<u>Press Releases: Press Availability</u> <u>With Indian External Affairs Minister</u> <u>Sushma Swaraj</u>

Press Availability Rex W. Tillerson

Secretary of State

Ministry of External Affairs Jawaharlal Nehru Bhawan New Delhi, India October 25, 2017

MODERATOR: Good afternoon, friends, and thank you for joining us for this media interaction. To begin the proceedings, may I request The Honorable External Affairs Minister of India to deliver her statement to the media.

EXTERNAL AFFAIRS MINISTER SWARAJ: (Via interpreter) Secretary of State Secretary Tillerson, and friends from the media, I'm delighted to welcome Secretary Tillerson on his first visit to India as Secretary of State. I would like to welcome on behalf of the Government of India, the people of India, and myself a very warm welcome to the Secretary of State.

This visit of Secretary Tillerson has been a very fruitful visit. He has been to Saudi Arabia, Qatar, Afghanistan, Iraq, and Pakistan. And after visits to these countries, he has come to India, which means that he has covered six countries in five days. But what I'm very happy to note is that — and the final destination has been to the country of — a very close country. And you say that when you visit a friend's country, you take care — you get rid of all your fatigue. And I hope that you are feeling a little relaxed. I hope that you're not feeling tired, but will take back new energy with you.

Friends, in the last — over the month, this is our second meeting. I had the pleasure of meeting Secretary Tillerson in New York last month on the sidelines of the UN General Assembly. Our strategic partnership with the U.S. is of high priority for us. As Prime Minister Modi has said, we consider the U.S. as an indispensable partner in every sector of India's march forward. Secretary Tillerson, we appreciate the clear vision that you have presented of the India-U.S. global partnership in your speech in Washington last week. I would like to tell you that we fully share your strong desire to strengthen this relationship between the two largest democracies of the world.

I'm very happy to let you know that considerable progress in the implementation of the decisions taken during Prime Minister Modi's visit to the U.S. Our defense engagements have intensified. We are consulting closely on security and counterterrorism issues, and commencement of U.S. crude oil purchase by India has added a new dimension to our energy partnership. I wish to express my appreciation to Secretary Tillerson's individual efforts in this regard.

In our discussions today, we identified the next steps to carry forward our cooperation. We discussed in detail the issue of terrorism, which has emerged as the foremost security challenge for the entire world. We discussed ways for effective implementation of the new strategy of President Trump on Afghanistan and South Asia so that the strategy achieves its desired goals. We share the grave concern at the recent escalation of terrorist violence against Afghanistan. These attacks demonstrate that safe havens and support systems continue to be available to the terrorists.

Secretary Tillerson and I agreed that we will work closely to ensure that no country provides safe havens for terrorists, and those who provide support to terrorists or use terrorism are held accountable. We agreed that Pakistan should take immediate steps to dismantle safe havens for terrorist groups and bring the perpetrators of Mumbai and Pathankot and other terrorist attacks. We believe that effective action by Pakistan against all terrorist groups without distinction is critical to the success of the new strategy of President Trump.

India is committed to working closely with the Government of Afghanistan and the international community, including the U.S., towards securing a democratic, peaceful, prosperous, stable, inclusive, and secure Afghanistan. We have agreed to hold India-U.S.-Afghanistan trilateral meeting at an early date.

We have also agreed to hold the inaugural meeting of the new bilateral

mechanism on domestic and international terrorist designations in India in December. We also discussed the security challenges in the Indo-Pacific region, and connectivity issues. During prime minister's visit, both our countries had agreed on a set of principles that would guide connectivity initiatives in this region, particularly the respect for sovereignty and territorial integrity. We also reaffirmed the importance of freedom of navigation, overflight, and unimpeded commerce in accordance with international laws in order to achieve a free, open, and prosperous Indo-Pacific region. Secretary Tillerson and I agreed that we will work together and with other partners to promote cooperation based on these principles.

We have also agreed to hold the inaugural meeting of the 2+2 dialogue mechanism at an early date. We agreed to encourage industrial partnership between our defense companies. We believe that further liberalization of the legal framework and full implementation of the bilateral understanding on India's major defense partner status will facilitate co-production and co-development. We appreciate the intent that U.S. administration has shown under President Trump to make available to India advance defense platforms. We look forward to making further progress in this area.

Friends, we have also deliberated on our vibrant economic partnership and agreed to work more closely to unlock the immense potential in our bilateral economic cooperation. The sustained growth of the Indian economy will unleash more opportunities for great India-U.S. economic engagement. Our cabinet colleagues will hold in-depth discussion in Washington, D.C. over the next two days.

Friends, people-to-people contacts have played a critical role in the development of India-U.S. relations. This is in part — this is most evident in our mutually beneficial digital partnership, driven by our skilled professionals. Secretary Tillerson has very correctly pointed out that no two countries encourage innovation better than the U.S. and India. In this regard, we discussed the very significant contribution to the U.S. economy of Indian-skilled professionals who travel and work under H-1B and L-1 visa programs.

I have also sought Secretary Tillerson's support for resolution of the long-pending issue of totalization, and I have asked that no — nothing by the U.S. should be done which will affect or adversely affect India's interests. Innovation, entrepreneurship, and economic partnership have been an important foundation of our relations. Our economic innovation partnership will be further strengthened by the Global Entrepreneurship Summit that India and U.S. will co-host next month. We look forward to welcoming the U.S. delegation led by Ms. Ivanka Trump, advisor to the President.

Friends, I thank Secretary Tillerson for the continued U.S. support to India's membership of the multilateral export control regimes and permanent membership of the UN Security Council. We both agreed that enhanced global role — we must take forward the agreements made between our two leaders, and this trip has enhanced it.

I now invite Secretary Tillerson to give his remarks. Thank you.

MODERATOR: (Inaudible) request our Honorable Secretary of State to deliver his statement to the media.

SECRETARY TILLERSON: Well, let me begin by thanking Prime Minister Modi and Minister Swaraj for their very warm welcome to India. It is a real pleasure to return to India, a vibrant democracy that shares so many values with the United States.

India and the United States have had close relations now for more than 70 years and we are natural allies, in the words of Prime Minister Modi. We are grateful for his friendship and his vision of a closer U.S.-India relationship and a vision we certainly share. The United States supports India's emergence as a leading power and will continue to contribute to Indian capabilities to provide security throughout the region. In this regard, we are willing and able to provide India advanced technologies for its military modernization efforts. This includes ambitious offers from American industry for F-16 and F-18 fighter planes. I'm grateful to my friend and colleague, Secretary of Defense Mattis, that he was able to visit India last month, and he and I both look forward to the inaugural 2+2 dialogue early next year.

In August, President Trump announced a new strategy for South Asia, one that redoubles our commitment to Afghanistan, and with it, to peace, stability, and the greater South Asian region. India plays an important role in this effort. In the fight against terrorism, the United States will continue to stand shoulder to shoulder with India. Terrorist safe havens will not be tolerated.

We acknowledge with gratitude India's generous contributions to development in Afghanistan, including construction of the Salma Dam and the Afghanistan parliament building, and the \$3 billion it has provided already in development assistance. We also look forward to further cooperation in the broader Indo-Pacific region as we both promote a rules-based approach to the commons and a transparent and sustainable approach to economic development. We're glad to be joined in this effort by our close mutual partner, Japan, and I was honored to participate in a trilateral discussion on these topics with my friends, Minister Swaraj and Minister Kono, in New York last month.

In addition to our partnership on regional and global stability, India and the United States continue to benefit from our strong economic bonds. Our two countries have a history of trade that dates back to the 18th century, long before the independence of either of our nations. We are pleased that recently, we celebrated an important milestone of our deepening economic relationship. The first shipment of American crude oil arrived in India at the beginning of this month, marking the first U.S. oil export to India in more than four decades. Continued oil sales have the potential to boost bilateral trade by up to \$2 billion per year.

In fact, the U.S.-India trade relationship, which reached nearly \$115 billion last year, touches many parts of the lives of both of our citizens. U.S. companies and products are an everyday presence in the lives of Indians and we see increasing investments from Indian companies in America, including a

Mahindra vehicle plant that will open this month in Detroit, the first ever Indian automobile manufacturing plant in the United States. India and the United States also share a spirit of entrepreneurship and innovation, including the dynamic Indian American community. We're proud to cohost the Global Engagement [1] Summit in Hyderabad next month, where the spirit of private enterprise will be on full display. GES, the first ever to be hosted in South Asia, will be an important opportunity for India and the United States to showcase the entrepreneurship of our people, advance women's economic empowerment, and harness the power of young innovators in both of our countries.

But at the core of our strong bond is our shared values. Our democracies were founded on a commitment to individual liberty and the rule of law. It's this foundation that underpins all that we work together on, from combating terrorism and safeguarding a rules-based Indo-Pacific region to increasing free and fair trade even as we look for more areas of cooperation. As President Trump said during Prime Minister Modi's trip to the United States in June, and I quote, "The future of our partnership has never looked brighter." India and the United States will always be tied together in friendship and respect. We look forward to an even brighter future. Thank you very much, Excellency, for hosting me and for the very fruitful and useful dialogue we've had. Thank you.

MODERATOR: Thank you, sir. (Inaudible) two questions. One will be from the media accompanying the U.S. Secretary of State and another one for — from the Indian media. The first question goes to the accompanying media which is with the U.S. Secretary of State.

MODERATOR: Jonathan, go ahead.

QUESTION: Jonathan Landay with — oh. Jonathan Landay with Reuters. Madam External Affairs Minister, you say India fully shares Secretary Tillerson's vision for greater — for greatly expanding U.S.-Indian relations and for India to play a greater security role in the Indo-Pacific region. In that context, the Trump administration is pressing countries around the world to cut diplomatic and trade ties with North Korea, to strangle the hard currency flows that fund North Korea's nuclear weapons and ballistic missile programs. India and North Korea maintain embassies in each other's capitals, and bilateral trade in 2013 reportedly totaled more than \$90 million, some 60 million of it Indian exports that include petroleum products critical to North Korea's military. Is India prepared to shut down trade with Pyongyang and close the embassies to demonstrate its readiness to expand its strategic partnership with the United States?

Mr. Secretary, in 2016, India and Afghanistan signed an agreement for India to develop the southern Iranian port of Chabahar and build a railway line to southern Afghanistan, creating a trade corridor that would free Afghanistan from reliance on Pakistan's port of Karachi, to which India has no access. India is investing millions in the project, which will allow it to expand trade and assistance to Afghanistan, a key pillar of your administration's new South Asia policy, yet the Trump administration also has embarked on a new strategy that takes a more aggressive stance towards Iran in order to

blunt its expanding influence in the Middle East. Isn't there a major risk that the two U.S. strategies will clash in Chabahar, that Iran could put the brakes on that project, seriously undermining India's ability to fulfill the role envisioned for it in the Trump administration's plan for stabilizing Afghanistan? How do you prevent that from happening given the serious tensions between the United States and Iran? Thank you.

EXTERNAL AFFAIRS MINISTER SWARAJ: (Via interpreter) Thank you very much. The topic you have raised with regard to the DPRK — and we have actually had a very open discussion between myself and Secretary Tillerson and both of the points that you have touched upon, which means reduction of trade and closing down of the embassy. In fact, I have talked to Secretary Tillerson about these two topics with regard to trade. The trade between us and DPRK has reduced considerably. In fact, I can very safely say it's at a minimal level.

Now, with regard to the embassy, the size of the Indian embassy in Pyongyang is very small, but the fact remains there is an embassy, and I mentioned to Secretary Tillerson that some of your friend countries' embassies should in fact stay there because we should leave some channels of communication with the DPRK. Many times you have to talk to the other person there. Sometimes you need dialogue to lead to solutions of problems, and I think there should be one embassy in that country of a country that you call a friend state. And I do understand that Secretary Tillerson has understood my stance on this very intelligently and he's understood the fact that we have considerably reduced the volume of trade and our embassy is small. But I still feel that the embassy should remain there and he has appreciated this point.

SECRETARY TILLERSON: With respect to the recently announced policy of the United States towards Iran, I think it's important to keep a few things in mind. That policy, as you know, had three important pillars to it. One is dealing with the nuclear plan of action. The second important pillar of that policy, though, is to deal with Iran's other destabilizing activities — their ballistic missile programs, their export of arms to terrorist organizations and their destabilizing export of foreign fighters, involvement in the revolution in Yemen, Syria, and other places. And the third pillar, though, which, again, doesn't get talked as much about, is a support for moderate voices inside of Iran, that we know there are strong feelings and values inside of Iran that we want to promote in terms of one day the Iranian people being able to retake control of their government. They live under this oppressive revolutionary regime, and we do not want to harm the Iranian people. Our fight is not with the Iranian people. Our disagreements are with the revolutionary regime.

So with that context, as we are taking actions to impose sanctions on the regime — and, in particular, the Iranian Revolutionary Guard — it's our objective to deny financing capacity and to disrupt the activities related to these malign behaviors. It's not our objective to harm the Iranian people, nor is it our objective to interfere with legitimate business activities that are going on with other businesses, whether they be from Europe, India, or agreements that are in place that promote economic development and activity to the benefit of our friends and allies as well. We think that there isn't — there's no contradiction within that policy and, in fact, we're calling on

some of these same counterparties to join us in imposing sanctions on Iran's activities, and in particular, the activities of the Iranian Revolutionary Guard Corps and their subsidiaries to punish them for the destabilizing activities that we see Iran carrying out in the region.

So we do — we don't see a contradiction there and we have very open dialogue and discussions with all of our friends and allies around the policy to ensure it's well understood. But also, if we see areas of concern, we'll engage with our friends and partners on ways that we believe they can help put the pressure on Iran to push back on the destabilizing activities of Iran that I think are of a concern to many in the world.

MODERATOR: Thank you, sir. Thank you, ma'am. The second question goes to the Indian media. Ashish?

QUESTION: Thank you (inaudible). Good afternoon, excellencies. I am Ashish from India TV. My question, Secretary, for you is that you just mentioned that safe havens of terror won't be tolerated, but we have seen off and on how Pakistan state has been harboring terrorists and supporting cross-border terrorism. So — and whenever the complicity is pointed out to them, sir, they very easily get — giving some tactical condition or some false assurances. So since you have just come from Pakistan to India, how do you look forward to deal with this issue, to solve this issue, which is very crucial to us?

(Via interpreter) Ma'am, thank you. As you just mentioned about the H-1B visa, can you please tell me when you had a discussion with regard to H-1B visa — you know that this has a very deep impact on many professionals — what are the kind of resolutions that have been taken to resolve this?

SECRETARY TILLERSON: In our discussions with Pakistani leadership yesterday in Islamabad we had a very open, frank exchange around the concerns the United States shares with other regional partners and allies — India, but also Afghanistan — that there are too many terrorist organizations that find a safe place in Pakistan from which to conduct their operations and attacks against other countries. We have extended to Pakistan certain expectations we have of their government and their leadership to deal with, in particular, these organizations, the leaders of these organizations, and we are attempting to put in place a mechanism of cooperation through information sharing, but not just information sharing; action — action to be taken to begin to deny these organizations the ability to launch attacks against others.

Quite frankly, my view — and I expressed this to the leadership of Pakistan — is we also are concerned about the stability and security of Pakistan's government as well. As these terrorist organizations have enlarged their numbers and have enlarged their strength and their capability within Pakistan's borders, this can lead to a threat to Pakistan's own stability. It is not in anyone's interest that the Government of Pakistan be destabilized. And so we think we have a mutually shared interest in not just containing these organizations, but ultimately eliminating these organizations. I think all of us have to commit ourselves to the eradication of terrorism, of violent extremism in whatever form it takes. And this is going to require

international and global efforts and a common view and a common objective and mission.

And so these are the expectations that we have put in place with the leadership of Pakistan. We want to work with Pakistan in a positive way because we think this is in their interest as well longer term.

EXTERNAL AFFAIRS MINISTER SWARAJ: (Via interpreter) You have asked a question with regard to H-1B visas. Firstly, I would like to clarify that so far there has been no change in the policy of H-1B visas; however, some of the bills have been presented in the American Congress. If these bills pass, then some of our skilled professionals will be affected adversely and that is the reason why India has attached great priority to this issue.

When I met with Secretary Tillerson in New York, then also I raised this issue, and just recently, we had a visit from a congressional delegation and, again, I raised this topic with them. And in fact, today also I have brought up this topic with Secretary Tillerson, and the way I put it across is this: that between — India and U.S. share a very, very deep relation and when you leave — keep that in place, I don't think a skilled professional doesn't think that there will be any action taken which will not be in the interest of the skilled profession.

And, of course, you have asked us how have we come to looking for a solution. I think H-1B visa can be changed into two ways. Firstly can be an executive order or it can be through passing a bill by the Congress, and we are obviously looking at it from both the sides. With regard to E.O., we are talking of the administration like we've talked to Secretary Tillerson.

With regard to bill passing in Congress, we are looking at getting their acceptance within the congressmen, like I mentioned that I just spoke with the congressional delegation also, so these are the two ways in which we are approaching getting closer to a solution so that we can ensure that the interests of our people are not affected adversely. We are talking to congressmen, we are talking to the administration that this kind of an E.O. is not passed or such a bill is not passed.

Thank you.

MODERATOR: Thank you, sir. This concludes today's press interaction. Thank you all for participating.

[1] Entrepreneurship

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