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BEYOND LEMOA: LEVERAGING TECHNOLOGY TRANSFER THROUGH BILATERAL AGREEMENTS

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Indo-US Engagements

A logistic support agreement called the Logistics Exchange Memorandum of Agreement (LEMOA) was signed between India and the United States (US) on August 29, 2016.¹ This was the culmination of hectic parleys and efforts which continued throughout 2015 in the form of reciprocal visits. First by the US Secretary of Defence, Dr. Ashton Carter on June 03, 2015, during which the new framework agreement of India-US defence relationship was signed, and thereafter by the Indian Defence Minister on December 07-10, 2015. These were interspersed by visit by the Indian Defence secretary leading a Ministry of Defence (MoD) delegation to USA on November 16-19, 2015 which participated in meetings conducted by the Defence Policy Group (DPG), Defence Procurement & Production Group (DPPG), Defence Trade Technology Initiatives (DTTI) and Senior Technology Sub Group (STSG).

All these exchanges were preceded by the visit of Chief of Air Staff to the US in May, 2015.²

Indian Armed forces on their part have been having regular engagements with their American counterparts in continuum for years. One such Exercise "Yudh Abhyas" was held in Fort Lewis, USA from September 9-23, 2015 for which the Indian Army troops were inducted by the recently acquired IAF C-17.³ Another such exercise involving the Navies of India and US called as Exercise "MALABAR" was conducted in India from October 14-19, 2015. Similarly Exercise Red Flag between IAF and US Air Force components was held between April 28 to May 13, 2016 in Alaska, during which, realistic aerial combat scenarios in a networked environment were simulated.⁴

Further, in June 2016 India was designated as a "Major Defence Partner" during Prime Minister Narendra Modi's visit to Washington.⁵ This bilateral co-operation and the relationship



was also described as a “deepening strategic partnership”⁶ in the joint statement issued on the occasion of the visit by the Raksha Mantri between August 29, 2016 and August 31, 2016 during which, the Logistics Exchange Memorandum of Agreement (LEMOA) was inked.

The LEMOA

The LEMOA is an India specific version of the Acquisition and Cross-Service Agreements (ACSAs) which are enabling agreements regularly concluded by USA which allow their military to receive or give logistic support and services to a foreign government or organisation. USA till now has concluded such agreements with 76 countries.⁷ Therefore, other than the change in name, the contents of LEMOA more or less remain the same as the ACSA, with an addition of defining the limits of obligation to specifically exclude setting up of any bases or basing arrangements. But what is of significance is the focus to strengthen the bilateral relationship by formalising and announcing this framework for strategic and regional cooperation which includes military-to-military exchanges.

This needs to be seen as a delicate act by India to balance its own strategic interests, which remain focused firmly in its immediate neighbourhood and maybe extend to Afghanistan and shipping lanes of the Arabian Sea and South-East Asian region with its need to enhance and maintain its military capabilities. These in turn

are heavily dependent on achieving technological asymmetry and they themselves need to be balanced with the stated policy of achieving indigenisation in defence production.

US vs India Interests: Common Ground?

India’s interests were also highlighted by the visit by Shri Manohar Parrikar to the Air Combat Command (ACC) headquartered at Joint Base Langley-Eustis, Virginia. The ACC controls its global operations from over 70 worldwide locations with a motto “Global Power for America”⁸ and provides entire range of aerial assets to American forces along with conducting global information operations while providing command, control, communication and intelligence support.

During the same visit, the US also agreed to “elevate defense trade and technology sharing with India to a level commensurate with its closest allies and partners”⁹. This intention is highlighted by the setting up of five new Joint Working Groups on: Naval Systems; Air Systems, Intelligence, Surveillance and Reconnaissance; Chemical and Biological Protection; and other Systems under the DTTI along with announcing the signing of an Information Exchange Annex under the framework of the Aircraft Carrier Joint Working Group.¹⁰

But these announcements appear to be, at best a statement of intent, as any meaningful technological exchange depends on signing of the

two pending military pacts of the Communications, Interoperability & Security Memorandum Agreement (CISMOA) and the Basic Exchange and Co-operation Agreement (BECA).

The *across-the-board* announcements in such critical areas also indicate a resolve on the part of the US to secure the necessary logistics support for the common platforms being operated by India including the P-8I Long Range Maritime Reconnaissance and Anti Submarine Warfare (LRMRASW) aircraft, the C-130s, C-17s, and the soon to be inducted CH-47E (Chinook) and the AH-64D (Apache) helicopters.

In addition, the US has a significant presence in Afghanistan and intends to maintain its troop levels at around 8400 troops.¹¹ It has also facilitated and equipped the Afghanistan Air Force with over 73 Russian Mi-17 helicopters which were being maintained by US based Northrup Grumman Corporation.¹² This maintenance support changed, when in June 2013 additional 30 Mi-17s were contracted for use by Afghan Air Force. The contract estimated to be worth \$570.2 million from Rosboronexport of Moscow, included spare parts, test equipment and engineering support.¹³ This shift from the provisioning of engineering support to the Russian Original Equipment Manufacturer (OEM) from the earlier US based firm is indicative of the difficulties in sourcing the mandated support in a roundabout manner. This Russian support to

Afghan Air Force aircraft supported by Americans was adversely affected with the Western sponsored sanctions against Russian firms. These sanctions which prohibited Americans to deal with Russian firms provided a zone of convergence in the Indo-US conundrum with India operating one of the largest fleets of the Russian manufactured helicopters and more importantly its willingness to support Afghan forces.

Beyond LEMOA

The Ministry of Defence (MoD), GoI envisages a total expenditure of over \$233 billion over next 11 years.¹⁴ This includes plans for buying or producing new equipment to enhance its military readiness. The amount is likely to be spent on warships, fighter jets, submarines, aircraft carriers and helicopters. Most of these would thereafter have their own recurring expenditure for their lifecycle costs.

India's focus is therefore to leverage this advantage to obtain critical technologies and stimulate indigenous manufacturing in the defence related sector while safeguarding its own strategic interests. This is also seen as a huge economic opportunity by the firms manufacturing defence related equipment world over, as also by their respective governments.

However India's reluctance in ratifying the CISMOA and BECA agreements due to the pitfalls of exposing the technologies on board the

platforms and systems (airborne as well as seaborne) sourced from Russia is seen as a stumbling block by US to transfer niche technologies which are actually being sought.

In its present form, the LEMOA can be seen as a first cautious step, which caters to the interests and concerns of both India and the US. However, only time will tell whether the efforts on part of India to own the desired niche technologies and achieve the stated goal of self reliance, especially in the critical aerospace sector, by leveraging the economics of defence expenditure and at the same time safeguarding its strategic interests would be successful. This aspect is likely to be a key governing factor in moving beyond LEMOA and a decisive factor in forging further Indo-US strategic partnership.

(Disclaimer: The views and opinions expressed in this article are those of the author and do not necessarily reflect the position of the Centre for Air Power Studies [CAPS])

¹ PIB GoI, "India and United States Sign the Logistics Exchange Memorandum of Agreement (LEMOA)," <http://pib.nic.in/newsite/PrintRelease.aspx> accessed on August 31,2016

² Ministry of Defence, GoI, Annual Report 2015-16,(2016), p.176

³ *ibid.*, p.44

⁴ The Hindu, "India and US Fly Red Flag High," May 15, 2016, <http://www.thehindu.com/news/national/india-and-us-fly-red-flag-high/article8601788.ece> accessed on September 06,2016

⁵ PIB GoI, "India-US Joint Statement on the Visit of Minister of Defence Manohar Parrikar to the United States-August 29-31,2016," <http://pib.nic.in/newsite/PrintRelaease.aspx> accessed August 31,2016

⁶ *Ibid.*

⁷ Pradeep Chauhan, "Unravelling LEMOA: Repackaged agreement in Indo-US Strategic Interest," *Dailyo*, August 31,2016, <http://www.dailyyo.in/single-story.php?id=MTI2NjU=> , accessed on September 05,2016

⁸ Air Combat Command, "Air Combat Command History," <http://www.acc.af.mil/AboutUs/AccHistory.aspx>, accessed August 31,2016

⁹ *ibid.* n.6

¹⁰ *ibid.*, n.6

¹¹ Lt. Col. Donald A. Korpi, USFOR-A, "Secretary of Defense Visits Troops in Afghanistan," July 14,2016, https://www.army.mil/article/171516/secretary_of_defense_visits_troops_in_afghanistan accessed August 31,2016

¹² Kris Osborn, "Army Equipping Afghans, Iraqis on Mi-17," May 10,2011 <https://www.army.mil/article/56256/army-equipping-afghans-iraquis-on-mi-17s/> accessed on August 31,2016

¹³ John Keller, "US Army to Buy 30 Russian Mi-17 Helicopters for Use in High, Hot areas of Afghanistan," *Military & Aerospace Electronics*, June 18,2016, <http://www.militaryaerospace.com/articles/2013/06/mi-17-helicopter-buy.html> accessed August 31,2016

¹⁴ Ajay Banerjee, "MoD's \$223-bn plan for purchase of fighter jets, submarines, warships," *The Tribune* August 23,2016, http://www.tribuneindia.com/article/news_print.aspx?story-id=284378&catid=7&mid=53 accessed on August 24, 2016