How have been the India- Australia Relations so far?

▪ **Historical Perspective:**

- Australia and India for the first time established diplomatic relations in the **pre-Independence period**, when the Consulate General of India was first opened as a **Trade Office in Sydney in 1941.**
- India-Australia relations touched a historic low when the **Australian Government condemned India's 1998 nuclear tests.**
- In 2014, Australia signed a Uranium supply deal with India, the first of its kind with a country that is a non-signatory to the **Nuclear Non-Proliferation Treaty**, in recognition of India's "impeccable" non-proliferation record.

▪ **Strategic Ties:**

- In 2020, Prime ministers of both the countries elevated bilateral relationship from Strategic Partnership to **Comprehensive strategic Partnership during India-Australia Leaders' Virtual Summit.**
- In 2021, the prime ministers of both the countries met during **COP26** at Glasgow.
- In 2022, there has been a series of high-level engagements and exchange of ministerial visits in 2022 and in 2023 including India-Australia virtual summit and Foreign Ministers meet. Several key announcements were made during 2nd India-Australia Virtual Summit including:
 - A Letter of Intent on Migration and Mobility Partnership Arrangement to foster the exchange of skills.

▪ **Defence Cooperation:**

- The **2+2 Ministerial Dialogue** took place in September 2021, and the Deputy Prime Minister and Defence Minister of Australia visited India in June 2022.
- The **Mutual Logistics Support Agreement (MLSA)** was signed during the Virtual Summit in June 2020 to enhance defence cooperation.
- Joint military exercises:
 - Australia will host the "**Malabar**" exercises in August 2023, with participation from India, Japan, and the US.
 - India has been invited to join the Talisman Sabre exercises in 2023.

▪ **China Factor:**

- Australia-China ties became strained due to several reasons including Australia banning Huawei from the 5G network, call for enquiry into the origins of Covid-19 and Slamming **china's human rights violations in Xinjiang** and Hongkong.
 - China responded by imposing trade barriers on Australian exports, and by cutting off all ministerial contact.
- India is facing Chinese aggression along the border which has been highlighted by incidents such as **Galwan valley clash.**
- Both Australia and India support a rules-based international order and they are seeking to forge regional institutions in the Indo-Pacific which are inclusive, promote further economic integration.
 - The countries' participation in **Quad** (India, Australia, US, Japan) is an example of

their convergence of interests, based on shared concerns.

▪ **Multilateral Cooperation:**

- Both are members of the [Quad](#), [Commonwealth](#), [Indian Ocean Rim Association \(IORA\)](#), [ASEAN Regional Forum](#), Asia Pacific Partnership on Climate and Clean Development, and have participated in the [East Asia Summits](#).
- Both countries have also been cooperating as members of the Five Interested Parties (FIP) in the [World Trade Organization](#) context.
- **Australia is an important player in [Asia Pacific Economic Cooperation \(APEC\)](#)** and supports India's membership of the organisation.

▪ **Economic Cooperation:**

◦ **[Economic Cooperation Trade Agreement \(ECTA\)](#):**

- It is the first free trade agreement signed by India with a developed country in a decade which entered into force in December 2022.
- It has resulted in an immediate reduction of duty to zero on 96% of Indian exports to Australia in value (that is 98% of the tariff lines) and zero duty on 85% of Australia's exports (in value) to India.

◦ **[Supply Chain Resilience Initiative \(SCRI\)](#):**

- India and Australia are partners in the trilateral arrangement along with Japan which seeks to enhance the resilience of supply chains in the [Indo-Pacific Region](#).

◦ **Bilateral Trade:**

- Australia is the 17th largest trading partner of India and India is Australia's 9th largest trading partner.
- Bilateral trade between India and Australia was US\$ 27.5 billion in 2021, there is potential for it to reach around US\$ 50 billion in five years.

▪ **Cooperation on Clean Energy:**

- In February 2022, countries signed a Letter of Intent on New and Renewable Energy for cooperation to reduce the cost of renewable energy technologies, including ultra low-cost solar and clean hydrogen.
- India announced Australian Dollars (AUD) 10 million for Pacific Island Countries under [the International Solar Alliance \(ISA\)](#).
- Both the countries committed USD 5.8 million to the three-year [India-Australia Critical Minerals Investment Partnership](#).

What are the Challenges in India-Australia Relations?

▪ **Adani Coal Mine Controversy:**

- There was controversy over the Adani coal mine project in Australia, with some activists protesting against it, which created a strain in the relationship between the two countries.

▪ **Visa Issues:**

- There have been concerns over visa restrictions for Indian students and professionals seeking to work in Australia.

▪ **Violence with Indian Diaspora:**

- Attacks on Indian Diaspora and temples in the recent past by Khalistan supporters have been an issue of strain.

Way Forward

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

Q.1 Consider the following countries: (2018)

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

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

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

Ans: (c)

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

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