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INSIGHT SOUTHEAST ASIA

Looking Eastwards From New Delhi



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Editor:

Dr. Udai Bhanu Singh

Editorial Team:

Riddhi Shah

Southeast Asia and Oceania
Centre

Institute for Defence Studies
and Analyses

No. 1, Development Enclave, Rao
Tula Ram Marg, Delhi Cantt, New
Delhi – 110 010

Tel. (91-11)2671 7983,

Fax: (91-11)2615 4191

Email:

southeastasia.centre@gmail.com

Website: <http://www.idsa.in>

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Important Upcoming ASEAN Events

Some of the political, economic and strategic trends that had been developing in Southeast Asia and Oceania over the last several months emerged in bold relief as the September and October months unfolded. China's disputes in the South China Sea with its ASEAN neighbours has dented its international image. In that context many regional countries, including Vietnam, contested its claims to a 'peaceful rise.' Demands continued to echo for an early conclusion of the Code of Conduct on the South China Sea.

The strategic tremors were accompanied by advances in the economic sphere. The region was moving toward setting up the biggest free trade market - the Regional Comprehensive Economic Partnership (RCEP) inspired by Beijing, which is expected to pose a challenge to the US-led Trans-Pacific Partnership. Meanwhile, Laos prepared itself to join the World Trade Organization (WTO) in 2013.

Myanmar's Rakhine State was rocked by ethnic violence, as Myanmar's President Thein Sein paid an important visit to the United States. The Philippines sought to solve its internal problem by signing an agreement with MILF.

India is expected to make significant progress further on the ASEAN-India FTA by signing the Services Agreement by December. India also continued to strengthen its bilateral relations with ASEAN countries, including Indonesia, Malaysia and Singapore. Indian Defence Minister Mr. AK Antony paid a visit to Indonesia in mid-October. Singapore's Defence Minister Dr Ng Eng Hen paid a visit to India in November. What is more, Dr Ng visited IDSA where he delivered a talk on 'Security Cooperation in a Changing Strategic Landscape' before a large audience.

India's links beyond Southeast Asia have continued to grow as the Look East Policy entered its second phase. Australia's PM Julia Gillard's visit in mid-October showed that Australia-India economic and strategic interests are slowly beginning to converge after a long hiatus. Economic ties have rapidly grown: India is Australia's fourth biggest market and two-way trade was \$20 billion in 2011. India's investments in Australia exceeded \$11 billion in 2011. This visit also reverses Australia's earlier policy on Uranium supply to India. Thus the end of October saw a mix of trends, some threatening and pessimistic and some slightly more optimistic, indicating light at the end of the tunnel.

Udai Bhanu Singh

MALAYSIA

Area: 329,847 sq km

Capital City: Kuala Lumpur

Number of States: 13

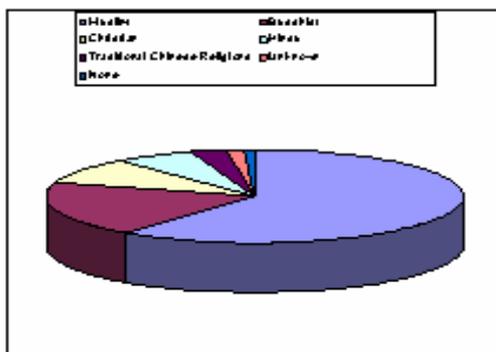
Head of the State: His Majesty Abdul Halim Mu'adzam Shah

Head of the Government: Prime Minister Mohammad Najib Abdul Razak

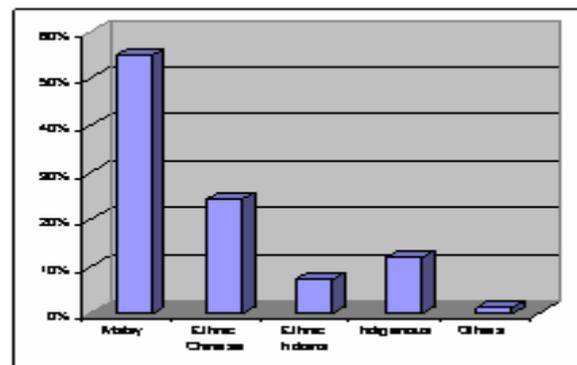
System of Government: Constitutional Monarchy

Estimated Resident Population (2012 Estimate): 29,179,952

Religious Composition in Percentage¹
(2000 Census)



Ethnic Composition in Percentage²
(2004 Estimate)



Currency: Malaysian Ringgit GDP (2012 Estimate): \$307 billion

GDP Growth Rate (2012 Estimate): 4.4%

Inflation (2012 Estimate): 2.0%

Unemployment (2011 Estimate): 3.1%

GDP Per Capita (2012 Estimate): \$16,942

Military Expenditure (2010): \$ 4223 million

Border Disputes: Dispute over Spratly Islands with China, Brunei, Vietnam, Taiwan and Philippines; dispute between Indonesia and Malaysia over Ambalat; Philippines retains a dormant claim to

Malaysia's Sabah State in northern Borneo.³

Part of the Following International Organizations and Treaties: United Nations, Conference on Disarmament, International

¹ "The World Fact Book", *Central Intelligence Agency*, Last Updated: November 2012, <<https://www.cia.gov/library/publications/the-world-factbook/geos/my.html>>, Accessed on: 05 November 2012

² "Malaysia Country Brief", *Department of Foreign Affairs and Trade*, Government of Australia, Last updated: November 2012, Available at <http://www.dfat.gov.au/geo/malaysia/malaysia_brief.html>, Accessed on: 27 November 2012.

³ Ben Cahoon, "Malaysia", *WorldStatesmen.org*, 2000, <<http://www.worldstatesmen.org/Malaysia.htm>>, Accessed on: 22 August 2012.

Atomic Energy Agency, Organization for the Prohibition of Chemical Weapons, Comprehensive Test Ban Treaty Organization Preparatory Commission, Nuclear Non-Proliferation Treaty, CTBT, PTBT, IAEA Safeguard Agreement, IAEA Additional Protocol, Nuclear Safety Convention, Joint Spent Fuel Management Convention, Convention on the Physical Protection of Nuclear Material, Southeast Asian Nuclear-Weapon-Free-Zone (SEANWFZ) Treaty, Antarctic Treaty, Chemical Weapons Convention (CWC), Geneva Protocol, BTWC Confidence Building Measures (CBMs), Hague Code of Conduct against Ballistic Missile Proliferation, Proliferation Security Initiative.⁴

Malaysia – India Relations: Diplomatic relations between India and the Federation of Malaya (predecessor state of Malaysia) were established in 1957. Traditionally, relations between both countries have been close and friendly. Regular summit level meetings have taken place between the two. The most recent one was Malaysia's Prime Minister Mohd. Najib's visit to India in January 2010 and of Dr. Manmoham Singh's visit to Malaysia in October 2010. Both nations have agreed to work on a framework for strategic partnership and envision a multi-faceted development to elevate bilateral relations to long term and strategic partnership. India and Malaysia have signed Agreement towards implementing

Comprehensive Economic Cooperation Agreement (CECA) between India and Malaysia a MoU on Cooperation in the field of Traditional Systems of Indian Medicine; MoU on Cooperation in the field of Tourism; MoU on Cooperation in the field of IT & Services; Cultural Exchange Programme (CEP); Agreement between CSIR of India and UNIK of Malaysia. Additionally both countries have agreed to set up a Joint Working Group on Counter-Terrorism.⁵

Sources:

Ben Cahoon, "Malaysia", *WorldStatesmen.org*, 2000, < <http://www.worldstatesmen.org/Malaysia.htm> >, Accessed on: 22 August 2012.

"India-Malaysia Relations", Ministry of External Affairs, January 2012, < <http://www.mea.gov.in/Portal/ForeignRelation/Malaysia-January-2012.pdf> >, Accessed on: 05 November 2012.

Imanuddin Razak, "Ambalat dispute, a spat between neighbors", *Jakarta Post*, 06 June 2009, Available at < <http://www.thejakartapost.com/news/2009/06/06/ambalat-dispute-a-spat-between-neighbors.html> >, Accessed on: 05 November 2012.

"Malaysia Country Brief", *Department of Foreign Affairs and Trade*, Government of Australia, Last updated: November 2012, Available at < http://www.dfat.gov.au/geo/malaysia/malaysia_brief.html >, Accessed on: 27 November 2012.

"Malaysia: General information", *Department of Foreign Affairs and Trade*, Government of Australia, Last updated: November 2012, Available at < <http://www.dfat.gov.au/geo/fs/mlay.pdf> >, Accessed on: 27 November 2012.

⁴ "Malaysia Treaty Memberships", *NTI*, 25 May 2012, Available at < <http://www.nti.org/analysis/articles/malaysia-treaty-memberships/> >, Accessed on: 05 November 2012.

⁵ "India-Malaysia Relations", Ministry of External Affairs, January 2012, < <http://www.mea.gov.in/Portal/ForeignRelation/Malaysia-January-2012.pdf> >, Accessed on: 05 November 2012.

“Malaysia Treaty Memberships”, *NTI*, 25 May 2012, Available at < <http://www.nti.org/analysis/articles/malaysia-treaty-memberships/>>, Accessed on: 05 November 2012.

“The SIPRI Military Expenditure Database”, Stockholm International Peace Research Institute, Undated,

Available at < <http://milexdata.sipri.org/result.php4>>, Accessed on: 05 November 2012.

“The World Fact Book”, *Central Intelligence Agency*, Last Updated: November 2012, <<https://www.cia.gov/library/publications/the-world-factbook/geos/my.html>>, Accessed on: 05 November 2012

MYANMAR

Area: 676,578 sq km

Capital City: Naypyidaw

Administrative Division: 7

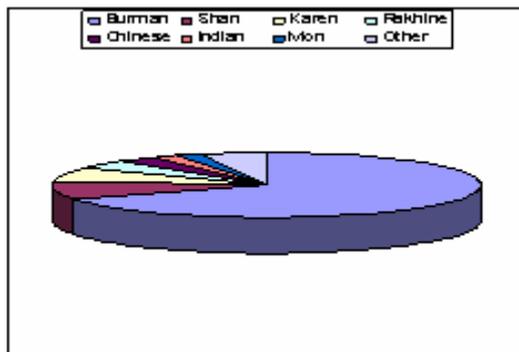
Number of States: 7

Head of the Government: President Thien Sein

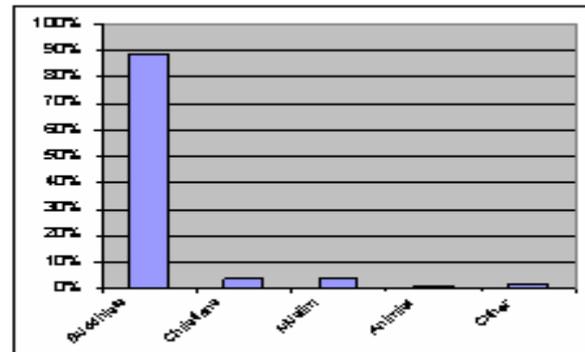
System of Government: Nominal Civilian Parliamentary Government

Estimated Resident Population (2012 Estimate): 54,584,650

Ethnic Composition in Percentage¹



Religious Composition in Percentage²



Currency: Myanmar Kyat

GDP (2012 Estimate): \$54 billion

GDP Growth Rate (2011 Estimate): 6.2%

Inflation (2012 Estimate): 5.8%

Unemployment (2012 Estimate): 5.5%

GDP Per Capita (2012 Estimate): \$1,401

Border Disputes: Myanmar has successfully delimited its land and maritime boundaries with its neighbours.

PTBT, IAEA Safeguard Agreement, Southeast Asian Nuclear-Weapon-Free-Zone (SEANWFZ) Treaty, Biological and Toxin Weapons Convention (BTWC).³

Part of the Following International Organizations and Treaties: United Nations, Conference on Disarmament, International Atomic Energy Agency, Comprehensive Test Ban Treaty Organization Preparatory Commission, Nuclear Non-Proliferation Treaty, CTBT,

Myanmar – India Relations: India – Myanmar relations in the past have been inconsistent. The two had a brief territorial dispute over Coco Islands in the Andaman Sea. However, after the adoption of the “Look East” policy by India, the policy of sanctions was replaced by a policy of

¹ “The World Fact Book”, *Central Intelligence Agency*, Last Updated: November 2012, <<https://www.cia.gov/library/publications/the-world-factbook/geos/bm.html>>, Accessed on: 05 November 2012

² Ibid.

³ “Myanmar Treaty Memberships”, *NTI*, 25 May 2012, Available at <http://www.nti.org/media/pdfs/myanmar_1.pdf?_=1340151018>, Accessed on: 06 November 2012.

engagement. Trade between India and Myanmar has improved significantly as well.⁴ Currently trade between both countries amounts to \$1.3billion and is likely to double by 2015.⁵

Sources:

“India-Burma Relations”, *Arakan Rivers Network*, Last Updated: 2009, Available at http://www.arakanrivers.net/?page_id=147#relationship, Accessed on: 06 November 2012.

“India-Myanmar Trade Likely to Double by 2015”, *The Economic Times*, 27 May 2012, Available at [http://economictimes.indiatimes.com/news/economy/foreign-](http://economictimes.indiatimes.com/news/economy/foreign-trade/india-myanmar-trade-likely-to-double-by-2015-cii/articleshow/13557123.cms)

[trade/india-myanmar-trade-likely-to-double-by-2015-cii/articleshow/13557123.cms](http://economictimes.indiatimes.com/news/economy/foreign-trade/india-myanmar-trade-likely-to-double-by-2015-cii/articleshow/13557123.cms), Accessed on: 06 November 2012.

“Myanmar: General Information”, Department of Foreign Affairs and Trade, Government of Australia, Last Update: November 2012, Available at <http://www.dfat.gov.au/geo/fs/myan.pdf>, Accessed on: 27 November 2012.

“Myanmar Treaty Memberships”, *NTI*, 25 May 2012, Available at http://www.nti.org/media/pdfs/myanmar_1.pdf?_=1340151018 >, Accessed on: 05 November 2012.

“The World Fact Book”, *Central Intelligence Agency*, Last Updated: November 2012, <https://www.cia.gov/library/publications/the-world-factbook/geos/bm.html>, Accessed on: 05 November 2012

⁴ “India-Burma Relations”, *Arakan Rivers Network*, Last Updated: 2009, Available at http://www.arakanrivers.net/?page_id=147#relationship, Accessed on: 06 November 2012.

⁵ “India-Myanmar Trade Likely to Double by 2015”, *The Economic Times*, 27 May 2012, Available at <http://economictimes.indiatimes.com/news/economy/foreign-trade/india-myanmar-trade-likely-to-double-by-2015-cii/articleshow/13557123.cms>, Accessed on: 06 November 2012.

PAPUA NEW GUINEA

Area: 462,840 sq km

Capital City: Port Moresby

Number of Provinces: 18

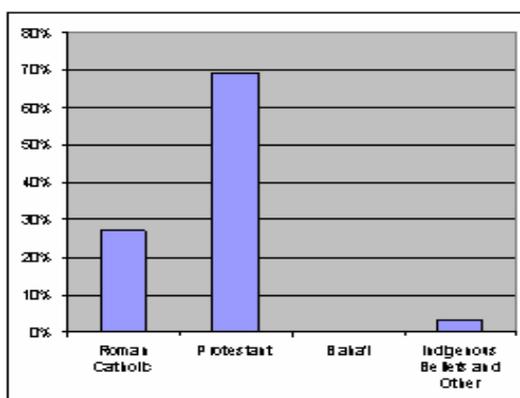
System of Government: Parliamentary Democracy

Head of the State: HM Queen Elizabeth II

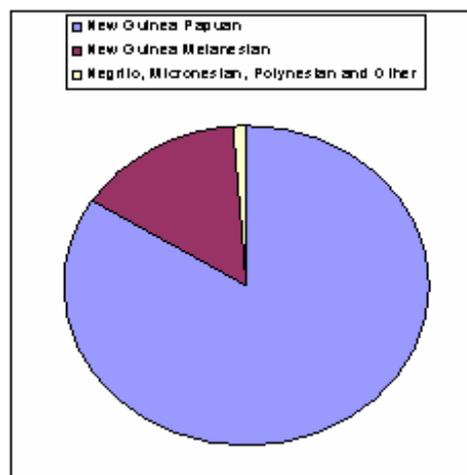
Head of the Government: Prime Minister Peter O'Neill

Estimated Resident Population (2012 Estimate): 6,310,129

Religious Composition in Percentage¹ (2000 Census)



Ethnic Composition in Percentage² (1983 Census)



Currency: Papua New Guinean Kina

GDP (2011 Estimate): \$15.4 billion

GDP Growth Rate (2012 Estimate): 7.7%

Inflation (2011 Estimate): 6.8%

Unemployment (2011 Estimate): 1.9%

GDP Per Capita (2011 Estimate): \$2,703

Military Expenditure (2010): \$49.1 million

Border Disputes: None

Part of the Following International Organizations and Treaties: United Nations, Conference on Disarmament, International Atomic Energy Agency, Organization for the Prohibition of Chemical Weapons (OPCW),

Comprehensive Test Ban Treaty Organization Preparatory Commission, Nuclear Non-Proliferation Treaty (NPT), CTBT, PTBT, IAEA Safeguard Agreement, Observer at Antarctic Treaty, Southeast Asian Nuclear-Weapon-Free-Zone (SEANWFZ) Treaty, Biological and Toxin

¹ "The World Fact Book", *Central Intelligence Agency*, Last Updated: November 2012, <<https://www.cia.gov/library/publications/the-world-factbook/geos/pp.html>>, Accessed on: 08 November 2012

² Ben Cahoon, "Papua New Guinea", *World Statesmen.org*, Last Updated: 2000, Available at <http://www.worldstatesmen.org/Papua_New_Guinea.htm>, Accessed on: 08 November 2012.

Weapons Convention (BTWC), BTWC Confidence Building Measures, Geneva Protocol, Hague Code of Conduct against Ballistic Missile Proliferation, Proliferation Security Initiative.³

Papua New Guinea– India Relations: Relations between the two countries commenced after the independence of Papua New Guinea in 1957. Papua New Guinea has been supportive of India at various international fora such as UN and Commonwealth. India has engaged with Papua New Guinea as the PIF Dialogue Partner and has even announced several grants through this forum. Ministerial and Secretarial visits have been common and frequent between the two countries. Papua New Guinea’s Foreign Minister Mr. Sam Abal last visited India in 2009.⁴

Sources:

Ben Cahoon, “Papua New Guinea”, *WorldStatesmen.org*, 2000, <<http://www.worldstatesmen.org/>

[Papua_New_Guinea.htm](#)>, Accessed on: 22 August 2012.

“India- Papua New Guinea Relations”, *Ministry of External Affairs*, January 2012, <http://meaindia.nic.in/meaxpsite/foreignrelation/Papua_New_Guinea.pdf>, Accessed on: 08 November 2012.

“Papua New Guinea Treaty Memberships”, *NTI*, 25 May 2012, Available at <<http://www.nti.org/analysis/articles/papua-new-guinea-treaty-memberships/>>, Accessed on: 09 November 2012.

“Papua New Guinea: General Information”, *Department of Foreign Affairs and Trade*, Australian Government, Last Updated: November 2012, Available at <<http://www.dfat.gov.au/geo/fs/png4.pdf>>, Accessed on: 27 November 2012.

“The SIPRI Military Expenditure Database”, *Stockholm International Peace Research Institute*, Undated, Available at <<http://milexdata.sipri.org/result.php4>>, Accessed on: 08 November 2012.

“The World Fact Book”, *Central Intelligence Agency*, Last Updated: November 2012, <<https://www.cia.gov/library/publications/the-world-factbook/geos/pp.html>>, Accessed on: 05 November 2012

³ “Papua New Guinea Treaty Memberships”, *NTI*, 25 May 2012, Available at <http://www.nti.org/media/pdfs/papuanewguinea_1.pdf?_=1340220259>, Accessed on: 09 November 2012.

⁴ “India- Papua New Guinea Relations”, *Ministry of External Affairs*, January 2012, <http://meaindia.nic.in/meaxpsite/foreignrelation/Papua_New_Guinea.pdf>, Accessed on: 08 November 2012.

ASEAN

First ASEAN Expanded Maritime Forum Held in Manila

Philippines hosted a regional maritime forum that included claimant countries China, Japan and the ASEAN nations on October 3rd, 2012 for a period of three days. This was the third ASEAN Maritime Forum and the first ever Expanded Maritime Forum to be held. Participating countries included China, Japan, the US, India, New Zealand, South Korea, Russia, Australia and ASEAN members the Philippines, Indonesia, Vietnam, Malaysia, Thailand, Cambodia, Laos, Myanmar, Singapore and Brunei.¹ The ASEAN Member States discussed and exchanged views on maritime security and cooperation in ASEAN; maintaining freedom and safety of navigation and addressing sea piracy; protecting the marine environment and promoting eco-tourism and fishery regime in East Asia; and future work of the ASEAN Maritime Forum.²

Thailand to Attempt to Solve the South China Sea Conflict

During an informal ASEAN Ministerial Meeting held on the sidelines of the United Nations General Assembly, Thailand was

granted permission to hold an ASEAN senior official's meeting to discuss the issue of the code of conduct in the South China Sea. The dates of the meeting are yet to be released. According to Prime Minister Yingluck Shinawatra at the Asia Society in New York as a non-claimant state on good terms with all the parties involved, Thailand wanted to help resolve the conflict. She hoped to "perhaps bring a bit of a woman's touch to addressing this conflict."³

UN all Praise for ASEAN

United Nations (UN) has requested ASEAN to share its experience and best practices with other regions in the world, including through collaboration with UN itself. Top official of United Nations have further urged members of ASEAN to play a greater role in shaping the global agenda. During the ASEAN-UN Ministerial Meeting, UN Secretary-General Ban Ki-Moon said "I see great progress in the ASEAN nations and great progress in the ASEAN-UN partnership". He went on to add that ASEAN was regarded by the UN as one of the most successful regional organizations in the world, and that ASEAN and UN had been working very closely together.⁴

World's Biggest Free Trade Market to be launched by ASEAN+6

ASEAN and six Asian leaders are expected to announce the official establishment of the

¹ "ASEAN Maritime Summit in Manila to Include China, Japan", *GMA News*, 18 September 2012, Available at <http://www.gmanetwork.com/news/story/274552/news/nation/asean-maritime-summit-in-manila-to-include-china-japan>>, Accessed on: 19 November 2012.

² "Official Statement on the 3rd ASEAN Maritime Forum", *The Manila Times.net*, 07 October 2012, <http://www.manilatimes.net/index.php/special-report/32678-official-statement-on-the-3rd-asean-maritime-forum>>, Accessed on: 19 November 2012.

³ "ASEAN Asks Thailand to Help Solve the S.China Sea Row", *Bangkok Post*, 29 September 2012, Available at <http://www.bangkokpost.com/news/local/314599/asean-asks-thailand-to-help-solve-s-china-sea-row>>, Accessed on: 19 November 2012.

⁴ "Closer ASEAN, UN Cooperation Seen", *Philippine Information Agency*, 10 October 2012, Available at <http://www.pia.gov.ph/news/index.php?article=2101349840211>>, Accessed on: 19 November 2012.

Regional Comprehensive Economic Partnership (RCEP), which will make it the biggest free-trade market on the globe. The announcement is scheduled to be made during the ASEAN Leaders Summit in Cambodia. Following effective bilateral free-trade pacts between ASEAN and its partners, the RCEP members are hoping to commit to liberalizing almost 100 per cent of trade among themselves. According to the private sector, this move could pave the way for re-energizing the Asian economy and helping to balance expansion between Eastern and Western countries. The pact worth US\$17 trillion in trade will also offset the power of the US-led Trans-Pacific Partnership Agreement and will also act as the next step to achieving the Free-Trade Area of the Asia-Pacific before 2020.⁵

ASEAN-India

Service Agreement between India-ASEAN Expected by December 2012

The ASEAN Economic Ministers and the Union Minister for Commerce, Industry & Textiles, Mr. Anand Sharma have asked the Senior Officials to begin reviewing the implementation of ASEAN-India Trade in Goods Agreement and the possibility for a package of Product-Specific Rules of Origin to further facilitate trade between

both the regions. This move was brought after the Ministers jointly reviewed the impressive growth in total trade since the signing of the ASEAN-India Trade in Goods Agreement at the 10th ASEAN-India Economic Ministers Consultations in Siem Reap, Cambodia. It has also been agreed to intensify negotiations towards the conclusion of the ASEAN-India Trade in Services and Investment Agreement.⁶

ASEAN-India Keen to Develop Closer Links

The ASEAN-India Environment Ministers' Meeting took place on September 7, 2012 at New Delhi. Various aspects of biodiversity conservation were discussed and the 'New Delhi ASEAN-India Ministerial Statement on Biodiversity' was unanimously adopted by both sides. All the participating countries agreed to enhance awareness among stakeholders; to make efforts to mainstream biodiversity concerns into development processes; to work together for conservation and management of flagship species and lastly for enhancing conservation management & sustainable utilization of Coastal and Marine biodiversity.⁷

Very shortly after the Environment Ministers Meeting, the 30th ASEAN Energy Ministers Meeting and the 3rd EAS Energy Ministers Meeting took place in Cambodia on September 12, 2012. Minister of State for Petroleum and Natural Gas R P N Singh attended the meeting. Cambodia's Prime Minister Hun Sen during the meeting stated that ASEAN was focused on

⁵ Petachanet Pratuangkrai, "ASEAN+6 Set to Launch World's Biggest Free-Trade Market", *Asia One News*, 22 October 2012, Available at <http://www.asiaone.com/News/AsiaOne%2BNews/Asia/Story/A1Story20121022-378928.html>, Accessed on: 19 November 2012.

⁶ "India-ASEAN Pledge to Finalize Services Agreement by December", *Travel Impact Newswire*, 31 August 2012, Available at <http://www.travel-impact-newswire.com/2012/08/india-asean-pledge-to-finalise-services-agreement-by-december/#ixzz2CfB7sH00>, Accessed on: 19 November 2012.

⁷ "ASEAN-India Environment Minister's Meeting", *Press information Bureau, Government of India*, 08 September 2012, Available at <http://pib.nic.in/newsite/erelease.aspx?relid=87648>, Accessed on: 20 November 2012.

developing closer links with India in the energy sector. He also thanked Minister R P N Singh for India's assistance in improving the power sector in Cambodia.⁸

Brunei

Brunei Set to increase cooperation with Malaysia

Brunei's economic relations with Malaysia are set to improve. Malaysia and Brunei signed an agreement to increase their economic cooperation. The agreement documents were exchanged at the Perdana Putra in Brunei. Deputy International Trade and Industry Minister Datuk Mukhriz Mahathir represented Malaysia, while Brunei's Second Minister of Foreign Affairs and Trade Pehin Lim Jock Send represented the Sultanate. Prime Minister Datuk Seri Najib Tun Razak and Sultan Hassanal Bolkiah were witnesses to the ceremony.⁹

India to Enhance Energy Cooperation with Brunei

India's External Affairs Minister S.M. Krishna's met the Sultan of Brunei on his official visit to the country, where he voiced India's willingness to enhance its energy cooperation with Brunei. Mr.

Krishna told Brunei's Sultan Hassanal Bolkiah that "India wants to enhance energy cooperation with Brunei... and is looking forward to long term LNG contracts with Brunei". Brunei is one of the richest nations in the world owing to its extensive petroleum and natural gas fields. The Sultan of Brunei has assured the External Affairs minister of increasing business ties with India especially in for oil and LNG. Sultan Bolkiah is scheduled to visit New Delhi in December. S.M.Krishna's visit was the first by an Indian External Affairs Minister. During his visit the minister also met his Brunei counterpart, Princess Hajah Masna and discussed issues of bilateral interests.¹⁰

Cambodia

Cambodia's Ex-King Passes Away

Norodom Sihanouk, Cambodia's long time monarch passed away on 15th October 2012 in China. He was once described by the late former Indian Prime Minister Jawaharlal Nehru "as my greatest friend".¹¹ He has also been called an "old friend of China" by many senior Chinese officials. China's national flag was flown half-mast at Tiananmen Square. This was the first time 18 years that China's national flag was flown at half-mast to mourn the death of a foreign VIP. Chinese President Hu Jintao attended the Chinese ceremony, while Premier

⁸ "ASEAN Keen on Energy Links with India", *India Blooms*, 12 September 2012, Available at <http://www.indiablooms.com/BusinessDetailsPage/2012/businessDetails120912l.php>, Accessed on: 20 November 2012.

⁹ Zuhri Azam Ahmad, "M'sia, Brunei Sign Agreement to Enhance Economic Cooperation", *The Star*, 04 September 2012, Available at <<http://thestar.com.my/news/story.asp?file=/2012/9/4/nation/20120904124230&sec=nation>>, Accessed on: 23 November 2012.

¹⁰ "Krishna Meets Sultan of Brunei", *The Hindu*, 20 October 2012, Available at <http://www.thehindu.com/news/international/krishna-meets-sultan-of-brunei/article4016367.ece>>, Accessed on: 22 November 2012.

¹¹ "Norodom Sihanouk, Cambodia's Ex-King and Nehru Friend Passes Away", *India Today*, 16 October 2012, Available at <<http://indiatoday.intoday.in/story/norodom-sihanouk-cambodian-king-nehru-friend-passes-away/1/224963.html>>, Accessed on: 22 November 2012.

Wen Jiabao paid homage to his residence in Beijing.¹²

Cambodia Assures - No Strings Attached to Chinese Aid

Recently reports were released stating that China has pledged \$500 million in soft loans and grants, besides publicly thanking Cambodia for its support in Southeast Asia. After such reports, Cambodian officials hastened to reassure that the country was not falling under China's influence. Chairman of the Commission on Economy, Finance, Banking and Audit, Cheam Yeap, at the Cambodian National Assembly, said that the Chinese loans had nothing to do with Cambodia's recent support for China in disputes involving the South China Sea at the infamous summit in Phnom Penh, where members of the Association of Southeast Asian nations had failed to reach a consensus on how to resolve conflicts in the sea. He further added that the latest loans were just "encouragement from China's premier Wen Jiabao"; that this was not the first time China had provided loans to Cambodia and China had not asked for anything in return. Loans were provided in the sectors of infrastructure, agriculture, irrigation, flood control, and human resource development.¹³

Cambodia Loses Bid for UN Security Council Seat

Cambodia failed to garner votes at the U.N. General Assembly's vote for the Asia-Pacific non-permanent seat on the Security Council on October 18, 2012. In the first round of voting, neither Cambodia, South Korea nor Bhutan were able to garner a clear two-third majority. While South Korea led by 116 votes, Cambodia had merely 62 votes and Bhutan lagged even farther behind. A second round of voting was announced between South Korea and Cambodia, wherein the former won the required majority of 149 votes. Although the Cambodian Ministry of Foreign Affairs had announced the backing of Cuba, Mexico, Chile, Brazil, the Democratic Republic of Congo, Lebanon, Spain, Belarus, Nigeria, Uruguay, Iran, China, and all nine ASEAN nations, the permanent five - France, China, Russia, the U.S. and Britain had refrained from naming their preferred candidate ahead of the vote. Cambodia had rallied for the seat on the basis of its experience in conflict resolution and peace building, however domestic rights abuse might have prevented the country from gaining the votes necessary to win the seat.¹⁴

Indonesia

India-Indonesia Tighten Relations

As a part of the implementation of the ASEAN-India dialogue partnership, the governments of

¹² Jian Junbo, "China's "Old Buddy" Diplomacy Dies a Death", *Asia Times*, 26 October 2012, Available at < <http://www.atimes.com/atimes/China/NJ26Ad03.html>>, Accessed on: 22 November 2012.

¹³ "Cambodia Says No Strings Attached in recent Chinese Aid", *The Wall Street Journal*, 06 September 2012, Available at < <http://blogs.wsj.com/searealtime/2012/09/06/cambodia-says-no-strings-attached-in-recent-chinese-aid/>>, Accessed on: 22 November 2012.

¹⁴ "Cambodia Unsuccessful in Bid for UN Security Council Seat", *The Cambodia Daily*, 21 October 2012, Available at < <http://www.cambodiadaily.com/news/cambodia-unsuccessful-in-bid-for-u-n-security-council-seat-4600/>>, Accessed on: 22 November 2012.

India and Indonesia are hoping to establish more advanced cooperation in trading of goods, services and investments. Secretary of the Directorate General of ASEAN Cooperation at the Foreign Ministry, Rahmat Pramono said that “... the economic cooperation between India and Indonesia has been progressively developed, especially in the last five years. However, our economic ties are still partial, only in terms of trade in goods. Thus, we still need to wrap up our ongoing negotiations of agreements for trade in services and investments to further enhance our cooperation”. The two governments will be encouraging their airlines to establish direct flights between the two countries.¹⁵

The two have increased cooperation in the defence sector as well. India will be training and supporting the Indonesian Air Force in operating its fleet of Russian Sukhoi fighter jets. Additionally, India will also be providing technical help and spares to Indonesia. The decision was taken during the Defence Minister A K Antony’s visit to Jakarta. The package will most probably involve a maintenance contract for the aircraft to Hindustan Aeronautics Limited (HAL). India and Indonesia, besides cooperation the Air Force have decided to enhance their defence

cooperation and have deliberated on other issues of mutual interest as well.¹⁶

Churches and Buddhist Temples Shut Down in Indonesia

Several Churches and Buddhist temples have been shut down after pressure from hardliners in Aceh from the Islamic Defenders Front (FPI). These are the latest signs of growing religious intolerance in Muslim-majority Indonesia. The deputy mayor of provincial capital Banda Aceh, Illiza Sa’aduddin Djamal, said the official reason was that the nine Christian sites and six Buddhist temples did not have permits. However she told

But she told AFP that the places had been shut due to complaints from the hardliners and that “there had been some tension before we took a decision.” NGO Christian Communication Forum’s chairman, Theophilus Bela had urged the central government in Jakarta to intervene, but the interior ministry signaled it would not step in.¹⁷

Laos

Laos to Join World Trade Organization

The World Trade Organization has officially invited Laos to become a member of the organization in early 2013. After a meeting between Laos’ Industry and Commerce Minister

¹⁵ “India and Indonesia to Tighten Bilateral Relations”, *Bali Daily*, 30 October 2012, Available at <http://www.thejakartapost.com/bali-daily/2012-10-30/india-and-indonesia-tighten-bilateral-relations.html> >, Accessed on: 20 November 2012.

¹⁶ “India to Train, Support Indonesian Sukhoi Fleet”, *The Indian Express*, 17th October 2012, Available at <http://www.indianexpress.com/news/india-to-train-support-indonesian-sukhoi-fleet/1017745/2>>, Accessed on: 20 November 2012.

¹⁷ “Indonesia’s Aceh Shuts Christian, Buddhist Places of Worship”, *Goggle News*, 23 October 2012, Available at http://www.google.com/hostednews/afp/article/ALeqM5iNcMgp5dPGOm5obci6pLYGfnop_Q?docId=CNG.5a983813907399a00445368df8c5e45c.6f1>, Accessed on: 21 November 2012.



Laos' Industry and Commerce Minister Nam Viyaketh (left) and WTO Director General Pascal Lamy complete the signing of Laos' Protocol of Accession¹⁸

Nam Viyaketh, who is Lao's chief negotiator and the WTO Director-General Pascal Lamy, the Protocol of Accession was signed. Copies of the protocol will be submitted to the National Assembly in Vientiane. The WTO Director-General Pascal Lamy said that Laos "is now seriously reforming its economy and its institutions, and has shown skill in its membership negotiations."

According to Laos' Deputy Prime Minister and Foreign Minister Thongloun Sisoulith in a country like the Laos, the accession process is not limited to simply a change in laws and regulations. He said "We had to change our way of doing business. Indeed, such a mind change is a difficult and time-consuming exercise. Given the progress we have made, both institutionally, legally and in our mindset, 15 years actually seems a very short time". In the past few years, more than 90 laws and regulations have been enacted on

trading rights, import licensing, customs valuation, investment, sanitary and phytosanitary measures, technical barriers to trade, and intellectual property rights. Other WTO members welcomed Laos' membership and applauded Laos' efforts to gain accession to WTO.¹⁹

Malaysia

Malaysia Pledges Cooperation with China

Malaysian Prime Minister Najib Abdul Razak said his country would want to continue cooperating with China especially in fighting cross-border crime. He added that Malaysia valued strategic cooperation between the two countries and would be willing to deepen its cooperation with China. The Malaysian Prime Minister also praised cooperation between the law enforcement agencies of both the countries. Meng Jianzhu, who holds the portfolio of the Ministry of Public Security and is additionally the Chinese State Councilor voiced sentiments

¹⁸ "Laos Prepares to Join World Trade Organization", *Farm Futures*, 31 October 2012, Available at <<http://farmfutures.com/story.aspx/laos-prepares-join-world-trade-organization-17/64541>>, Accessed on: 23 November 2012.

¹⁹ Ibid.

similar to that of his Malaysian counterpart. He appreciated cooperation between both the countries and said “It has been proven that the cooperation between the law enforcement agencies of the two countries had become the significant guarantee of legitimate rights of the two peoples as well as the stability, security and friendship of the two countries”.²⁰

India-Malaysia Deepen Economic Ties

India will soon be requesting Malaysia to revise their bilateral trade target. The current bilateral trade target of USD 15 billion that was to be achieved by 2015 is expected to be achieved approximately by next year. Commerce and Industry Minister Anand Sharma said “We have set up a target of USD 15 billion by 2015 but I am confident that the target will be achieved by 2013 itself. I will be proposing to my Malaysian counterpart to revise this target upwards”. His statement comes after meeting the members of the India Malaysia CEO Forum. The CEO forum has discussed increasing cooperation in infrastructure and IT.²¹

Malaysia has been showing equal interest

in investing in India. Malaysian government-owned Malaysia Airports Holdings Berhad may be investing in the International Airport Ltd that is being developed by the Anil Ambani-backed KGS Group. Malaysia Airports already provide airport management services for Delhi and Hyderabad international airports in India. Construction for the airport is likely to begin in 2014. It will be set up on 700 acres in the town of Aranmula in Pathanamthitta district; will generate direct employment for 1,500 people and indirect jobs for 6,000 others.²²

Myanmar

Fresh Riots Breakout in Myanmar

Riots broke out in October once again between Muslims and Buddhists in Western Myanmar.²³ Two people were killed and eight others injured in the two towns of Minbya and Mrauk U in the Rakhine state. The communal riots erupted on October 21st, 2012 in Minbya and spread to Mrauk U. 1,039 houses were burnt down in eight villages of the two townships. As the riot escalated, a dusk-to-dawn curfew was imposed from 7 p.m. to 5 a.m. in the townships of Maungtau, Buthidaung, Sittway, Thandwe, Kyaukphyu and Yanbye. A state of emergency was declared in the state of Rakhine. The

²⁰ “Malaysian PM Praises Cooperation with China”, *China Daily*, 23 October 2012, Available at http://www.chinadaily.com.cn/china/2012-10/23/content_15838795.htm, Accessed on: 20 November 2012.

²¹ “India to ask Malaysia to Increase Bilateral Trade Target”, *The Economic Times*, 26 September 2012, Available at http://articles.economictimes.indiatimes.com/2012-09-26/news/34102198_1_bilateral-trade-ceos-forum-malaysian-counterpart, Accessed on: 20 November 2012.

²² “Malaysia Airport to Buy Stake in KGS Arunmula Intl Airport”, *Business Standard*, 30 October 2012, Available at <http://www.business-standard.com/india/news/malaysia-airports-to-buy-stake-in-kgs-aranmula-intl-airport/491049/>, Accessed on: 20 November 2012.

²³ “Muslim-Buddhist Clashes Spread in Western Myanmar”, *Zee News*, 24 October 2012, Available at http://zeenews.india.com/news/world/new-clashes-between-muslims-buddhists-in-myanmar_807323.html, Accessed on: 21 November 2012.

Myanmar Government has formed a 27 member committee to investigate the cause of these riots.²⁴

Myanmar Boosts Ties with US

Myanmar's President Thein Sein visited the United States from September 24 to 30.

Visit was the first of a Myanmar leader in 46 years. Thein Sein met with US Secretary Hillary Clinton in New York, where he repeated his dedication to democratic transition and acknowledged US's recognition as encouragement for his country. In return Clinton told Sein, that US was watching the recovery process with great interest and will respond to the reform process. She further appreciated the President's efforts to end the ethnic conflict that have plagued Myanmar for so long. Besides the US Secretary Hillary Clinton, Sein also met the former US president Bill Clinton, the former US Secretary of State Henry Kissinger and held talks with the Asia Society, leader of the European Council, US-ASEAN Business Council and the US Chamber of Commerce. On September 27, 2012, he attended the 67th General Assembly of the United Nations, where he said that his country would be increasing its participation in UN activities and that

Myanmar would boldly face the challenges of the 21st century.²⁵

Aung San Suu Kyi Willing to Stand for Elections

Aung San Suu Kyi, Myanmar's opposition leader has declared her party's intention to amend the constitution to allow her to serve as president. Suu Kyi said "I'm a leader of a political party. As a political party leader, I also have to have the courage to be president. If that is what the people want, I will do so". A clause in Myanmar's constitution bars people from presidency if their parents, spouse or children are citizens of another country. Suu Kyi's late husband was British and her two sons live outside Myanmar. This clause effectively impedes her from becoming president. Suu Kyi has expressed her party's intentions to change this clause. Myanmar's President Thein Sein during his visit to the US said he could accept the idea of Suu Kyi becoming the next president.²⁶

Myanmar's \$6.4 billion Waived off by Japan

Japan has said that it is willing to waive of Myanmar's debt arrears of more than \$6 billion. Finance Minister Koriki Jojima said that the process would begin in January 2013. Additionally, Japan would then resume lending money to the newly reforming nation. Myanmar owes Japan roughly 500 billion yen in unpaid debt. Around 300 million will be waived off by

²⁴ "Myanmar: 2 Killed, 8 Injured in Fresh Riots in Rakhine state", *The Muslim News*, 24 October 2012, Available at <http://www.muslimnews.co.uk/news/news.php?article=23737>>, Accessed on: 21 November 2012.

²⁵ "Thein Sein's trip Boosts Ties with US", *China Daily.com.cn*, 02 October 2012, Available at < http://www.chinadaily.com.cn/cndy/2012-10/02/content_15794960.htm >, Accessed on: 21 November 2012.

²⁶ "Myanmar's Aung San Suu Kyi Willing to be President", *NDTV*, 08 October 2012, Available at < <http://www.ndtv.com/article/world/myanmar-s-aung-san-suu-kyi-willing-to-be-president-277021> >, Accessed on: 21 November 2012.

Japan. The debt of the remaining 200 yen is being reviewed by a consortium of private banks in Japan. They are working on a bridging loan to help Myanmar cover this remaining debt. Of the 300 million yen being waived off, 127 billion will be waived off in January and the remaining 176 billion yen will be forgiven by April.

Myanmar is in debt of approximately \$400 million and \$500 million to the World Bank and to the Asian Development Bank respectively. The Japanese Finance Minister has said that to clear Myanmar's debt arrears with the World Bank and the Asian Development Bank, the Japan Bank for International Cooperation will be providing the country with an additional \$900 million bridge loan in January. Once debts with the World Bank and the Asian development Bank are cleared, resumption of full fledged assistance to Myanmar will become possible.²⁷

Philippines

Philippines Government Signs Peace Agreement with MILF

The Philippines Government signed a peace agreement with the Moro Islamic Liberation Front on October 15th, 2012.

The government hopes that by signing a peace agreement with the country's largest Muslim rebel group, chronic violence and poverty that have plagued Mindanao for years will gradually decrease. President Benigno S. Aquino III during the signing ceremony said "Sons and daughters who have had to sweep bullet casings from their yards will now get to pick fruit," The peace agreement creates a new political entity to govern Mindanao that offers more autonomy and access to resources and taxes.²⁸ The Malaysian Prime Minister Dato' Sri Mohd Najib bin Tun Abdul Razak, who helped broker the peace was a witness to the signing of the peace agreement.²⁹

Saudi Lifts Ban on Philippine Household Workers

The Saudi government lifted a year long ban on Filipino House Hold Workers (HSW) on September 27th, 2012. Vice President Jejomar Binay, concurrent advisor on overseas Filipino workers concerns in a statement said that he welcomed the Kingdom of Saudi Arabia's decision to lift the ban on the deployment of the Filipino's domestic workers. The ban had been imposed in March 2011 over disagreements on a Philippine government law that prescribed a minimum salary of \$400 for its workers sent from abroad and that demanded increased protection for its HSWs. The conditions have

²⁷ Antoni Slodkowski, "Japan to Start Waiving Most of Myanmar's \$ 6.4 billion Next year", *moneycontrol.com*, 11 October 2012, Available at < http://www.moneycontrol.com/news/wire-news/japan-to-start-waiving-mostmyanmars-3664-bln-debt-next-year_767782.html >, Accessed on: 21 November 2012.

²⁸ "Philippines Government Signs Pact with Muslim Rebels", *The New York Times*, 15 October 2012, Available at <http://www.nytimes.com/2012/10/16/world/asia/philippine-government-signs-pact-with-muslim-rebels.html>>, Accessed on: 20 November 2012.

²⁹ "Malaysian PM Arrives in Manila to Attend Signing of Govt-MILF Peace Agreement", *GMA News*, 14 October 2012, Available at <http://www.gmanetwork.com/news/story/278219/news/nation/malaysian-pm-arrives-in-manila-to-attend-signing-of-govt-milf-peace-agreement>>, Accessed on: 20 November 2012.

been successfully been negotiated between both governments.³⁰

Philippines Passes a Draconian Cybercrime Law

The Philippines government has passed a new cybercrime law that is being widely criticized as draconian in nature. The aim of the law was to tackle pornography, hacking, identity theft and spamming. However, the law includes a provision that puts the nation's criminal libel law into cyberspace. Additionally the penalties for defamation on the internet are far more severe that they are for the traditional print media. Any person posting a libelous comment online, even on facebook and twitter can be jailed for a period of 12 years and faces a fine of one million pesos. The Cybercrime Act also allows authorities to collect data from personal user accounts on social media and listen in to voice/video conversations on skype.³¹

Singapore

Singapore Dy PM calls on local industry to expand biz in India

At the Singapore Indian Chamber of Commerce and Industry (SICCI) annual dinner and dance and entrepreneur awards 2012, Deputy Prime Minister of

Singapore Teo Chee Hean asked the local industry to explore more business opportunities in India. Teo said "Given India's rapid development and big domestic market, the SICCI can tap on its extensive business networks to help its members and other Singapore companies to expand their businesses in the Indian market,". He asked SICCI to help the member companies access opportunities via the India-Singapore Comprehensive Economic Cooperation and the ASEAN-India Free Trade Agreement. Tata Group Chairman Ratan Tata, honorary citizen of Singapore was awarded with SICCI-DBS Singapore Indian Businessman Award; Fortis Healthcare was awarded the SICCI-DBS Indian Enterprise Award.³²

Singapore Defence Minister Visits India

Singapore's Minister for Defence Dr Ng Eng Hen was in India for a two-day visit. During his visit, Dr Ng addressed members of the Institute for Defence Studies and Analyses (IDSA), senior Indian defence and foreign affairs officials and academics. He spoke on "Security Cooperation in a Changing Strategic Landscape". At IDSA, Dr Ng described India as "a key stakeholder in the Asia-Pacific region whose growing strategic weight could allow it to lend leadership and contribute to a more robust and balanced regional security architecture". According to him multilateral fora like the ASEAN Defence Ministers' Meeting (ADMM)-Plus and the Shangri-La Dialogue were platforms for

³⁰ "Philippines Welcomes Saudi Decision to Lift Ban", *gulfnews.com*, 28 September 2012, Available at <http://gulfnews.com/news/world/philippines/philippines-welcomes-saudi-decision-to-lift-ban-1.1082062>>, Accessed on: 20 November 2012.

³¹ "Outrage over Philippine Cybercrime Law", *Khaleej Times*, 29 September 2012, Available at http://www.khaleejtimes.com/kt-article-display-1.asp?xfile=data/international/2012/September/international_September947.xml§ion=international>, Accessed on: 20 November 2012.

³² "Singapore's Dy PM Calls on Local Industry to Expand Biz in India", *The Hindu Business Line*, 24 October 2012, Available at < <http://www.thehindubusinessline.com/industry-and-economy/singapore-dy-pm-calls-on-local-industry-to-expand-biz-in-india/article4028265.ece>>, Accessed on: 23 November 2012.

countries to engage in constructive dialogues to build cooperation and common understanding. During his visit, he also met Mr. Rahul Gandhi, General Secretary of the Indian National Congress.³³



Source: MINDEF Singapore³⁴

Thailand

Thailand to Boost Ties with China, US

China and Thailand have pledged further enhance their relations. Additionally, the two have decided to boost relations between China and the Association of Southeast Asian Nations (ASEAN) as well. The understanding came about in a meeting held between Chinese Vice President Xi Jinping and Thai Deputy

Prime Minister Kittirat Na-Ranong on the sidelines of the 9th China – ASEAN Expobeing that was held in South China from September 21 to 25. Xi said that Thailand had been an important and reliable friend of China and they would continue to maintain high level exchanges with Thailand to expand cooperation and promote progress of their relations.³⁵

While Thailand’s relations with China have been steadily progressing, relations with US have been improving as well. Senior Pentagon officials met with Thai defense officials and conducted the United States - Thailand Defense Strategic Talks.

The Defence Strategic Talks were chaired by US Assistant Secretary of Defence for Asia Pacific Security Affairs Mark Lippert and Thailand Permanent Secretary of Defence General Thanongsak Apirakyothin. A statement released by the Pentagon said that the discussion reflected “enduring American and Thai commitment to cooperation and consultation on security issues based on shared priorities and mutual respect”. Both sides have decided to strengthen their alliance and have reaffirmed the importance of bilateral and multilateral interoperability and readiness.³⁶

Vietnam

Vietnam Hits Out At China

Vietnam’s Foreign Ministry has accused China of violating an agreement between the two

³³ “Minister of Defence Makes Introductory Visit to India”, *MINDEF Singapore*, 20th November 2012, Available at <http://www.mindef.gov.sg/imindef/press_room/official_releases/nr/2012/nov/20nov12_nr2.print.img.html>, Accessed on: 23 November 2012.

³⁴ Ibid.

³⁵ “China, Thailand Pledge Further Development of Ties”, *People’s Daily Online*, 21 September 2012, Available at <<http://english.peopledaily.com.cn/90883/7956015.html>>, Accessed on: 22 November 2012.

³⁶ “US, Thailand Conduct Defence Talks”, *ChinaDaily.com.cn*, 10 October 2012, Available at <http://www.chinadaily.com.cn/world/2012-10/19/content_15830494.htm>, Accessed on: 22 November 2012.

countries and the international law. Chinese press on September 23, reported that China would deploy drones to strengthen surveillance of the waters in and around the Spratly Islands. On October 1, China held a flag raising ceremony to mark its National Day on one of the Paracel islands and on October 3rd, the Chinese navy's Nanhai Fleet held exercises in waters near the islands. Foreign Ministry spokesman Luong Thanh Nghi said that by undertaking these actions, China has gone against the Declaration on Conduct of the Parties in the East Sea (DOC) signed between ASEAN and China in 2002 and has thus further complicated the East Sea situation.

Nghi further added that China had “seriously violated Vietnam’s sovereignty over these archipelagos, international law and the agreement on basic principles guiding the settlement of sea-related issues said between the two countries, signed in October 2011,” and that “Vietnam demands China respect its sovereignty and refrain from wrongful actions so as to make practical contributions to developing the friendship and cooperation between the two countries as well as maintaining peace and stability in the [South China] Sea”.³⁷

Australia

Australia Shuts Mission in Pakistan

Australia citing security concerns over anti-Western demonstrations in Pakistan has temporarily shut its mission in the country’s capital Islamabad. The foreign affairs department in a statement has asked all Australians to reconsider their need to travel to Pakistan due to the very high threat of terrorist attack, kidnapping, sectarian violence and the unpredictable security situation. The State Department of U.S. had warned American citizens as well. It had advised them to avoid the centre of Sydney in case of a repeat of riots by Muslims venting anger over the anti-Islam film.³⁸

Australia Focuses on Asia

A strategic plan to strengthen ties between Australia and Asia was presented by the Australian Prime Minister Julia Gillard on October 29th, 2012.

The plan sets 25 goals for Australia and covers economic, educational, trade, regional security and cultural cooperation. Children in Australian schools will be required to learn at least one Asian language, such as Mandarin Chinese, Hindi or Japanese.³⁹ Within Asia, Australia is looking to strengthening its ties with India. Over

³⁷ UCAN, “Vietnam Hits out at China”, *Eurasia Review*, 14 October 2012, Available at < <http://www.eurasiareview.com/14102012-vietnam-hits-out-at-china/>>, Accessed on: 23 November 2012.

³⁸ “Australia Closes Mission in Islamabad”, *The Hindu*, 21 September 2012, Available at <http://www.thehindu.com/news/international/article3921972.ece> >, Accessed on: 20 November 2012.

³⁹ “Australia Lays Out Plan for Closer Ties with Asia”, *Deccan Herald*, 29 October 2012, Available at <http://www.deccanherald.com/content/288577/australia-lays-plan-closer-ties.html> >, Accessed on: 20 November 2012.

the years it has emerged as a strong supplier to meet Indian economic demands. Peter Varghese, the Australian High Commissioner to India has stated that Australia is looking to double its trade with India in the next five years.⁴⁰

Australian PM Julia Gillard visits India

The Australian and Indian prime ministers held talks on October 17, 2012 that could pave the way for Australia to sell uranium to energy-hungry India, after Canberra lifted a long-standing export ban that had strained bilateral relations.

Australian Prime Minister Julia Gillard met Indian counterpart Manmohan Singh in New Delhi on her first official visit to the country. After Canberra lifted the export ban the stage was set for safeguards negotiations to facilitate uranium trade.

India needs the uranium for its expanding civil nuclear power programme. For Australia, which has 40 percent of the world's known uranium reserves but supplies only 20 percent of demand, it opens up a new market at a time when the global nuclear industry is still recovering from the fallout of the Fukushima nuclear reactor disaster in Japan last year.

Last December, Gillard's Labor Party voted to overturn its policy on uranium exports to India, which is only just emerging from years of diplomatic

isolation over its nuclear weapons programme.

"As you are aware, under Prime Minister Gillard, the Australian Labor Party has articulated a new policy on uranium sales to India," Singh told reporters after their meeting. "This is recognition of India's energy needs as well as of our record and credentials."

"We have agreed to begin negotiations for an agreement on civil nuclear energy cooperation which will precede actual cooperation," he said.

While major economies including France, Japan and Germany have promised to slash dependence on nuclear power, India hopes to add nearly 30 new reactors over the next two decades, although construction has been hampered by violent protests.

Uranium exports would boost a commercial relationship that has seen bilateral trade grow at 13 percent annually in the past five years. Australia is already the biggest supplier of coal to India, which relies on the fuel for just over half its total power generation.

Gillard's party changed its policy against nuclear trade with India after assessing that it had become a responsible nuclear power that would not proliferate atomic weapons.

The 46-nation Nuclear Suppliers Group, which includes Australia and the United States, waived a three-decade ban on exports to India in 2008 after agreeing assurances that New Delhi would not put any such nuclear trade to military use.⁴¹

⁴⁰ "Australia Set to Double Trade with India in 5 years", *The Hindu*, 05 October 2012, Available at http://www.thehindubusinessline.com/industry-and-economy/article3969223.ece?homepage=true&ref=wl_home >, Accessed on: 20 November 2012.

⁴¹ <http://in.reuters.com/article/2012/10/17/india-australia-nuclear-idINDEE89GoC520121017>

New Zealand

New Zealand – US Build Closer Ties

New Zealand - US relations improved drastically over the course of the September and October. In September, United States lifted a 26 year old ban that prohibited New Zealand navy ships from entering into US military ports. This change in policy is part of an effort to strengthen security ties between the two countries.⁴²

This was closely followed by a compromise to advance a joint proposal for the world's largest marine protected area in the Ross Sea. The two countries have agreed to allow fishing in certain areas instead of banning it completely. New Zealand's negotiator Carolyn Schwalger said "It's a very good balance between conservation and sustainable fishing."⁴³

NZ may Quit Kyoto

Speculations are rife that The New Zealand government may quit Kyoto protocol during the next round of negotiations. The New Government will soon be passing a legislation that many

claim will weaken an already weak emissions trading scheme. Acting Climate Change Minister Simon Bridges said "My understanding is that decisions have yet to be made on that matter,". It is believed that the New Zealand Government has kept silent on this issue to save face internationally. The government may be waiting for big players like China and the US to refuse to sign up to the second Kyoto round, before following suit.⁴⁴

Papua New Guinea

Royal Couple Visits PNG

The Prince of Wales and the Duchess of Cornwall, who are on a tour to mark the Queen's Diamond Jubilee year, visited Papua New Guinea on November 4th. While in PNG, they attended a state dinner in the capital Port Moresby. Prince Charles, who is the colonel-in-chief of the local Royal Pacific Islands Regiment, inspected a military parade. He presented the infantrymen with new colors at the Sir John Guise Stadium in Port Moresby. The royal couple were on a two-week tour of Commonwealth countries. Following PNG, the couple are scheduled to visit Australia and New Zealand as well.⁴⁵

⁴² "Significant Development in US, NZ Relations as Ban Lifted", *One News*, 21 September 2012, Available at <http://tvnz.co.nz/politics-news/developments-seen-new-era-in-nz-us-relations-5098211> >, Accessed on: 20 November 2012.

⁴³ Kate Shuttleworth, "NZ, US Reach Compromise over Ross Sea", *The New Zealand Herald*, 30 October 2012, Available at http://www.nzherald.co.nz/nz/news/article.cfm?c_id=1&objectid=10843879 >, Accessed on: 20 November 2012.

⁴⁴ Rob Stock and Neil Raid, "New Zealand may Quit Kyoto", *Business Day*, 28 October 2012, Available at <http://www.stuff.co.nz/business/industries/7873305/New-Zealand-may-quit-Kyoto> >, Accessed on: 20 November 2012.

⁴⁵ "Diamond Jubilee: Charles and Camilla Tour Papua New Guinea", *BBC News*, 04 November 2012, Available at < <http://www.bbc.co.uk/news/uk-20196252> >, Accessed on: 23 November 2012.

Important Upcoming ASEAN Events

Sr No	Date	Event	Venue
1.	1 December 2012	ASEAN - India Youth Exchange Programme	Delhi
2.	1 December 2012	ASEAN - India Media Exchange Programme	New Delhi
3.	18 - 20 December 2012	ASEAN Business Fair and Business Conclave	Delhi
4.	20 December 2012	ASEAN - India Commemorative Summit	Delhi
5.	December 2012	Visit of Sultan Bolkiah of Brunei to India	Delhi

Source: <http://www.aseanindia.com/about/organisers/asean-secretariat>



Source: <http://www.india-aseanbusinessfair.com/>

ABOUT US

The Southeast Asia and Oceania Centre focuses on policy-relevant research in respect of the ten ASEAN states, East Timor and Oceania, including Australia and New Zealand. The Centre studies India's bilateral and multilateral relations with states of the region with a view to providing contemporary relevance to India's Look East policy. It has a futuristic approach and examines the emerging trends in the regional security architecture. The Centre studies the potential for India's enhanced defence cooperation (including maritime issues) and cooperation in non-traditional security issues with the region. It examines internal developments of countries in this region, especially political transition and the role of the military, and their implications for India. The Centre seeks to promote Track-II institutional linkages with the region.

Contributions are invited for:

Book Review (800 words)

Commentary (900 - 1300 words)

Photo Essay (10-12 photographs, each with a caption,
accompanied by a 1000 words essay)

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