



Consortium of Indo-Pacific

Researchers

## Indo-Pacific Weekly Mail March 2-8, 2026

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Greetings Colleagues,

The Consortium is pleased to share its latest newsletter for the Indo-Pacific. Press the reply button for your feedback and comments.

### China Releases Five Year Plan at NPC Meeting



Figure 1: Chinese President Xi Jinping attends the plenary session of PLA at the National People's Congress annual meeting in Beijing /Image/AP news

The 2026 National People's Congress (NPC) gathering, which started this week. The National People's Congress (NPC) and the Chinese People's Political Consultative Conference (CPPCC) hold their annual meetings separately but simultaneously. The CPPCC is an advisory body and has little political influence in Parliament. The [NPC officially kicks off the 15th Five-Year Plan](#) (2026–2030), which will focus on the economy, technology & AI, defense spending, and industrial self-reliance.

The government has set a GDP growth target of 4.5% to 5% for 2026 despite the headwinds. China is set to enhance its combat readiness and expedite the development of advanced combat capabilities, as articulated by Premier Li Qiang. In 2026, the nation will increase its defense expenditure by 7%. Military analysts are monitoring this development with great interest, as Beijing seeks to modernize its armed forces by 2035 and extend its military influence, particularly in the context of escalating regional tensions related to Taiwan and broader global geopolitical dynamics. In light of the increasingly tense competition with the United States and the unstable political and economic situations in the Middle East, Latin America, and Eastern Europe, China is set to prioritize self-reliance as a core strategy. This approach aims to reduce dependency on foreign technology and resources. Specifically, China intends to significantly ramp up its production capabilities in advanced fields such as quantum technology and drone systems. By investing in research and

development and fostering domestic innovation, China seeks to strengthen its defense and technological infrastructure.

In addition, experts note that China seeks to aim at aging population, food security, ethnic unity, employment, and anti-corruption efforts within the country. [Read more](#)

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## **India Hosts Milan Exercise 2026; Iranian Warship Sunk**

India hosted multinational naval exercise Milan at the port city Visakhapatnam in the Indian Ocean. The exercise was held under the theme ‘Camaraderie, Cooperation, Collaboration’, MILAN 2026 witnessed participation on an unprecedented scale, comprising 42 ships and submarines and 29 aircraft. These also included 18 ships from the participating Friendly Foreign Countries.

MILAN 2026 commenced in two phases. The first phase, known as the Harbour Phase, featured bilateral engagements, a Subject Matter Expert Exchange (SMEE) program, and the International Maritime Seminar (IMS). The second phase, called the Sea Phase, involved high-intensity operational drills focused on advanced warfare disciplines such as integrated air defense, anti-submarine warfare exercises, maritime interdiction operations, surface strike coordination, communication exercises, and cross-deck flying operations. The naval operation aligned with India’s vision of MAHASAGAR (Mutual and Holistic Advancement for Security and Growth Across Regions) and plays a

crucial for India's Naval diplomacy and the Act EAST policy. It is important to note that the exercise took place approximately 1,300 miles (2,100 km) from Myanmar's [Coco Island](#), where China is reported to have established a listening post that functions as an intelligence base.

Iran was one of the 74 participating countries in the Milan exercise. As the US-Israel and Iran conflict began on February 28, an Iranian ship carrying 130 sailors was departing from the exercise. On March 4, the [ship was torpedoed by a US submarine](#) off the southern coast of Sri Lanka. [Read More](#)

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## **Canada and U.S. Resume Trade Talks**

Canada and U.S. Trade Minister restarted trade discussions in Washington D.C. after it was being canceled in last October. The meeting plays a pivotal role in sustaining Canada's \$1.3-trillion annual trading relationship with the United States. While President Trump continues tariffs on Canadian steel, aluminum, automobiles, softwood lumber, copper, kitchen cabinets, and more as the Canada-U.S.-Mexico Agreement (CUSMA) is up for renegotiation. Meanwhile, Canada is diversifying its supply chain and signing agreements with several Asian countries.

The Canadian Prime Minister recently visited India, Australia, and Japan to strengthen cooperation among middle powers. Following his Davos speech on the "rupture of the world order," Carney aims to build ties among countries with common interests and issues. [Read More](#)

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## India Rises to Second Position Among Global Arms Importers

According to a recent report by the Stockholm International Peace Research Institute (SIPRI), India has emerged as the world's second-largest importer of arms. The SIPRI report, titled 'Trends in International Arms Transfers, 2025' shows India ranks second with 8.2 percent of global arms imports, while Ukraine is the top buyer. SIPRI Trends shows that Russia is the top supplier for India, however, it's reliance on Russia has been significantly decreased by 40%. This implies that India has diversified its arms supply to other countries such as France and Israel. Additionally, India's increased domestic weapon production has led to fewer imports from Russia. [Read More](#)

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## Indo-Pacific Quiz

When is China's National People Congress (NPC) founded?

- a. 1954
- b. 1958
- c. 1955
- d. 1959

Which Southeast Asian country host US bases?

- a. Philippines
  - b. Thailand
  - c. Vietnam
  - d. Myanmar
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## Consortium Highlights

- ❖ [New Read](#): Non-Standard Aviation: The Bamboo Fleet Informs 21st Century Tactics
  - ❖ Upcoming webinar **Iran War: Implications for the Indo-Pacific**, March 11, 10:00 AM EST
  - ❖ Upcoming webinar **Dynasty, Power, and Stability: Post Election Bangladesh and South Asia**
  - ❖ Upcoming podcast on **Meiji Japan and what it teaches about rising Asian powers**
  - ❖ CIPR is now accepting applications for internship positions.
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## Indo-Pacific Quiz Key

Here are the **Answers** for March 1 Newsletter Quiz

Q. Where is Strait of Hormuz located?

b. Persian Gulf

Q. Which country imports 90 percent of Iranian oil?

b. China

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Contributions: Indu Saxena