

Statements by President Obama and Prime Minister Modi of the Republic of India, January 25, 2015

MODERATOR: Ladies and gentlemen, friends from the media, I welcome you to this media interaction. We will begin with opening remarks by the two leaders, following which they have consented to respond to one question each. I now request the Prime Minister of India to make his opening remarks.

PRIME MINISTER MODI: Mr. President, and members of the media, it is a great pleasure and privilege to welcome back President Obama and the First Lady in India.

Mr. President, we are honored that you accepted our invitation to be the chief guest of our Republic Day. And I know how busy you are. It is special because on this day we celebrate the values shared by the world's two largest democracies. You are also the first United States President to visit India twice in office. It reflects the transformation in our relationship. It shows your deep personal commitment to this partnership. It tells us that our two nations are prepared to step forward firmly to accept the responsibility of this global partnership for our two countries and toward shaping the character of this century.

The promise and potential of this relationship had never been in doubt. This is a natural global partnership. It has become even more relevant in the digital age. It is needed even more in our world for far-reaching changes and widespread turmoil. The success of this partnership is important for our progress and for advancing peace, stability and prosperity around the world. From the turn of the century we had begun transforming our relationship, but we have to convert a good start into lasting progress. This requires translating our vision into sustained action and concrete achievements.

Mr. President, in the last few months, I see new excitement and confidence in this relationship. I see renewed energy in our engagement. Thank you for your leadership and for setting the tone last September when I visited the White House. The Civil Nuclear Agreement was the centerpiece of our transformed relationship, which demonstrated new trust. It also created new economic opportunities and expanded our option for clean energy.

In the course of the past four months, we have worked with a sense of purpose to move it forward. I'm pleased that six years after we signed our bilateral agreement, we are moving towards commercial cooperation, consistent with our law, our international legal obligations, and tactical and commercial viability.

President Obama had also assured me of strong U.S. efforts in support of India's full membership of the four international export control regimes.

Today, we also decided to take up our growing defense cooperation to a new level. We have agreed in principle to pursue co-development and co-production of specific advanced defense projects. This will help upgrade our domestic defense industry and expand the manufacturing sector in India.

We will also explore cooperation in the area of advanced defense technologies. We have renewed our defense framework agreement. We will deepen our cooperation on maritime security.

Terrorism remains a principal global threat. It is taking on a new character, even as existing challenges persist. We agreed that we need a comprehensive global strategy and approach to combat with it. There should be no distinction between terrorist groups. Every country must fulfill its commitment to eliminate terrorist safe havens and bring terrorists to justice.

Our two countries will deepen our bilateral security cooperation against terrorist groups, and we will further enhance our counterterrorism capabilities, including in the area of technology. President Obama and I agree that a strong and growing economic relationship is vital for the success of our strategic partnership. Economic growth in our two countries is becoming stronger. Our business climate is improving. This gives me a great optimism over our economic ties.

In addition, we have established a number of effective bilateral mechanisms to identify opportunities and also help our business, trade and investment more. We will also resume our dialogue on bilateral investment treaty. We will also restart discussions on social security agreement that is so important for the hundreds of thousands of Indian professionals working in the United States.

For President Obama and me, clean and renewable energy is a personal and national priority. We discussed our ambitious national efforts and goal to increase the use of clean and renewable energy. We also agreed to further enhance our excellent and innovative partnership in this area. I asked him to lead international efforts in making renewable energy more accessible and affordable to the world.

The President and I expressed hope for a successful Paris Conference on Climate Change this year. We will continue to refine our cooperation in science and technology, innovation, agriculture, health, education and skills. These are central to the future of our two countries, and also give us an opportunity to help others around the world. Indeed, our strategic partnership will only be complete if we assume our responsibility to work together to promote development and connectivity in our vast region.

President Obama and I agreed to pursue this goal with a sense of priority. The President and I had an excellent discussion on global and regional issues, and particularly, we renewed our commitment to deepen our cooperation to advance peace, stability, prosperity in the Asia Pacific and the Indian Ocean region, which is critical for the future of our two countries and the destiny of this world. We will also work closely to help Afghanistan through its transition.

Our relationship stands at a new level today. We have outlined a broad vision for our friendship and cooperation that reflects the opportunities and challenges of this century.

As Lord Buddha said, “Noble friends and companions are the whole of the holy life.” We have decided to give this critical partnership its due trust and sustained attention. For this, we have agreed that India and the United States must [have] regular summits at greater frequency. And we also established hotlines between myself and Barack and our national security advisors. At the beginning of this year, we start a new journey. Let me welcome you once again, Mr. President. It is a great pleasure to have you with us. Thank you very much. Thanks a lot. [APPLAUSE]

PRESIDENT OBAMA: *Namaste*. Thank you, Prime Minister Modi, for those very generous words. I want to express my profound gratitude to not only you but the people of India for the incredible hospitality that has been shown to me and Michelle. We are thrilled to be back in India. *Mera pyaar bhara namaskar*. [LAUGHTER]

Mr. Prime Minister, thank you for the invitation to join the people of India on Republic Day. I’m honored to be the first American President to attend this celebration, as well as the first President to visit India twice. And this reflects my commitment, since the beginning of my presidency, to deepen our ties with India. I’m pleased to be joined by members of my administration as well as members of Congress and business leaders from the United States, all who believe that a strong relationship with India is critical for America’s success in the 21st century.

As two great democracies, two innovative economies, two societies dedicated to the empowerment of our people -- including millions of Indian-Americans -- we are natural partners. When I addressed your parliament on my last visit, I laid out my vision for how India and the United States could build a defining partnership for the 21st century. And since then, we’ve made significant progress. Our trade has increased. Our militaries exercise together more. We’re cooperating on key global challenges, from nuclear proliferation to global health.

Mr. Prime Minister, your election -- and your strong personal commitment to the India-U.S. relationship -- gives us an opportunity to further energize these efforts. I was proud to welcome you to the White House last fall. Your reputation preceded you. As many of you know, in New York, the Prime Minister appeared in Madison Square Garden and was greeted like a Bollywood star. [LAUGHTER] And it was, I think, a signal of the deep friendship between our peoples as well as our close ties that we are working to expand even further.

At the White House, we agreed to take this partnership to a new level. We advanced that work today. Prime Minister Modi, thank you for hosting me, including our *chai pe charcha*. [LAUGHTER] We need more of those in the White House. [LAUGHTER] But even as this visit is rich with symbolism, we made substantive progress. As the Prime Minister has already indicated, the United States and India have declared a new Declaration of Friendship that elevates and formalizes our partnership. And not only is it grounded in the values we share, but it commits us to more regular meetings at the leaders level, and sets up frequent consultations across our government.

We agreed that our trade and economic partnerships must focus on improving the daily lives of our people. Prime Minister Modi described for me his ambitious efforts to empower rural Indians with bank accounts, and to ensure clean water and clean air for the Indian people. And we want to be partners in this effort.

In the last few years, trade between our two countries has increased by some 60 percent, toward a record \$100 billion. We want to trade even more. So we welcome the reforms that the Prime Minister is pursuing to make it easier to do business here in India.

Today, we achieved a breakthrough understanding on two issues that were holding up our ability to advance our civil nuclear cooperation, and we're committed to moving towards full implementation. And this is an important step that shows how we can work together to elevate our relationship. We also, as the Prime Minister noted, agreed to resume discussions about a possible bilateral investment treaty. And we will continue to pursue export reforms so that we can advance more high-tech collaborations with India.

I'm also pleased that we agreed to a number of important steps to promote clean energy and to confront climate change. We very much support India's ambitious goal for solar energy, and stand ready to speed this expansion with additional financing. We're also launching new joint projects to improve air quality in Indian cities. The United States will share more data and develop tools to help India assess and adapt to the impact of climate change and to help vulnerable communities become more resilient.

And going forward, we've agreed to work together to make concrete progress this year towards phasing out hydrofluorocarbons, under the Montreal Protocol, and the Prime Minister and I made a personal commitment to work together to pursue a strong global climate agreement in Paris. As I indicated to him, I think India's voice is very important on this issue. Perhaps no country could potentially be more affected by the impacts of climate change, and no country is going to be more important in moving forward a strong agreement than India. So we appreciate his leadership.

We agreed to deepen our defense and security cooperation. We've renewed the framework that guides our defense cooperation for another 10 years. And in a major step forward for our relationship, our Defense Technology and Trade Initiative will allow us to jointly develop and produce new defense technologies. We've also agreed to a new vision for the Asia Pacific so that we're doing more together to advance our shared security and prosperity in this critical region.

I thanked the Prime Minister for India's strong counterterrorism cooperation, and reiterated even as America's combat mission is over in Afghanistan, we're going to continue to be strong and reliable partners for the Afghan people, who have benefitted from India's generous assistance over many years. I thanked the Prime Minister for his continued support for ongoing efforts to prevent Iran from acquiring a nuclear weapon and to arrive at a just diplomatic solution.

And, finally, we discussed what more we can do as global partners. I reiterated -- and reiterate to the Indian people today -- that we support a reformed U.N. Security Council that includes India as a permanent member. At the same time, we see India playing a greater role in ensuring international security and peace and meeting shared challenges. As a leading contributor to U.N. peacekeeping missions for many years, India can help the world do even more to protect citizens in conflict zones. We welcome India's leadership in combatting diseases and promoting global health that advances the rights and dignity of citizens around the world.

So, Mr. Prime Minister, thank you for welcoming me. I very much look forward to tomorrow's ceremonies, which I'm told are truly spectacular. I'm looking forward to a chance to speak directly to the Indian people on the radio and in my speech on Tuesday about what I believe we can achieve together.

This new partnership will not happen overnight. It's going to take time to build and some patience. But it's clear from this visit that we have a new and perhaps unprecedented opportunity, and deepening our ties with India is going to remain a top foreign policy priority for my administration.

So let me just say *Chalein Saath Saath*. Thank you very much. [APPLAUSE]

MODERATOR: I now call upon Julie Pace of AP to ask her question.

QUESTION: Thank you, Mr. President and Mr. Prime Minister. Mr. President, I wanted to ask you about the situations in both Yemen and in Ukraine. On Yemen, you've held up the U.S. counterterrorism campaign there as a model for what you're hoping to achieve in your mission against the Islamic State group. How does the political upheaval in Yemen affect U.S. efforts there? And will it cause you in any way to retool aspects of your broader counterterrorism strategy?

And on Ukraine, pro-Russian rebels are again launching new offenses. How at this point can you justify not taking a different approach, given that the Minsk Agreement has all but failed, and sanctions may have had an impact on the Russian economy but they don't appear to be changing Russia's calculus when it comes to Ukraine?

And, Mr. Prime Minister, I wanted to go back to climate change. White House officials have said that the recent U.S. -- that they hope that the recent U.S.-China agreement can spur countries like India to make similar commitments to cut emissions. I'm wondering if you feel any pressure to take that kind of action because of the China agreement. And can a Paris climate summit produce a substantial result without that type of commitment from India?

Thank you.

PRESIDENT OBAMA: Well, first of all, with respect to Ukraine, what I've said consistently is that we have no interest in seeing Russia weakened or its economy in shambles. We have a

profound interest, as I believe every country does, in promoting a core principle, which is, large countries don't bully smaller countries. They don't encroach on their territorial integrity. They don't encroach on their sovereignty. And that's what's at stake in Ukraine. And what we have done is to consistently isolate Russia on this issue and to raise the costs that Russia confronts. Now, when you say that we should take a different approach, Julie, I don't know exactly what you're referring to. I've been very clear that it would not be effective for us to engage in a military conflict with Russia on this issue, but what we can do is to continue to support Ukraine's ability to control its own territory. And that involves a combination of the economic pressure that's been brought to bear in sanctions, the diplomatic isolation that has been brought to bear against Russia, and, as important as anything, making sure that we're continuing to provide the support that Ukraine needs to sustain its economy during this transition period, and to help its military with basic supplies and equipment, as well as the continuing training and exercises that have been taking place between NATO and Ukraine for quite some time.

We are deeply concerned about the latest break in the cease-fire and the aggression that these separatists -- with Russian backing, Russian equipment, Russian financing, Russian training and Russian troops -- are conducting. And we will continue to take the approach that we've taken in the past, which is to ratchet up the pressure on Russia.

And I will look at all additional options that are available to us short of a military confrontation in trying to address this issue. And we'll be in close consultation with our international partners, and particularly European partners, to assure that they stay in lockstep with us on this issue. What we've been very successful at is maintaining unity across the Atlantic on this issue, and that's going to be a continuing priority of mine.

But ultimately, what I've said before remains true. If Mr. Putin and if Russia are hell-bent on engaging in military conflicts, their military is more powerful than Ukraine's, and the question is going to be whether they continue to pursue a path where that not only is bad for the people of Ukraine but is bad for the people of Russia, and are we able to continue to raise the costs even as we're creating an off-ramp diplomatically that eventually the Kremlin starts pursuing a more sensible policy in resolving this issue.

With regard to Yemen, my top priority has and always will be to make sure that our people on the ground in Yemen are safe. That's something that we have been emphasizing for the last several months, and builds on the work that we've been doing over the last several years. It is a dangerous country in a dangerous part of the world.

A second priority is to maintain our counterterrorism pressure on al Qaeda in Yemen, and we have been doing that. And I saw some news reports that suggested somehow that that counterterrorism activity had been suspended. That is not accurate. We continue to go after high-value targets inside of Yemen and to continue -- and we will continue to maintain the pressure that's required to keep the American people safe.

We are concerned about what has always been a fragile central government and the forces inside of Yemen that are constantly threatening to break apart between North-South, between Houthi and Sunni inside of Yemen. And this is one more sequence in what has been an ongoing turbulent process inside of Yemen.

And what we are advising not just the various factions inside of Yemen, but also working with our partners like the Gulf countries who have impact and influence inside of Yemen, is that at this point what's needed is to respect a constitutional process that can resolve some of these differences peacefully, and assure that all the groups inside of Yemen are resorting to political rather than military means to resolve these differences.

But I guess the point, Julie, is Yemen has never been a perfect democracy or an island of stability. What I've said is, is that our efforts to go after terrorist networks inside of Yemen without a occupying U.S. army, but rather by partnering and intelligence-sharing with that local government, is the approach that we're going to need to take. And that continues to be the case. The alternative would be for us to play whack-a-mole every time there is a terrorist actor inside of any given country, to deploy U.S. troops. And that's not a sustainable strategy.

So we'll continue to try to refine and fine-tune this model, but it is the model that we're going to have to work with, because the alternative would be massive U.S. deployments in perpetuity, which would create its own blowback and cause probably more problems than it would potentially solve.

And we're going to have to recognize that there are going to be a number of the countries where terrorists have located that are not strong countries. That's the nature of the problem that we confront. Terrorists typically are not going to be locating and maintaining bases and having broad networks inside of countries that have strong central governments, strong militaries and strong law enforcement. By definition, we're going to be operating in places where oftentimes there's a vacuum or capabilities are somewhat low. And we've got to just continually apply patience, training, resources, and we then have to help in some cases broker political agreements as well.

So it is a long, arduous process. It is not neat and it is not simple, but it is the best option that we have. And what we have shown is that we can maintain the kind of pressure on these terrorist networks even in these kinds of difficult-to-operate environments.

PRIME MINISTER MODI (As interpreted.): It's my feeling that the agreement that has been concluded between the United States and China does not impose any pressure on us. India is an independent country, and there is no pressure on us from any country or any person. But there is pressure. When we think about the future generations and what kind of world we are going to give them, then there is pressure. Climate change itself is a huge pressure. Global warming is a huge pressure. And all those who think about a better life and a better world for the future generations, those who are concerned about this, then it is their duty and their conscience, they would want to give a better lifestyle to the future generations, a good life and a

good environment. There is pressure for all those people. There is pressure on all countries, on all governments, and on all peoples. Thank you.

MODERATOR: Last question. [INAUDIBLE], ABP News.

QUESTION: Thank you. Good evening to both Honorable Prime Minister and President Barack Obama. My question is for Prime Minister Narendra Modi. But let me first congratulate both of you for taking the relationship forward, more specifically on the nuclear deal issue.

(Continues in Hindi and is interpreted) -- Excellencies, both of you had talks, and my question is to Prime Minister Narendra Modi. You've held delegation-level talks, but we often see, as you did in the U.S., both Your Excellencies, beyond the delegation-level talks, go into a huddle and hold talks tête-à-tête. And what exactly do you talk about? And what is this friendship? And which are the issues that you discussed, and which are the issues that you can share with us?

PRIME MINISTER MODI (As interpreted.): Yes, we held very detailed talks, and some of these -- and the results and the issues that were discussed, let's keep them behind curtains.

Why do we keep going into huddle and hold talks tête-à-tête? Well, I'd just like to say that I'm fairly new in this area. But with this little experience that I have gained over this short period of time, I can say that relations between countries depends less on full stops and commas, and more between the relationship between leaders, the openness, how much they know each other, and the chemistry between them. This matters more and is very important.

In fact, far from the camera, when we speak, then we become closer to each other. Barack and I have forged a friendship. There is openness when we talk, and we even joke and share a lot together. I think this is a chemistry which has not only brought Washington and Delhi, Barack and I closer, but also the two peoples of the two countries closer. Personal chemistry between leaders is very important, and this can only grow. Thank you.

PRESIDENT OBAMA: I would just add, the Prime Minister, as I said, caused great excitement in the United States when he visited. And I do think that in addition to a personal friendship that we've been able to build in a fairly brief amount of time, we're also reflecting the warmth and affection between the Indian people and the American people.

Part of the reason we're such natural partners is because we share values -- as former colonies; as the two largest democracies in the world; as entrepreneurial nations; as people who believe in the freedom and dignity and worth of all individuals. And so it's not surprising then that we have a friendship, because hopefully we're reflecting the values of our peoples. And what I'm very excited about is, given the Prime Minister's energy and ambition for his country and lifting people out of poverty, and moving forward on the reform agenda that he's put forward, that that affection can then be translated into very specific actions. And we're seeing that reflected here today.

He's right, though, we can't tell you everything that we talked about. Although I will share one thing, and that is we compared how much sleep each of us is getting. [LAUGHTER] And it

turns out that Modi is getting even less sleep than me. But of course that's because he's still new. After you've been doing this for about six years, maybe he'll be able to get an extra hour. All right? Thank you very much, everybody. [APPLAUSE]