



# The Indian Society of International Law

## NEWSLETTER

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For members only

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## Editorial



On 25th February this year the ICJ (International Court of Justice) has rendered an important advisory opinion on the right of self-determination and decolonization in the reference of "Legal Consequences of the Separation of the Chagos Archipelago from Mauritius in 1965". On 22 June 2017 the UN General Assembly invoking Article 92 of the UN Charter adopted a resolution 71/292 and requested the Court for an advisory opinion on the following questions: (a) "Was the process of decolonization of Mauritius lawfully completed when Mauritius was granted independence in 1968, following the separation of the Chagos Archipelago from Mauritius and having regard to international law, including obligations reflected in General Assembly resolutions 1514 (XV) of 14 December 1960, 2066 (XX) of 16 December 1965, 2232 (XXI) of 20 December 1966 and 2357 (XXII) of 19 December 1967?"; (b) "What are the consequences under international law, including obligations reflected in the above-mentioned resolutions, arising from the continued administration by the United Kingdom of Great Britain and Northern Ireland of the Chagos

Archipelago, including with respect to the inability of Mauritius to implement a programme for the resettlement on the Chagos Archipelago of its nationals, in particular those of Chagossian origin?"

As many as 31 States and the African Union made written submissions to the Court and 21 of them and the African Union participated in the oral proceedings of the Court on 3 - 6 September 2018. The Court by majority asserted that the questions posed by the General Assembly were within its jurisdiction and there were no compelling reasons for it to decline to give the opinion nor to modify the questions. By 13 votes to 1 (Judge Donoghue of USA dissenting), the Court opined that "having regard to international law, the process of decolonization of Mauritius was not lawfully completed when that country acceded to independence 1968".

The Court arrived at this conclusion by affirming that the right of self-determination had crystallized into rule of customary international law by 1968 when Mauritius attained independence and at another place the Court went further and asserted that 'the respect for the right of self-determination is an obligation erga omnes...' (para 180). In the Court's view, the General Assembly resolution 1514 (XV) of 14 December 1960, though recommendatory, was of 'a declaratory character with regard to self-determination as a customary norm, in view of its content and the conditions of its adoption.' (para 152). Further, that resolution had the "normative character, in so far as it affirms that "(a)ll people have the right to self-determination". (153) Referring to paragraph 6 of the resolution, the Court opined that the right of self-determination encompassed the 'respect for the national unity and territorial integrity of a State or country'. Therefore the separation of Chagos Archipelago by the UK from Mauritius before giving independence to the latter in 1968 was in violation of self-determination of Mauritius. The legal consequence of this was that the continued administration of Chagos by the UK was 'a wrongful act entailing international responsibility of that State'. (177) Therefore, the UK was under an 'obligation to bring an end to its administration of the Chagos... as rapidly as possible, and that all Member States must co-operate with the United Nations to complete the decolonization of Mauritius.' (180 & 182)

India's Role: India whose independence in 1947 galvanised the colonial peoples of Asia and Africa to struggle for their self-determination, had fully backed Mauritius both in the United Nations and in the Court proceedings. Referring to the historical facts and related legal positions, India's Ambassador Venu Rajamony stated before the ICJ that the historical survey indicated that the Chagos throughout the pre and post colonial period had remained with Mauritius. India in its written statement had argued that Mauritius's demand for sovereignty over Chagos Archipelago, which includes Diego Garcia, where the US has its largest naval base in the Indian Ocean, should not be linked to regional security. Indian officials had claimed that it was due to New Delhi's insistence that Mauritius had made the explicit commitment that the US could retain Diego Garcia as a military base, even if there was a change in sovereignty.

**Pravin H. Parekh**

# RECENT ACTIVITIES

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### **Eighth Winter Course on International Migration and Refugee Law**

The ISIL organized its Eighth Winter Course on International Migration and Refugee Law from 1 January to 5 January 2019. Prof. Upendra Baxi, Professor Emeritus, Delhi University, Delhi inaugurated the course on 1 January 2019. Maj Gen Nilendra Kumar, EC Member, ISIL gave welcome address. Prof. YSR Murthy, Vice President, ISIL presided the Inaugural session. On this occasion, Shri C. K. Chaturvedi, EC Member, ISIL also addressed the participants. Dr. Srinivas Burra, EC Member gave a formal vote of thanks. United Nations High Commission on Refugee, New Delhi supported the course and sent their staff to deliver lectures on some topics. The Course received 200 participants from all parts of the country. Hon'ble Justice A. K. Sikri, Judge, Supreme Court of India gave the valedictory address and distributed certificates to the participants on 5 January 2019. Prof. D. N. Jauhar, EC Member, ISIL gave the welcome address. Shri Pravin H. Parekh, President, ISIL presided the valedictory session. Ms. Grace Shaidi

Mungwe, UNHCR Deputy Chief of the Mission and Prof. TSN Sastry also addressed the participants. Dr. V. G. Hegde, EC Member, ISIL gave a formal vote of thanks. The course witnessed lively interactions among participants and teachers.

### **Visit of Participants of the 34th International Training Programme in Legislative Drafting**

Participants of the 34th International Training Programme in Legislative Drafting organized by the Bureau of Parliamentary Studies and Training, Lok Sabha visited the ISIL on 29 January 2019. 50 foreign government legal officers attended the lecture. Shri Pravin H. Parekh, President, ISIL, Prof. Manoj Kumar Sinha, Vice President, ISIL and Prof. Dabiru Sridhar Patnaik, Treasurer, ISIL interacted with the participants on the importance and role of international law.

### **Special Lecture on "Role of Special Rapporteur in the Field of Human Rights"**

The ISIL organized a Special Lecture on "Role of Special Rapporteur in the Field of Human Rights" on 8 February 2018. The lecture was given by Dr. Kishore Singh, Former Special Rapporteur on the Right to Education. Prof. Manoj Kumar Sinha, Vice

President, ISIL presided the Special Lecture and Shri M. Koteswara Rao, EC Member, ISIL was also present on the occasion.

### **Appointment of Secretary General of the ISIL**

Executive Council (EC) of the Indian Society of International Law in its meeting held on 30 March 2019 has elected Shri M. Koteswara Rao as a Secretary General of the ISIL. Shri Rao was formerly at the Legal & Treaties Division, MEA. Shri Rao also worked at the Permanent Missions of India to UN at New York (2014-2017) and to WTO at Geneva (1999-2003) and also served as the Legal Adviser to the Ministry of Foreign Affairs of Seychelles (2009-2012).

### **Monthly Discussion Lectures**

"Critiquing Katowice Climate Change Conference Outcome (COP 24)", by Dr. Vijeta Rattani, Programme Manager, Climate Change Division, Centre for Science and Environment and Dr. Anwar Sadat, Assistant Professor (Senior), ISIL on 8 February 2019.

"Inter-Country Parental Removal of Child- An Indian Perspective", by Prof. Lakshmi Jambholkar, Former Professor, Delhi University, Delhi on 1 March 2019.



# RECENT DEVELOPMENTS



## RECENT DEVELOPMENT BRAZIL, AUSTRALIA and GUATEMALA INITIATED WTO DISPUTE COMPLAINTS AGAINST INDIAN SUGAR SUBSIDIES

Brazil and Australia have requested WTO dispute consultations with India regarding domestic support measures and alleged export subsidies provided by India to producers of sugarcane and sugar. The requests were circulated to WTO members on 5 and 7 March 2019. And later on, Guatemala, on 25 March 2019 has requested WTO dispute consultations with India regarding domestic support measures and alleged the export subsidies provided by India to producers of sugarcane and sugar. The request was circulated to WTO members on 25 March 2019.

## VENEZUELA INITIATED WTO DISPUTE COMPLAINT AGAINST US MEASURES ON GOODS AND SERVICES

Venezuela has requested WTO dispute consultations with the United States regarding US measures affecting goods and services of Venezuelan origin. Venezuela's request was circulated to WTO members on 8 January 2019. Venezuela claims that certain US laws and regulations relating to goods of Venezuelan origin, the liquidity of Venezuelan public debt, transactions in Venezuelan digital currency, and the Specially Designated Nationals and Blocked Persons List are inconsistent

with the WTO's General Agreement on Tariffs and Trade (GATT) 1994 and the General Agreement on Trade in Services (GATS).

In a nutshell, Venezuela questions WTO-consistency of a number of coercive trade-restrictive measures (economic sanctions) imposed by the United States. Some of those restrictions were allegedly imposed for the violation of human rights. Earlier in December 2014, the US Congress enacted the Venezuela Defense of Human Rights and Civil Society Act of 2014, which was triggered by a number of events, particularly by the deteriorated living standards and the violent crackdown on the anti-government protesters. The Act authorizes the President to impose various targeted sanctions – sanctions against current or former government officials responsible for acts of violence or serious human rights abuses against protesters.

It is important to note that recently the security exception has been invoked by the Russian Federation in an ongoing dispute with Ukraine (DS512) and by the

United Arab Emirates in a dispute with Qatar (DS526). But neither has a panel nor the Appellate Body ever adjudicated it. In the midst of the heated debate on the ambit of the national security clause, more specifically Article XXI(b)(iii) of the GATT 1994, the dispute between Venezuela and the United States can be of significant interest. The United States is of the view that the invocation of the national security clause is a non-justiciable matter.

## INDIA'S SURGICAL STRIKE

In the early hours of 26 February 2019, Indian Air Force MIG-20s carried out air strikes in Pakistani territory near a small city of Balakot in response to a suicide bombing in the Indian State of Jammu and Kashmir on 14 February 2018 which killed over 40 Indian paramilitary personnel and for which Pakistani based terrorist group, Jaish-e-Mohammad (JeM) claimed responsibility. India claimed that it hit a JeM militant training camp during the strikes with a significant number of militant casualties, while Pakistan claimed that the Indian aircraft retreated after being confronted by the Pakistan Air Force, dropping four or five bombs in open field as they left across the border and which resulted in no casualties.



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In a statement on the day of the initial air strikes, the Indian Foreign Secretary stated that '[c]redible intelligence was received that JeM was attempting another suicide terror attack' and '[i]n the face of imminent danger, a preemptive strike became absolutely necessary.....' 'The Government of India is firmly and resolutely committed to taking all necessary measures to fight the menace of terrorism. Hence this *non-military preemptive action* was specifically targeted at the JeM camp. The selection of the target was also conditioned by our desire to avoid civilian casualties. The facility is located in thick forest on a hilltop far away from any civilian presence. As the strike has taken place only a short while ago, we are awaiting further details.'

The ICJ has set some understanding on this issue in few cases for instances, Nicaragua case, (1986) ICJ Reports 14, at para 231; Oil Platforms case, (2003) ICJ Reports 161, at para 64; Armed Activities case, (2005) ICJ Reports 168, at para 146).

Some Indian scholars were of view that the 'preemptive strikes' were justified on the basis of Pakistan being unable or unwilling to take the necessary action against JeM. It is evident that 'The existence of such massive training facilities capable of training hundreds of jihadis could not have functioned without the knowledge of Pakistan authorities... India has been repeatedly urging Pakistan to take action against the JeM to prevent jihadis from being trained and armed inside Pakistan. Pakistan has taken no concrete actions to dismantle the infrastructure of terrorism on its soil.'

## WITHDRAWAL OF MFN TO PAKISTAN

A day after the Pulwama terror attack on 14th February, 2019, India has taken a stern step of withdrawing the

Most Favoured Nation or MFN Status of Pakistan. This move would enable India to increase customs duty on goods coming from Pakistan. The decision was taken in the meeting of the Cabinet Committee on Security (CCS).

## JAM ET AL. v. INTERNATIONAL FINANCE CORP

In 1945, Congress passed the International Organizations Immunities Act (IOIA), which, among other things, grants international organizations the "same immunity from suit . . . as is enjoyed by foreign governments." [22 U. S. C. §288a(b)]. At that time, foreign governments were entitled to virtually absolute immunity as a matter of international grace and comity. In 1952, the State Department adopted a restrictive theory of foreign sovereign immunity, which Congress subsequently codified in the Foreign Sovereign Immunities Act (FSIA), 28 U. S. C. §1602. The FSIA gives foreign sovereign governments presumptive immunity from suit, §1604, subject to several statutory exceptions, including, as relevant here, an exception for actions based on commercial activity with a sufficient nexus with the United States, §1605(a)(2).

Respondent International Finance Corporation (IFC), an IOIA international organization, entered into a loan agreement with Coastal Gujarat Power Limited, a company based in India, to finance the construction of a coal-fired power plant in Gujarat. Petitioners who are Indians sued the IFC, claiming that pollution from the plant harmed the surrounding air, land, and water. The District Court, however, held that the IFC was immune from suit because it enjoyed the virtually absolute immunity that foreign governments enjoyed when the IOIA was enacted. The D. C. Circuit affirmed in light of its decision in *Atkinson v. Inter-American Development Bank,*

156 F. 3d 1335.

Writing for a 7-1 majority, Chief Justice Roberts of the Supreme Court decided on 27 February 2019 that the IOIA affords international organizations the same immunity from suit as the foreign governments enjoy today under the FSIA. (Pp. 6–15) Thus, as the US law of sovereign immunity has shifted from an absolute to a restrictive paradigm with the enactment of the 1976 Foreign Sovereign Immunities Act (FSIA), so does the IOIA incorporate merely restrictive immunity for international organizations. Justice Breyer filed his dissenting opinion and interpreted the statute as affording international organizations absolute immunity from suit – which foreign sovereigns were entitled to under US law when the IOIA was enacted in 1945.

## CERTAIN IRANIAN ASSETS (ISLAMIC REPUBLIC OF IRAN v. UNITED STATES OF AMERICA), PRELIMINARY OBJECTIONS

On 13 February 2019, the International Court of Justice (ICJ) issued its Judgment on the preliminary objections raised by the US to Iran's claims in the *Certain Iranian Assets* case. The dispute involves the exercise of jurisdiction over Iran by US courts and the seizure of assets of Iranian state-owned companies to satisfy those court's judgments. Iran alleges that the United States has violated provisions of the 1955 Treaty of Amity between the two countries by allowing private lawsuits to proceed against Iran for injuries resulting from acts of international terrorism, and by allowing attachment of property of certain Iranian state-owned companies (including the Central Bank of Iran, also known as Bank Markazi) to satisfy default judgments obtained in these lawsuits. By Iran's account, these

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judgments totaled over \$56 billion (\$30 billion of which consists of punitive damage awards) as of June 2016. Iran argued that the failure of the United States to recognize the separate juridical status and separate legal personality of Iranian companies violated its obligations under the Treaty of Amity and international law. The U.S. countered that Iran was invoking the Treaty as a pretext to get the ICJ involved in a dispute about the customary international law of foreign sovereign immunity, and that Iran's claims fall outside the scope of the Treaty. In brief, US raised objections to jurisdiction and admissibility of case: "abuse of process", "unclean hands" and "the characterization of "company" within the meaning of the Treaty of Amity is not applicable to Bank Markazi".

The Court noted that the United States had not argued that Iran, through its alleged conduct, had violated the Treaty of Amity, upon which its Application was based. Without having to take a position on the "clean hands" doctrine, the Court considered that, even if it were shown that the Iran's conduct was not beyond reproach, this would not be sufficient per se to uphold the objection to admissibility raised by the US on the basis of the "clean hands" doctrine (*Avena and Other Mexican Nationals (Mexico v. United States of America)*, Judgment, I.C.J. Reports 2004 (I), p. 38, para. 47; *Maritime Delimitation in the Indian Ocean (Somalia v. Kenya)*, Preliminary Objections, Judgment, I.C.J. Reports 2017, p. 52, para. 142).

The ICJ rejected the four other U.S. objections. As in the nuclear sanctions case, it found that the applicability of the national security exception of the Treaty of Amity is a matter for the merits stage of the case. It also declined to deny jurisdiction based on the U.S.

interpretation that certain treaty provisions that Iran relies upon do not apply to the Central Bank of Iran. It found that the treaty could apply to commercial—as opposed to sovereign—activity of the Central Bank of Iran, and that more facts are necessary to ascertain the nature of its activities in the U.S. This, too, the court concluded, was a question for the merits stage of the case. Finally, the court rejected the U.S. abuse of process and unclean hands objections.

While the ICJ accepted jurisdiction over the case and allowed it to move forward—rejecting most of the U.S. preliminary objections, the ICJ, however, agreed with the U.S. that the Court does not have jurisdiction to hear claims based on the international law of state immunity.

## **APPLICATION OF THE INTERNATIONAL CONVENTION ON THE ELIMINATION OF ALL FORMS OF RACIAL DISCRIMINATION (QATAR V. UNITED ARAB EMIRATES)**

On 22 March 2019, the United Arab Emirates (UAE) filed a Request for the indication of provisional measures in the case concerning the Application of the International Convention on the Elimination of All Forms of Racial Discrimination (CERD) (*Qatar v. United Arab Emirates*). It is recalled that, on 11 June 2018, the State of Qatar (*Qatar*) instituted proceedings against the UAE with regard to alleged violations of the CERD, to which both States are parties. On the same date, Qatar also filed a Request for the indication of provisional measures "to protect against further, irreparable harm . . . the rights of Qataris and their families under the CERD . . . and to prevent aggravation or extension of the dispute". By an Order dated 23 July 2018, the Court indicated certain provisional measures to the Parties. The UAE now requests the Court to indicate provisional measures in order to preserve its rights to procedural fairness,

to an equal opportunity to present its case and to proper administration of justice, which are alleged to be threatened by Qatar's pursuing of parallel proceedings before the Court and the CERD Committee in respect of the same dispute. Provisional measures are also said to be necessary to "prevent Qatar from further aggravating or extending the dispute between the Parties" pending a final decision in the case.

The UAE requests that the Court to order Qatar to immediately withdraw its Communication submitted to the CERD Committee pursuant to Article 11 of the CERD on 8 March 2018 against the UAE and Qatar immediately desist from hampering the UAE's attempts to assist Qatari citizens, including by un-blocking in its territory access to the website by which Qatari citizens can apply for a permit to return to the UAE.

## **THE UNITED STATES AND THE ICC**

The United States on 25 March 2019 has announced that it will revoke or deny visas to members of the International Criminal Court involved in investigating the actions of US troops in Afghanistan or other countries. The ICC prosecutor, Fatou Bensouda, asked judges in November 2017 for authorization to open an investigation into alleged war crimes in Afghanistan. While the United States is not a party to the ICC Statute, Afghanistan is a State Party, so the conduct of U.S. nationals in Afghanistan is within the Court's jurisdiction. The Afghanistan preliminary examination, which alleges crimes were committed by U.S. armed forces and members of the Central Intelligence Agency ("CIA"), is mostly focused on horrific atrocity crimes believed to have been committed by the Taliban and affiliated groups

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(including crimes against humanity and war crimes through “intimidation, targeted killings and abductions of civilians”), as well as allegations involving Afghan Armed Forces. The inquiry regarding U.S. nationals is most predominantly related to torture, including acts by CIA officials well-documented by the United States Senate Committee on Intelligence. The Afghanistan preliminary examination also makes reference to crimes on the territory of other ICC States Parties, which presumably refers to Poland, Romania, and/or Lithuania, also known to have housed secret CIA “black site” prisons.

Earlier the U.S. pursued under the Bush Administration a campaign to obtain so-called “Article 98” or “Bilateral Immunity Agreements,” with countries.

## WTO APPELLATE BODY CRISIS

In the Agreed Procedures under Articles 21 and 22 of the Dispute Settlement Understanding (DSU) between Indonesia and Viet Nam in the Indonesia – Safeguard on Certain Iron or Steel Products (DS496) dispute where para 7 states: “The parties agree that if, on the date of the circulation of the panel report under Article 21.5 of the DSU, the Appellate Body (AB) is composed of fewer than three Members available to serve on a division in an appeal in these proceedings, they will not appeal that report under Articles 16.4 and 17 of the DSU.” The parties agree that the panel report will be the final word in the case, which means the case cannot be sent into limbo if someone appeals to a non-existent Appellate Body. This kind of agreement between parties to a dispute is one way that WTO dispute settlement can continue to function if the Appellate Body crisis is not resolved. It will be interesting to see

how quickly the idea spreads.

Earlier, while bringing the US tariff dispute to the WTO on January 29, 2019, China asserted that the US actions to block AB appointments are arguably “illegitimate” because DSU Article 17.2 requires that “[v]acancies shall be filled as they arise”. On a plain reading, DSU Article 17.2 read with DSU Article 2.4 would appear to indicate that the mandatory obligation to fill vacancies in the Appellate Body must be fulfilled by the DSB by consensus.

The joint communication from the European Union and 11 other nations tabled in the General Council meeting held on 12-13 December 2018 (“EU DSU Proposal”) was the last comprehensive set of publicly available suggestions to break the impasse over the appointment of new Appellate Body (“AB”) Members of the World Trade Organization (“WTO”). It proposes amendments to the Dispute Settlement Understanding (“DSU”) as a way to address concerns raised by the United States (“US”). It also states that: “(i)f the amendment of the DSU prove[s] to be impracticable to achieve this objective swiftly, we will consider other legal instruments appropriate for that purpose”. The US response to the EU DSU Proposal suggest a lack of constructive engagement with the EU proposal.

## DEVELOPMENT DIMENSION IN THE WTO

On 15 January 2019, the US tabled its communication “An undifferentiated WTO: self-declared development status risks institutional irrelevance”. A month later on 28 February 2019, China, along with several other countries, tabled its own paper titled “The Continued Relevance of Special and Differential Treatment in Favor of Developing Members to Promote Development and Ensure Inclusiveness” to rebut the US arguments. At the General Council

meeting on 28 February 2019, development again became a hot issue, with the US and China engaged in heated debate. In his statement, Chinese Ambassador Dr. Zhang Xiangchen quoted in agreement the statement of the Indian Ambassador J.S. Deepak and stated that “the only indicator employed in the WTO agreements to measure the level of development is a concept of “per capita”, i.e. ASCM 8.2(b) and Annex 7.”

## US AND RUSSIA SUSPENDED INF TREATY

The U.S announced that it was suspending its obligations under the Intermediate-Range Nuclear Forces (INF) Treaty effective 2 February 2019 and will withdraw from the treaty in six months. The announcement was made on 1 February 2019. With the formal announcement by the United States about the withdrawal from the INF treaty, Russia, thereafter on 4 February 2019 has followed the suit and declared the suspension of the treaty. The US withdraws from a landmark nuclear-weapons treaty it signed with the Soviet Union in 1987 as the Cold War ended. It is a 1987 arms control agreement between the United States and the Soviet Union with an unlimited duration. US alleges that Russia is violating the 1987 Intermediate-Range Nuclear Forces (INF) Treaty, a charge Moscow denies, leaving the United States at a disadvantage because of its own compliance at a time when global threats have changed considerably in the more than 30 years since the pact was signed.

## DRUGS AND CLINICAL TRIALS RULES, 2019

The Union Ministry for Health and Family Welfare on 27 March 2019 has notified the Drugs and Clinical Trials

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Rules, 2019 with an aim to promote clinical research in the country. The new rules reduce the time for approving applications to 30 days for drugs manufactured in India and 90 days for those developed outside the country. The new rules state that in case of no communication from Drug Controller General of India (DCGI), the application will be deemed to have been approved. The DCGI has waived off the clinical trial for the drugs approved and marketed in the European Union, the UK, Australia, Canada, Japan and the US.

## EU PARLIAMENT PASSES COPYRIGHT REFORMS LAW

The European Parliament (EU), on 27 March 2019, has passed the EU copyrights law. The law is expected to give a fillip to the traditional media which was losing the game against the online platforms like Google, Twitter and Facebook. This copyright law is expected to aid the traditional media to gain some additional revenue. The provisions which are found contestable by some states and scholars:

Article 11: The article is dubbed as “link tax”. It mandates Internet giants like Facebook and Google to pay news organisations to use their headlines on their platforms.

Article 13: The article is dubbed as “upload filter”. It mandates online platforms like Facebook and YouTube to restrict users from sharing unlicensed copyrighted material. The article also makes the online platforms liable for copyright violations.

Those backing the law argue that if properly implemented by member states, the law would go a long way in safeguarding quality journalism by combating misinformation and fake news. Those opposing the law fear that the law would lead to clamp down on

the open internet and online censorship. Experts say that even though the two decade copyright law is improved, it may lead to uncertainties and may hurt Europe's creative and digital economies. The digital platforms are looking at the details of the law. So any conclusive arguments about the possible impacts would be too early at this stage.

## ITALY JOINS CHINA'S BELT ROAD INITIATIVE

Italy's Prime Minister Giuseppe Conte signed a memorandum of understanding (MoU) with Chinese President Xi Jinping in Rome, endorsing the global infrastructure-building scheme of China. Despite the warnings and pressure from the US and the European Union, Italy has joined the China's mega connectivity scheme and has become the first G7 country to do so. Italy is the thirteenth European Union country and also the first from Western Europe to join China's Belt Road Initiative. Why did Italy join the initiative? Italy has stated that its participation in the initiative through a non-binding agreement was aimed to “rebalance an imbalance” in Sino-Italian trade. There are a lot of 'Made in China' coming into Italy and too little 'Made in Italy' that goes into China. Italy hopes for a substantial and gradual increase in exports to balance out the trade imbalances. The decision of Italy is seen as an attempt to address its financial woes which has onerous public debt. Italy fell into recession at the end of last year. The agreement is seen as a trade off wherein Italy is in investment need and China has those to provide. The agreement will aid Italy to underpin and strengthen its business ties with China. The paper released by the EU's diplomatic arm referred to Belt Road Initiative as a “systemic rival” and has threatened to tighten regulations on Chinese investment in Europe.

## US TO RECOGNIZE ISRAEL'S SOVEREIGNTY OVER GOLAN HEIGHTS

US President Trump has announced on 22 March 2019 that the US will recognize Israel's sovereignty over the Golan Heights. This is a departure from the earlier stand of US where it treated Golan Heights as occupied Syrian territory, in line with United Nations Security Council (UNSC) resolutions. Until 1967 Golan Heights was part of Syria. Israel occupied the Golan Heights during the Six Day war (Third Arab Israeli war) held in 1967. Israel annexed the region unilaterally in 1981. At present, United Nations Disengagement Observer Force (UNDOF) is stationed in camps and observation posts along the Golan. There is a 400-square-km (155-square-mile) “Area of Separation” called a demilitarized zone between the Israeli and Syrian armies.

## MIZORAM PASSES BILL TO DETECT ILLEGAL FOREIGNERS

The Mizoram Assembly has unanimously passed The Mizoram Maintenance of Household Registers Bill, 2019 that seeks to detect illegal foreigners in Mizoram. The Bill seeks to detect foreigners illegally residing in the State of Mizoram which shares over 700-km-long border with Bangladesh and Myanmar.

## INDIA AND US TO SIGN PACT FOR EXCHANGE OF COUNTRY-BY-COUNTRY REPORTS

India and the US signed an agreement on 31 March 2019 to facilitate the exchange of country-by-country (CbC) reports filed by the ultimate parent corporations based in either of the countries. Base Erosion and Profit Shifting (BEPS) has been at the focus of OECD to address Tax evasion. Multinational companies were accused

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of gaming tax systems to maximise profits, while potentially depriving tax authorities of revenue. To address this issue one of the measures adopted by OECD is Country-By-Country Reports. The Country-By-Country Reports requires multinational companies to provide information about: The name of each country where it operates; The names of all its subsidiaries and affiliates in these countries; The performance of each subsidiary and affiliate, without exception; The tax charge in its accounts of each subsidiary and affiliate in each country.

Section 286 of the Income-tax Act, 1961 requires Indian subsidiaries of multinational companies to provide details of key financial statements from other jurisdictions where they operate. This provides the I-T Department with a better operational view of such companies, primarily with regards to revenue and income tax paid. The above-mentioned agreement enables both India and the US to exchange CbC Reports filed by the ultimate parent entities of International Groups in the respective jurisdictions. As a result, Indian constituent entities of international groups headquartered in the USA, who have already filed CbC Reports in the USA, would not be required to do local filing of the CbC Reports of their international groups in India and vice versa.

## **MALAYSIA RATIFIED THE ROME STATUTE**

Malaysia has ratified the Rome Statute making it the 124th State party to the International Criminal Court (ICC). Even though Malaysia had participated in the negotiation of the Rome Statute, it has long been reluctant to ratify it.

Ratification after 20 years is seen as a welcome move. It seems that the downing of flight MH17 and the Rohingya crisis have focused Malaysia's attention on the ICC.

## **MACEDONIA SIGNED ACCORD TO JOIN NATO**

On 8 February 2019, Macedonia has signed accession papers with NATO. This allows Macedonia to take part in NATO ministerial meetings as an invitee. To acquire full membership, all 29 current members must ratify the accession protocol. Russia has raised concerns against Macedonia becoming part of NATO. Russia has accused NATO of destabilising the Balkans by pushing Macedonia and Montenegro to join NATO. Earlier on 14 January 2019, the Parliament of Macedonia has passed the resolution to amend the Constitution of the country to rename it as the Republic of Northern Macedonia. The renaming is in line with a landmark Prespa Agreement with Greece to end a decades-long dispute. The use of the name "Macedonia" was contested between Greece and the Republic of Macedonia, formerly a state within Yugoslavia. After the declaration of independence of Macedonia from erstwhile Yugoslavia, the country named it as the Republic of Macedonia. The dispute was mainly due to the ambiguity in nomenclature between the Republic of Macedonia, the adjacent Greek region of Macedonia and the ancient Greek kingdom of Macedonia.

## **PALESTINE TAKES OVER CHAIRMANSHIP OF G77**

On 18 January 2019, Palestine has taken over the chairmanship of G77 from Egypt. Palestine will be formally elected chair at the annual G77 ministerial

meeting, scheduled to take place in mid-September. The chairmanship of the G77 is based on the system of geographical rotation. 2019 was Asia's turn and the Asian group had unanimously endorsed Palestine. Egypt was representing the African Group of countries.

## **JAPAN WITHDRAWS FROM THE INTERNATIONAL WHALING COMMISSION**

On 2 January 2019, Japan has announced its decision to withdraw from the International Whaling Commission (IWC). The withdrawal would enable Japan to resume commercial whaling activities. Japan has said that it would undertake commercial whaling from July 2019 limited to Japan's territorial waters and exclusive economic zone. As per the announcement, Japan would not undertake whaling activities in Antarctic waters or in the southern hemisphere.

## **FORTHCOMING EVENTS**

International Symposium on International Humanitarian Law, Law on Torture and Space Law Jointly Organized by the ISIL, New Delhi, ISRO and IJLIA, 13 - 14 April 2019

48th Annual Conference of the ISIL, 4-5 May 2019

18th Summer Course on International Law, 10 June - 21 June 2019

19th Henry Dunant Memorial Moot Court Competition 2019, 19 - 22 September 2019