Insight Southeast Asia

Looking Eastwards From New Delhi

Hanoi, Vietnam
Photo Courtesy- Udai Bhanu Singh
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Centre Activities for July to August 2017
China's regional charm offensive has continued with the Framework for the Maritime Code of Conduct being officially adopted at the ASEAN-China meeting held on August 6, 2017. Around this time, Indonesia released its new official map, renaming its part of the South China Sea as North Natuna Sea. After the Trilateral Maritime Patrol of Malaysia-Indonesia and Philippines proved such a success, Brunei and Singapore have expressed interest in joining it. Chinese Foreign Minister Wang Yi visited Manila and advocated joint exploration in the South China Sea. To Malaysia, it offered the necessary defence supplies from its own manufacturers.

For the first time leaders of all ten ASEAN countries will be guests of honour at the same time, at the upcoming Republic Day in January 2018. A strong politico-strategic partnership requires a strong India and ASEAN economic foundation. That is why India’s trade relations with ASEAN was the focus of attention of the Parliamentary Standing Committee on Commerce which submitted a report on the subject on August 2, which looked into deficits with five of the ten ASEAN countries.

India’s bilateral relations with ASEAN countries begin with Myanmar. Myanmar’s Commander-in-Chief Senior General Min Aung Hlaing visit to India, once again confirmed India's commitment to make Myanmar a key pillar of its Act East Policy. This was in a way buttressed by Japan's commitment to help build infrastructure in India’s Northeast.

Further to the east, East Timor conducted its own election (without UN assistance) for the first time in July but it is still not certain when it would be admitted as an ASEAN member.

Udai Bhanu Singh
Southeast Asia

ASEAN

China courts ASEAN to resolve disputes in South China Sea without Outsiders

The Chinese Foreign Minister Wang Yi visited Manila to discuss the framework for the Code of Conduct. During the proceedings he announced via his Interpreter that external players do not want to see stability in the region, thus ASEAN and China need to stand together and say no to external intervention. He welcomed the idea for joint exploration of the South China Sea and said that such a partnership would involve much consultation between China and ASEAN countries to come up with a common goal or agreement. However, he also stated that China is against any unilateral development conducted in the region by other claimant countries. In times of disputes of sovereignty, maritime rights and interests, joint development is the best option.

ASEAN and China adopt the Framework for Maritime Code of Conduct

The Framework for the Maritime Code of Conduct was officially adopted at the ASEAN-China meeting held on August 6, 2017. Foreign ministers from China and the ASEAN countries were involved in a series of ministerial meetings, in the days leading up to the final adoption, deliberating over the nuances of the framework.

The deliberations over the Code of Conduct have been going on and off for the past ten years. The successful adoption of the framework for the Maritime Code of Conduct is being seen as a significant step towards the formalisation and codification of the rules and norms.

The details of the framework have not been released to the public due to their sensitive provisions. However, questions have been arising regarding the legal durability of the document. A joint statement was signed by the foreign ministers from the U.S., Japan and Australia urging the ASEAN members to ensure that the framework was legally binding. They further stated that they hope the framework establishes rules which are consistent with international law. They urged ASEAN and China to abide by the Hague Tribunal's ruling on the South China Sea which invalidates China’s claims.

ASEAN-India

Trade ties with ASEAN

The Parliamentary Standing Committee on Commerce comprising of over 30 MPs submitted a report on August 2, 2017 regarding India’s trade relations with ASEAN. The report included 69 recommendations to improve the

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bi-lateral trade with the South East Asian block including the need to stratify and make efficient the process of ratification for India-ASEAN trade agreements, get Indian goods better access in ASEAN markets and safeguards for textile and pharmaceutical exports.

The standing committee also highlighted the increasing trade deficit India is facing with five ASEAN members- Malaysia, Indonesia, Thailand, Brunei and Laos; and questioned the government’s view that the deficit was a result of imports of essential commodities. The Ministry of Commerce had apprised the panel of the essential commodities being imported like coal, petroleum and edible oils and suggested that excluding these products could lead to a positive trade balance. However, the panel took a strong exception to this adding that the committee would rather suggest trade instruments and agreements which can lead to better market access to reach a balanced situation. The committee also shed light on the safeguards and non-tariff barriers imposed by ASEAN countries on Indian exports and demanded reciprocity in the reduction of tariff barriers for products like steel. They have also sought to increase Indian access of services trade in ASEAN by facilitating banks and financial institutions in the region.

During the Delhi Dialogue IX, on July 5, 2017 senior MEA official Preeti Saran Secretary (East) had stated in her keynote address that India was scaling new heights in its ties with ASEAN countries and was cut out to establish a defining partnership. She also stated that the Delhi-Discussion theme being India-ASEAN shows the endeavours on both sides to scale the relationship to greater heights. The Parliamentary Standing Committee has stated that its thorough examination of the nuances of the trade partnership are being done in light of the fact that this year marks 25 years of the formal partnership between India and ASEAN.

**ASEAN leaders invited for India’s 70th Republic Day**

News sources have confirmed that India has collectively invited leaders of all the ten ASEAN countries as chief guests for the upcoming Republic Day in January 2018. This is the first time that more than one leader or head of government has been invited for the ceremonies. In recent times this honour was bestowed on the likes of President Barak Obama in 2015 and President Francois Hollande of France in 2016. This year the Chief Guest was the Crown Prince of the United Arab Emirates, Mohammed bin Zayed Al Nahyan.

Being invited for the Republic Day ceremonies is considered a manner of prestige and strong bi-lateral relations. But inviting all the ASEAN nations together is being seen by political commentators as an effort of diplomatic signaling, showcasing India’s increased engagement with ASEAN. 2017 has seen India and ASEAN engage on multiple fronts as the two celebrate 25 years of their partnership. This year also marked 70 years of India’s

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4 This Republic Day, not one guest but 10-ASEAN leaders, August 16, 2017, The Indian Express, available at http://indianexpress.com/article/india/this-republic-day-not-one-guest-but-10-asean-leaders-4798688/
independence and the 50th anniversary of the creation of ASEAN. All the ten countries have accepted the invitation in principle, and would be sending their heads of state or government for commemorating India’s 70th Republic Day.

**Act East Policy**

**India considers Myanmar a key pillar to Act East Policy**

Prime Minister Narendra Modi expressed his firm commitment in strengthening the bilateral relationship between the two countries in all areas by calling Myanmar an important pillar in the Act East Policy during Commander-in-Chief of the Myanmar Defence Services Sr. Gen. U Min Aung Hliang’s visit to India. Sr. Gen U Min came for an eight day visit to India seeking better bilateral defence cooperation. India agreed to provide a variety of arms and equipment for patrolling border areas jointly with Myanmar. Indian warships will make regular calls at Myanmar’s ports. India also ensured military assistance to help Myanmar stand as an independent nation without having to bend to an excessively influential big nation in the neighbourhood.

Myanmar is the only ASEAN member country that has both land and sea borders with India. The two share a land border of 1,643 kilometres. New Delhi has worked incessantly to strengthen relations with ASEAN members in a dynamic, action-oriented way. Myanmar holds the key in India’s new outlook being a crucial buffer state between China and India. Compared to the rest of ASEAN countries Myanmar can boast of a unique advantage in the Indian framework. India is in the process of formulating a consistent Myanmar policy, to reinforce political mutual trust and economic relations.

India was one of the few countries to maintain contact even with the military government of Myanmar. Now, with the Doka La stand-off, Myanmar will benefit from New Delhi- Beijing contention for strategic space in the Indochina region.

**Japan contributes more to North-East infrastructure**

In a sign of growing Japanese involvement in improving infrastructure in India, the two countries launched a cooperation forum for development of India’s north-east. The India-Japan Cooperation Forum for Development of North East was officially inaugurated by the Japanese embassy and ministry of development of north-eastern region. According to Japan, the development of north-east is a priority for India and a key to promoting its Act East Policy. This new initiative, with representation from the north-eastern states of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura.

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5 Myanmar is key pillar in India’s ‘Act East’ policy, says PM Modi, July 14 2017, The Indian Express, at http://indianexpress.com/article/india/myanmar-is-key-pillar-in-indias-act-east-policy-says-pm-modi-4750520/


7 ibid

comes in the backdrop of Chinese troops making repeated incursions into Indian Territory.

Naveen Verma, secretary in the ministry for development of the north-eastern region, said India plans to spend Rs 45,000 crore for the development in the region bordering China, Bhutan, Bangladesh and Myanmar.

“This is being spent in pockets. What we are looking at is the gaps, the gaps that are not being met either by the state plans or by our interventions,” Verma said, adding “that is an area where we can look at the scope of collaboration.” Verma noted that India’s north-east had a lot of skilled manpower which “can certainly help boost the Japanese economy.” Given that the north-eastern region has 3% of India’s population and 8% of area, “distances are such that we need lot of investment in infrastructure. That’s one area that we are looking at, one of the takeaways,” Verma said.9

Japan has been helping India with some of the infrastructure projects such as the Mumbai-Ahmedabad high-speed rail corridor or bullet train, which will be funded by Japan International Cooperation Agency, and the Kaladan multi-modal transport corridor in north-east India.

Japan’s Prime Minister Shinzo Abe will visit India in September, when he is expected to attend the ground-breaking ceremony of the high-speed rail corridor.

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9 Govt plans Rs45,000 crore investment in north-east states, August 4 2017, livemint, at http://www.livemint.com/Politics/QZJxtszZgT41umRkoGnBnJ/Govt-plans-Rs45000-crore-investment-in-northeast-states.html

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**Brunei**

**Brunei and Singapore consider joining Trilateral Maritime Patrol**

The Trilateral Maritime Patrol (TMP) involving Malaysia, Indonesia and the Philippines may soon include Singapore and Brunei, said Bruneian Defence Minister Datuk Seri Hishammuddin Hussein. Hussein said the patrols on the Sulu Sea would certainly be more successful with the participation of the two countries. He added that the main objective of TMP, which was launched last month, was to ensure that militant threats such as Islamic State do not use the Sulu Sea as their route to Malaysia and neighbouring countries.

Philippines is witnessing a resurgence of Islamic insurgency in Mindanao with support from the ISIS, other Muslim majority countries such as Indonesia, Malaysia and Brunei are on edge fearing that the insurgency might seep into their borders. The TMP is one the mechanisms that have been undertaken to keep the situation under check.

**Cambodia**

**Border issues with Laos**

Cambodia and Laos have a history of border disputes because of territorial and demarcation issues in their shared land border spanning about 540km. The past month also saw heightened tensions on both the sides, with Cambodia accusing Laos of sending troops across the border in the northern Stung Treng
province despite repeated requests made by the Cambodian government for them to leave the area. On August 12, 2017 the two sides reached an amiable agreement\textsuperscript{10}. The agreement came after the ultimatum which was issued by the Cambodian side after dispatching additional forces to the border, ordering Laos to vacate in six days (till August 17) or face military action.

A new brigade was reportedly formed by the Cambodian military forces because of the ongoing tensions between the two sides. The ultimatum was followed by a visit by the Cambodian Prime Minister Hun Sen, who flew to Vientiane to hold urgent talks with the Lao Prime Minister Thongloun Sisoulith. The two sides declared in a subsequent news conference that Laos had agreed to withdraw troops from the following day. Hun Sen also ordered the Cambodian forces deployed at the border- truck mounted rocket launchers and ground troops to retreat in response to Lao's withdrawal. The Cambodian Prime Minister also stated that that their biggest success is that there is no dispute which cannot be solved. He also stated that a joint border commission from both the countries would begin working in the area once the troops withdraw completely.

Cambodia gearing up to produce oil

On August 23, 2017 Cambodia signed an agreement with the Singaporean KrisEnergy Limited for developing an offshore oil field that would facilitate Cambodia producing oil after, a project that has been delayed for years. The agreement covers an area of about 3,000 sq km of the Khmer basin, where oil would be produced from the Apsara field, output from which is being expected within 24 months after the launch, sometime in 2019\textsuperscript{11}. As per the agreement the Cambodian government would own 5 percent of the interests of the field while KrisEnergy would own 95 percent.

Cambodia's Finance Minister Aun Pornmoniroth stated that the area is expected to yield over 30 million barrels in a 9 year period. He also stated Cambodia would learn from other countries' experiences and would not become a solely oil dependent economy. Rather it would use the oil revenue to finance structural transformation and to sustain their economic growth.

East Timor

Elections in East Timor

July witnessed the first election in East Timor without the presence of the United Nations in the country. Over the past 15 years, Timor Leste has grown into a well-functioning democracy where citizens actively engage with their government. The country was ranked as the most democratic in Southeast Asia by the Economist Intelligence Unit’s 2016 Democracy Index, and 43rd in the world - an impressive feat given the country's traumatic experience

\textsuperscript{10} Laos says it will withdraw troops as Cambodia’s Hun Sen visits, August 13, 2017, available at http://jakartaglobe.id/international/laos-says-will-withdraw-troops-cambodias-hun-sen-visits/

during the 24-year Indonesian occupation. And as it continues to prove itself to be a robust democracy, the rhetoric for Timor Leste to join ASEAN becomes stronger.

The election campaign leading up to Timor’s elections in July focused mostly on reviving the economy. Being heavily dependent on oil export and with revenue from gas and oil depleting, East Timor would no doubt reap economic benefits of joining the Association of Southeast Asian Nations (ASEAN) economic community. Given that Timor’s only producing gas field is projected to dry up in 2020, long-term economic security is crucial to the newly-elected coalition government. These circumstances threaten the future of East Timor, as gas revenues make up almost 90% of the country’s Gross Domestic Product (GDP). Additionally despite its small size, Timor represents a relatively untapped market for Southeast Asian trade; likewise, Southeast Asia represents a largely untapped market for Timorese goods.

However, not all members are as optimistic. Singapore articulated fears that East Timor would weigh down on the ASEAN economic community and needed more time to ready itself for the new addition. The organisation, too, has its reservations about being too inclusive to its detriment.

As ASEAN celebrates its 50th anniversary this year, East Timor’s accession does not seem to be high on the organisation’s priority list. Time will only tell how this long process will pan out. For the new coalition government now tasked with the heavy responsibility of securing long-term economic growth and pulling the country out of poverty, time is running out.

**Indonesia**

**Widodo issues decree to ban extremist groups**

Following months of sectarian tensions and protests in the country, which saw Jakarta’s Christian governor Basuki “Ahok” Tjahaja Purnama sentenced to two years in prison for blasphemy against Islam, Indonesian President Joko Widodo announced that authorities are now allowed to disband organisations deemed threatening to national unity. It amends an existing law regulating mass organisations and allows the government to sidestep a potentially lengthy court process to implement a ban. However the ban is not completely sectarian in nature. The Hizbut Tahrir branch of Indonesia has been responsible for multiple disruptive acts in the country since 2004. The

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group also has declared that it wants to set up a Caliphate in Indonesia. On January 14, 2016, four assailants staged a bomb and firearm attack in Jakarta where eight people (including the four assailants) died. Indonesian police named a Bahrun Naim, as the principal organizer of the attack. Bahrun was Indonesian but based in Syria with “Islamic State”, but before that “studied with Hizbut Tahrir”. This proved to be the straw that broke the camel’s back.

However many human rights activist groups such as Human Rights Watch dubbed the move as a violation of rights to freedom of association and expression. Phelim Kine, the group’s deputy Asia director, said, “Banning any organisation strictly on ideological grounds is a draconian action that undermines rights of freedom of association and expression”. Others feared that Indonesia might slip back to its days of tyrannical rule under Suharto where any group caught not toeing the line could be banned and imprisoned.

The government, however, had a different perspective to the law. Indonesian Minister for Politics, Security and Law, Wiranto, said at a press conference, “We will have legal support to act whenever there are mass organizations that are clearly endangering the country’s ideology by contradicting it,” He added that the country’s previous law on tackling with extremist groups was no longer sufficient.

Indonesia decides to rename its part of South China Sea

The government of Indonesia has decided to rename its part of the South China Sea, a move that appears calculated to assert sovereignty in the face of increasing pressure from China. The renamed North Natuna Sea now features prominently on Indonesian charts, and it overlaps areas of China’s sweeping “nine-dash line” maritime claims.

Unveiling the new official map, the Deputy of Maritime Sovereignty at the Ministry of Maritime Affairs, Arif Havas Oegroseno, noted the northern side of its exclusive economic zone was the site of oil and gas activity. “This (system) would allow the international community to know whose territory they pass through,” he said.

Chinese Foreign Ministry spokesman Geng Shuang said he wasn’t aware of the details of Indonesia’s decision, but reiterated his country’s territorial claims to the South China Sea.

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“The so-called change of name makes no sense at all and is not conductive to the effort of the international standardization of the name of places,” Geng said at a press briefing. “We hope relevant country can work with China for the shared goal and jointly uphold the current hard-won sound situation in the South China Sea,” he said.\(^\text{23}\)

However this is not the first time a country has renamed its part of the South China Sea. In 2011 the Philippines renamed its part as the Western Philippine Sea before taking the matter of territorial dispute to The Hague. Still, renaming territory doesn’t go against international law. I Made Andi Arsana, an expert on the Law of the Sea from Indonesia’s Universitas Gadjah Mada, said the renaming carried no legal force but was more of a political and diplomatic statement. “It will be seen as a big step by Indonesia to state its sovereignty,” he told Reuters. “It will send a clear message, both to the Indonesian people and diplomatically speaking.”\(^\text{24}\)

## Laos

### Laos and India advance cooperation

According to the Ministry of Foreign Affairs, the Laos Minister to the Prime Minister’s Office Alounkeo Kittikhoun met with delegates from the ASEAN-India Business Council on August 7, 2017. The delegation was headed by the Chief Minister of Manipur, Shri N Biren Singh. The meeting was organized at Vientiane to commemorate the 25\(^{\text{th}}\) anniversary of the ASEAN and India partnership\(^\text{25}\). Both the sides highlighted their keen interest in advancing cooperation. Especially in areas of trade, investment and tourism cooperation.

## Malaysia

### China offers to set up counter-intelligence centre

After China helped establish the East Coast Rail Link in Malaysia it is now reportedly offering to help build a counter-intelligence centre with radio surveillance and missile systems in Johor in Southern Malaysia. According to a senior Malaysian government source, the proposal for the radar and missile system was “lightly touched on” during talks between Prime Minister Najib Razak and visiting Chinese State Councillor Wang Yong after the ground-breaking ceremony of the East Coast Rail Link project in Kuantan.\(^\text{26}\)

Up to 12 units of the AR3 multiple launch rocket system (MLRS) will be offered to Malaysia in a purchase programme with a loan period of 50 years. The MLRS, which has a top

\(^{23}\) Ibid

\(^{24}\) Indonesia renames part of South China Sea, July 15 2017, InterAksyon News5, at http://www.interaksyon.com/indonesia-renames-part-of-south-china-sea/

\(^{25}\) Laos and Indian businesses are committed to further enhancing their trade, investment and tourism cooperation, August 14, 2017, available at http://www.nationmultimedia.com/detail/aec/30323733

range of 220km, will be located in Johor with a radar system. Malaysia has previously made a deal to buy four littoral mission ships from China, its most significant purchase from the country and one that was seen as a blow to its traditional defence suppliers in the West.

However, according to Malaysian government officials, Malaysian Prime Minister Najib Razak will not refuse China’s offers to boost Malaysia’s security capabilities if the financial assistance to take on these projects is attractive. Malaysia’s armed forces said they had received no offer from China to buy advanced rocket launchers and a radar system to be based at the southern tip of the Southeast Asian country. However, when questions were asked to the Chinese Foreign Ministry, the questions were shifted to the Defence Ministry who declined to comment. The only thing it had to say was that weapons exports were not part of its remit.

**China provides a cheap alternative to Malaysia’s cash strapped defence**

Malaysia’s fiscal deficit has grown to 30.5 billion ringgit in the first five months of 2017, an increase from 26 billion ringgit in the same period a year ago, according to Citi Research. With no signs of the country’s current fiscal strains going away and with Malaysian PM Najib Razak slashing the defence spending by 13 per cent, some industry experts are predicting a possible low-cost workaround could be increased procurement from Chinese weapon suppliers.

This is not the first time Malaysia has sought help from China. China has been pouring money into the Malaysian economy in the form of foreign direct investments. It also invested generously into port and rail projects. Therefore it wasn’t surprising that the China-Malaysia partnership would also extend into the ambit of defence. With Malaysia’s deficit it was obvious that it would look elsewhere for cheaper alternatives to its traditionally Western partners. Malaysia last year signed a 1.17 billion ringgit deal for four littoral mission ships – used for coastal patrols – to be jointly built by the state-linked China Shipbuilding and Offshore Company (CSOC) and the local Boustead Naval Shipyard. It was the first major defence contract between the two countries. There were also rumours, albeit refuted by the

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30 China’s investments into Malaysia may not pay off - at least, not for Malaysia: Citi, July 5 2017, CNBC, at https://www.cnbc.com/2017/07/05/chinas-investments-into-malaysia-may-not-pay-off—at-least-not-for-malaysia-citi.html
Malaysian Defence Ministry, that there might be a deal between the two countries for acquiring advanced rocket launchers and a radar system for deployment in the country’s southern tip bordering Singapore.

Military ties between Malaysia and China have developed quickly, reaching an unprecedented level with ongoing mutual visits by top military officers to have various forms of interaction in defence dialogue, joint military exercise, staff training, mutual visits by military fleets, observation of drills and defence exhibitions. Zhang Zhongmin, the military and Naval & Air Force attaché of Embassy of China in Malaysia, said that in the future China is willing to be even more open and collaborate with Malaysia to enrich collaboration level by maintaining peace in South China Sea together.33

**Myanmar**

**Clashes in Northern Rakhine State continue**

The government announced on 25 August that 71 people (one soldier, one immigration officer, 10 policemen and 59 insurgents) had been killed overnight during coordinated attacks by up to 150 insurgents on 24 police posts and the 552nd Light Infantry Battalion army base in Rakhine State.34 The Myanmar Army stated that the attack began at around 1:00 AM, when insurgents armed with bombs, light weapons and machetes blew up a bridge.35

The Arakan Rohingya Salvation Army (ARSA) claimed responsibility for the attacks in a Twitter post and accusing the Myanmar forces of killings and rape, it said it was “taking defensive actions” in more than 25 different locations. The township of Rathetaung in northern Rakhine has been under “a blockade for more than two weeks which is starving the Rohingya people to death”, it said. “As they prepare to do the same in Maungdaw ... we had to eventually step up in order to drive the Burmese colonising forces away.” The group warned of more attacks to come.36

Following the ARSA attacks of 25 August, the Myanmar military led a crackdown against the Rohingya in Rakhine state. The military has referred to the action as “clearance operations”. However, the military is also believed to be targeting Rohingya civilians in an attempt to drive the Rohingya out of Myanmar.37 On August 26, Myanmar troops opened fire on

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34 At least 71 killed in Myanmar as Rohingya insurgents stage major attack, August 25 2017, Reuters, at http://www.reuters.com/article/us-myanmar-rohingya-idUSKCN1B507K?il=0
Rohingya civilians as they attempted to escape into Bangladesh. The violence resulted in the deaths of hundreds of people in Myanmar’s Rakhine state. At least 1000 have been killed, according to Yanghee Lee, the United Nations Special Rapporteur on Human Rights for Myanmar. She added that the figure is “very likely an underestimate”.

Philippines

Japan to provide helicopter parts

According to military sources the Japanese Army is planning to give thousands of helicopter parts to help the Philippines defence forces manage and maintain their helicopters. The pact is expected to be the first in a series of deals that Japan is planning on initiating with other South East Asian nations. According to commentators this move is being seen as an effort to advance Japanese influence and counter China’s influence over the South China Sea by luring allies via military diplomacy. According to a senior Philippine Air Force Commander the pact to help Philippines is a demonstration of the robust strategic partnership and cooperation of the two allies.

Under the deal Japan is expected to deliver 40,000 parts. These parts are meant for the UH-1 utility helicopter which can be deployed as airborne gunships or be used for transportation. The Japanese Ground Self Defence Force had retired older H versions but retained the spare parts. In an earlier deal Japan had agreed to supply Philippines with three second hand Beechcraft TC 90 King Air patrol planes.

Philippines to consult ASEAN over Joint Oil search with China

President Rodrigo Duterte has taken a different and softer approach towards China than his predecessors. On July 24, 2017 Duterte announced that the Philippine government was in talks with China over joint drilling for extracting natural resources from the ocean. This step seems to be a reversal since Philippines and China have had a tumultuous relationship in the past. The Foreign Secretary Alan Peter Cayetano stated on July 26, 2017 that the Philippines plans on consulting the other nine ASEAN countries about the proposal as well. He reiterated that President Duterte’s focus is on ensuring peace and stability in the ASEAN region. Which means that the whole of ASEAN would be party to consultations and no unilateral action would be taken from the Philippines side. The Chinese Foreign Minister Wang Yi also stated that China was open to idea of joint development.

Singapore

Singapore offers help to the Philippines to fight insurgency

Singapore offered the Philippines military assistance as Manila continues to battle Islamic State-linked terrorists in the country’s south. The move illustrates the growing alarm in the city-state as well as in Southeast Asia more broadly about the nature of the terrorist threat and its serious implications for regional security. Southeast Asia remains a key front in the battle against the Islamic State. Over 1,000 fighters have flocked from Southeast Asia to join the group in Iraq and Syria, and a string of planned attacks have surfaced, some of which have been successful. Fears that the group could be looking to establish a caliphate base in the region from which to launch further attacks have only risen with the recent siege in the southern Philippine city of Marawi.42 Surrounded by Muslim majority countries and with a Muslim minority of its own, Singapore is worried by the small but dangerous number of people in the region who have been radicalised by Islamic State.43 Singapore’s Defence Minister Ng Eng Hen has offered the Singapore Armed Forces’ (SAF) assistance to counter the threat of terrorism in Philippines together with the Armed Forces of the Philippines (AFP). In a media release, MINDEF said the SAF’s assistance will include a Republic of Singapore Air Force C-130 transport aircraft, use of the SAF’s urban training villages for AFP troops, and a detachment of Unmanned Aerial Vehicles or drones to enhance the AFP’s intelligence, surveillance and reconnaissance capabilities.44

During the past two months Indonesia, Malaysia and the Philippines launched joint maritime and air patrols over their shared boundaries in the Sulu Sea, to guard against the movement of militants between Borneo Island and Mindanao.45

US warship collides with oil tanker off Singapore’s coast

Ten Navy sailors were missing and five were injured after a United States destroyer collided with an oil tanker off the coast of Singapore, the US Navy said, the second accident involving a Navy ship and a cargo vessel in recent months. The guided-missile destroyer, the John S. McCain, was passing east of the Strait of Malacca on its way to a port visit in Singapore,

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before dawn broke, when it collided with the Alnic MC, a 600-foot vessel that transports oil and chemicals.\(^{46}\)

Singapore and Malaysia both said the incident took place in their territorial waters, as the warship and oil tanker collided near the rocky outcrop of Pedra Branca, an area that has long been contested by both countries. Both countries said they were leading the search and rescue operation for the missing sailors.\(^{47}\) An amphibious assault ship USS America soon arrived at Changi Naval Base to also support ongoing searches for 10 missing sailors.\(^{48}\)

After a week of combing the waters, divers retrieved the remains of all 10 sailors. With the US Navy’s announcement, Singapore said it has ended its recovery efforts on the USS John S McCain.\(^{49}\)

**Thailand**

**Train project with China to begin Construction in October**

In a statement released on August 9, 2017 the Chinese Embassy in Bangkok stated that China and Thailand were working together to finalise and sign two contracts by September which would facilitate the construction of the first phase of the Thailand-China Railway project, slated to begin in October this year\(^{50}\). The first phase includes construction of the 253km railway from Bangkok to Nakhon Ratchasima. It would be constructed in a phased out manner. In the second phase it will be extended to Nong Khai, situated at the Thai-Lao border.

The statement further stated that the project would be responsible for improving Thailand’s transportation system and establish it as the transport hub of the region. It would also be in charge for boosting economic growth in the North East parts of the country and contribute to the Eastern Economic corridor project while also being beneficial for other countries of the region along the way.

**Harpoon Missile purchase from the U.S.**

In early August the U.S. Defense Security Cooperation Agency stated in a news release that they are considering the possible sale of the Harpoon anti-ship missiles to Thailand. This potential sale would help Thailand enhance their capabilities in effectively defending critical sea lanes of communication. Thailand is said

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\(^{50}\) Construction of first phase of Thailand-China railway project to start in October, August 19, 2017, Xinhua, available at http://news.xinhuanet.com/english/2017-08/19/c_136539091.htm
to use these Harpoon Block II missiles on their DW3000 Class Frigate. Such a deal and support from the US would also increase the Royal Thai Navy’s maritime partnership potential.

This deal aims to pay for up to five RGM-84L Harpoon Block II Surface Launched Missiles and also includes one RTM-84L Harpoon Block II Exercise Missile. The sale is estimated at about $24.9 million and has been approved by the U.S. State Department. The U.S. Foreign Military Sales program would carry the sale through and Boeing would be the primary contractor. The deal also includes funding avenues for additional services and products like containers to store the missiles, spares and repair parts for maintenance, also including funding for support and test equipment, personnel training, training equipment and contractor support.

Visit by the Russian Foreign Minister

The Russian Foreign Minister Sergey Lavrov visited Thailand on August 10, 2017 and discussed issues related to counter-terrorism, cyber security and North Korea. Lavrov held discussions with the Thai Foreign Minister Don Pramudwani about the recent North Korean escalation. Both sides reiterated that the United Nations should be used as a medium for peaceful resolution of tensions.

Lavrov stated that he was impressed with Thailand’s Prime Minister’s efforts to boost its cyber security measures by establishing a centre for cyber security under the aegis of ASEAN. He also traced back the relationship Russia has had with Thailand historically by referring to visits made by the respective monarchs of the two countries in the 1800’s and remarked that Thailand was thus Russia’s “Oldest South East Asian ally”.

Vietnam

45th anniversary of India-Vietnam relations

2017 marks the 45th anniversary of diplomatic relations between India and Vietnam, and the 10th anniversary of the strategic relationship between the two countries. To commemorate the event, a seminar was held in Da Nang on August 25, 2017. Titled “the Joint Civilisational Heritage of Vietnam and India”, the seminar traced the historical and cultural relationship that the two countries have shared over the centuries. Thic Duc Thien, Secretary General of the Vietnam National Council Buddhist Sangha gave a detailed account of the influence of Indian monks in Central Vietnam.

The Indian ambassador to Vietnam Parvathaneni Harish outlined how the partnership between India and Vietnam can be traced by academics to be years old and that these cultural linkages continue to flourish even

today. The shared heritage is seen in the daily livelihood, beliefs and scripts of the Champa people as it is immortalised in the Hindu and Buddhist monuments and sculptures of the region. The seminar was conducted to highlight historical links between India and Vietnam and increase awareness about the need to preserve promote this shared civilisational history and heritage for the future. Both sides unanimously agreed that Indian monks brought Buddhism to Vietnam in the 3rd century and played a major role in initiating and cementing the cultural linkages we see today between the two countries and their people. Both sides see acknowledging this shared past as an essential step in building and cementing their future partnership.

Oceania

Australia

Islamist-inspired terrorist plot foiled in Sydney

Anti-terrorist authorities in Sydney were tipped off by partner agencies about a possible terror attack being planned on Sydney airport. The tip-off led to raids on suburban areas surrounding Sydney – Surry Hills, Lakemba, Wiley Park and Punchbowl. The raids led to the arrest of four Lebanese-Australian men with dual citizenship. The Australian federal police commissioner, Andrew Colvin said the terrorist attack planned to use an “improvised device” to target an Australian plane. He said the threat was credible, adding: “We believe it’s Islamist-inspired terrorism. Exactly what is behind this is something we need to investigate fully.” The attack was to target the Australian aviation industry at a major airport, police said. Colvin said there was no evidence that security at Australian airports had been compromised.54

Prime Minister Malcolm Turnbull said the plot appeared to be “elaborate” rather than planned by a lone wolf, as security was strengthened at major domestic and international airports across the nation.55 The four men, who were arrested and were related by blood and marriage, had been building an explosive device that could have emitted a toxic, sulphur-based gas that would have killed or immobilised everyone on the aircraft. It had been suspected that the suspected sleeper cell was in contact with Islamic State in Iraq and Syria (ISIS) terrorists inside Syria and that contact was “crucial” in the development of the group’s plan and that Australian authorities had been tipped off about the group by a foreign security service.56

**Australia offers help to the Philippines in Mindanao**

Australian Special Forces soldiers could soon be deployed to the Southern Philippines to help local forces fight Islamic State (IS) militants in the country’s south. Foreign Minister Julie Bishop revealed she made the offer of assistance to President Rodrigo Duterte during a visit to Manila this month.

“Obviously we would be ready to support the Philippines in the same way we are supporting Iraq in advising, assisting and training,” Ms Bishop told reporters in Canberra.

“The [Philippines] armed forces are in the process of engaging in a pretty brutal fight with ISIS.

“We’ve offered to assist in any way that might add to the likelihood of defeating this scourge in the southern Philippines — it’s in our region.”

Manila’s armed forces have found it considerably difficult in beating back jihadists who captured the city of Marawi in May. Julie Bishop’s disclosure that Australia has offered to send Australian Defence Force personnel to The Philippines on a train-and-assist mission, similar to that in Iraq, highlights how challenging the situation is. The Royal Australian Air Force (RAAF) also has been providing P3 Orion reconnaissance flights since June. A spokesman for President Rodrigo Duterte has said Manila wants to expand its intelligence sharing and military relationship with Australia.58

The US too has made offers of helping the Philippines. In June, the commanding general of US Marine Corps Forces Pacific said that he expected Australian forces would soon join American personnel fighting Islamic extremists in South-East Asia.

“Both of us have a long history of being an expeditionary force when needed, so we begin from a common point I think and we’ve operated alongside for 100 years,” Lieutenant-General David Berger said.59

**Fiji**

**Co-operation with Kazakhstan**

The Prime Minister of Kazakhstan Bakytzhan Sagintayev met with the Prime Minister of Fiji Frank Bainimarama to discuss issues of bilateral engagement. The meeting was conducted prior to the 2017 World expo which Kazakhstan was hosting. Fiji has shown interest in furthering engagement with Kazakhstan and showed keen interest in learning from their successes in mining and organic farming60.

Both parties reiterated that the meeting was

58 Australia’s lead in Mindanao, August 31 2017, The Australian, at http://www.theaustralian.com.au/opinion/editorials/australias-lead-in-mindanao/news-story/b585c0c7b7369ab0e0414d23f51b5f343?ntk=8c65825f277887e09f0e2384f2954de7-1505671167
60 Fiji and Kazakhstan to further cooperation, August 17, 2017, available at http://www.radionz.co.nz/international/pacific-news/337361/fiji-and-kazakhstan-to-further-cooperation
aimed at advancing cooperation between the two countries, especially in areas of tourism, agriculture, trade, housing and education.

New Zealand

Military deployment in Afghanistan

On August 21, 2017 President of the United States, Donald J Trump requested his NATO allies to join hands with the U.S. and increase military deployments to Afghanistan, in an effort to end the protracted war which has continued for sixteen years. New Zealand’s Defence Minister Mark Mitchell announced that New Zealand would continue to stand alongside their allies in supporting a stable Afghanistan and for countering threats emanating from international terrorism. New Zealand thus has stated that they would deploy three additional noncombatant military personnel, bringing their total tally of troops based in Kabul to thirteen.

The leader of the Opposition, Jacinda Ardern stated that she wouldn’t support deployment in Afghanistan at the moment and without access to information on which such decisions are based. The Prime Minister of New Zealand Bill English stated that the government had decided not to make a decision on sending combatant troops back to Afghanistan till their elections are held, which are due in September this year.

Papua New Guinea

Controversy over Australian refugee camp in Manus Island

A peaceful blockade by asylum seekers and refugee became a source of controversy as Australian Prime Minister Malcolm Turnbull’s conversation with US President Donald Trump exposed his duplicity granting a deal to refugees to resettle in the US or in Papua New Guinea (PNG). Refugee Action Coalition’s worker Ian Rintoul said the leaked transcript of Mr Turnbull’s conversation showed there was never a deal guaranteeing that refugees from Manus would be resettled in the US. There was also no resettlement deal with PNG and Mr Turnbull’s “so-called deal” was simply posturing for Australian voters.

The controversy took a turn for the worse when Hamed Shamshiripou – a 28-year-old refugee from Iran – was found hanging from the branch of a tree near an elementary school by students. The school is in the Manus Island town of Lorengau, where Shamshiripou had been staying at a transit center for refugees awaiting resettlement.

Australia refuses to resettle any asylum seekers who try to reach its shores by boat. Instead, the country pays Papua New Guinea and the Pacific island nation of Nauru to house them in camps. This has invited a huge debate over the legality of Australian refugee camps on non-Australian soil.

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Surprisingly when the matter was brought forth to the Australian high court, it was rejected. It is the latest in a number of Australian court cases that have unsuccessfully challenged the legality of the country’s offshore detention centres. In April last year, PNG’s highest court declared the country’s agreements with Australia to send and detain asylum seekers to the Manus detention centre as “unconstitutional” and “illegal”.

The PNG ruling led Iranian Beham Satah to challenge the constitutional legality for Australia’s immigration minister to designate PNG as a regional processing country, make agreements to that effect, and to transfer and hold him on Manus.

“The plaintiff submitted that the Constitution denies to the Commonwealth any legislative or executive power to authorise or take part in activity in another country which is unlawful according to the domestic law of that country,” the High Court judgement summary said.

The PNG Supreme Court decision, known as the ‘Namah’ case, saw the PNG government order the detention centre be shut and it is due to close at the end of October.

“The High Court held that neither the legislative nor the executive power of the Commonwealth is constitutionally limited by any need to conform to the domestic law of another country and that the past and future actions challenged by the plaintiff were not invalid or precluded,” the High Court’s judgement summary said.64

The legal grey area means that neither PNG nor Australia have to give protection rights to the refugees, leaving them between a rock and a hard place.

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Centre Activities for July to August 2017

- Dr Udai Bhanu Singh Chairs Session on India-Vietnam: Socio-Political and Economic Dynamics at Conference on India-Vietnam Relations organised by the Delhi University's Southeast Asia Research Group and Nehru Memorial Museum and Library on July 4, 2017.

- A delegation of Fiji National Security Council Secretariat interacted with the IDSA scholars on July 26, 2017

- Dr Sampa Kundu, “India must remove bumps on IMT Highway”, The Pioneer, July 1, 2017

- Dr Sampa Kundu, “ASEAN-India Partnership at 25”, The Diplomat, July 7, 2017

- A delegation of Indonesian Ministry of Defence interacted with IDSA scholars on August 29, 2017.

- A delegation from Thailand’s Chulalongkorn University, led by Prof Surat Horachaikul, Founding Director of the Indian Studies Centre, Chulalongkorn interacted with IDSA scholars on August 10, 2017
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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