

# *INSIGHT* SOUTHEAST ASIA

Looking Eastwards From New Delhi



MANOHAR PARRIKAR INSTITUTE FOR  
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## Southeast Asia and Oceania Digest

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The push and pull between China and the US in Southeast Asia continues to influence regional geopolitical developments. The US identified a [need to invest more resources](#) in engaging the ASEAN economically to counter Beijing's influence, and came up with Indo-Pacific Economic Framework. On the other hand, China came up with the [Global Security Initiative](#) to strengthen its security relationship with Southeast Asian countries, where the US has been a predominant security power. The ASEAN nations, through regional multilateralism, have sought to maintain unity on contentious issues, but hedging among large powers remains a primary strategy for external relations among ASEAN countries.

### ASEAN holds 55th Foreign Ministers' Meeting in Phnom Penh

All the ASEAN leaders met for the 55<sup>th</sup> [ASEAN Foreign Ministers' Meeting](#) on 3 August, 2022. The discussion was centered on the US-China rivalry in the region, and how ASEAN nations may respond to escalating tensions. The question of Taiwan is critical for stability in Northeast Asia. On the issue of the Myanmar crisis, considerable discussion was reportedly held. The leaders were disappointed at the lack of any progress on five-point consensus, and worried at execution of political prisoners by the junta in Naypyidaw. There was agreement on revising the consensus and opening more channels of communication with the opposition National Unity Government if conditions in Myanmar did not improve.

Myanmar sits at a very strategic location in the Indo-Pacific which makes its internal stability critical to the regions overall all security and stability.

### Indonesia's Relations with India on the Upswing

Indonesia's Ambassador to India, Ina Krisnamurthi said that both countries are looking to [expand cooperation in defence](#) and security by strengthening technology sharing, adding that Jakarta may be looking to acquire India's BrahMos missiles. India and Indonesia are large importers of arms and have set targets to boost indigenous production of defence equipment. A collaboration in military technology can help them achieve desired results in this sector. In August, 2022, INS Sumedha of the Indian navy visited port Tanjung Benoa in Bali, and also participated in a maritime partnership exercise with INS Sultan Hasanuddin of the Indonesian navy. Indonesia has consistently increased its engagement with regional powers to sustain a balance in the Indo-Pacific.

### Increasing US and China-led Military Exercises in the Region

The US recently conducted annual [joint combat exercises](#) with Indonesia where over 5000 soldiers also joined from Australia, Japan and Singapore for the first time. The insecurities rooted in China's aggressive posture in the region have largely led to such cooperation. Tensions have also risen after US Speaker Nancy Pelosi's visit to Taiwan. China conducted live-fire drills and blocked airspace and maritime space around Taiwan as an exercise. This has been seen as china's power projection and ability to blockade Taiwan. China also sent fighter jets for joint

air force exercise with Thailand called [Falcon Strike 2022](#).

Southeast Asia is a patchwork of US and Chinese areas of influence. Joint military exercises have been aimed at increasing interoperability of forces with Southeast Asian militaries, and show of confidence as a security provider respectively.

### **UK Seeks to Strengthen Ties with Southeast Asia**

The UK's Asia minister, AMANDA Milling [visited Cambodia](#) in August, 2022 and announced an agreement with Southeast Asian countries on a range of issues. The new plan of action will focus on areas like trade and investment, defence and security, including maritime security and cyber domain. A British International Investment office will be set up in Singapore as part of the agreement for the UK to invest GBP 500 million in the Indo-Pacific. The Royal Navy will also impart training to countries in the region on maritime issues. The UK became ASEAN's dialogue partner in 2021, and has declared a tilt to the Indo-Pacific. It has a military presence in Singapore under the Five Powers Defence Arrangement, and in Brunei. But the UK's most notable strategic involvement in the Indo-Pacific is through the AUKUS pact signed with Australia and the US, and the Five Eyes intelligence alliance alongside Canada, Australia, US, and New Zealand.

### **Vietnam and India Conclude VINBAX 2022**

India and Vietnam are Comprehensive Strategic Partners and stakeholders in the stability of the Indo-Pacific. Both countries concluded the [VINBAX 2022](#) military exercise between their armies at

Chandimandir in India. The next edition of the exercise will be hosted by Vietnam in 2023. The outgoing Ambassador Pham Sanh Chau called defence as one of the [most important](#) pillars in the bilateral relationship. The Defence Minister Rajnath Singh visited Vietnam in June, 2022 and handed over 12 high speed guard boat, built with US\$ 100 million Line of Credit by India. The Ambassador also hinted at greater cooperation in defence equipment purchase, and production, along with sharing of information, and a US\$ 500 million Line of Credit by India. Vietnam is one of India's closest partners in Southeast Asia, and facilitates an Indian presence in South China Sea through oil exploration by ONGC Videsh Ltd in Vietnamese waters. But close geography with China also compels Hanoi to maintain a workable relationship with Beijing, and prevent chances of escalation and conflict.

### **India Expands Ties with Thailand and the Philippines**

External Affairs Minister Dr. S. Jaishankar [visited Thailand](#) from 16-18 August, 2022 and co-chaired the ninth meeting of India-Thailand Joint commission. The ministers reviewed progress on issues such as defence and security, trade, connectivity, tourism and people-to-people ties. Dr. Jaishankar also met with Thai Prime Minister Prayut Chan-o-Cha. India and the Philippines concluded the 13<sup>th</sup> India-Philippines foreign Office consultations and fourth Strategic Dialogue in Manila on 17-18 August, 2022. During the talks, both sides expressed a [desire to expand relations](#) in areas like agriculture, fintech, pharmaceuticals, education and defence and security. Additionally, other areas like space development cooperation and civil

aviation were also discussed. It was mutually agreed to setup bilateral processes on these sectors as early as possible. The Philippines finalised the BrahMos deal with India in early 2022 and has also expressed an interest in acquiring helicopters. A deepening engagement in defence industry sector reflects their aligning strategic outlook on regional security.

### **India and Malaysia Boost Defence Industry Relationship**

Indian defence manufacturing company HAL has signed MoU to expand its presence in Malaysia and open an [office in Kuala Lumpur](#). HAL's Malaysia office will cater to requirements from the Royal Malaysian Air Force with Su-30 MKM and Hawk upgrades. There is also potential for other HAL offerings like HTT-40, Do-228, Advanced Light Helicopter, Light Combat Helicopter to find acceptance by the Malaysian military. In a tender of the Malaysian defence ministry, India has offered 18 [LCA "Tejas" to Malaysia](#). Reportedly, Australia, the US, the Philippines, Indonesia, Egypt and Argentina have also shown interest in the combat helicopters. India seeks to boost its indigenous defence industry by increasing defence exports.

### **Southeast Asian Countries Look to Russia for Oil, Tourism**

In a bid to recover from the COVID-19 slowdown and economic crisis, Southeast Asian nations may be [courting Russia](#). Thailand will be resuming the Russian carrier service as large number of Russian tourists benefit Thai tourism industry. Thailand also seeks to bolster trade with Russia, from which it imports crude oil and fertiliser, and sells cars and food. Vietnam may be importing wheat from Russia, and Myanmar has finalised a deal to import oil. Russia is a major arms exporter to the region of Southeast Asia, and therefore a degree of dependency on Moscow can be expected from Southeast Asian countries.

This may pose impediment in the west's attempt to sanction Russia, and compel it to end the Ukrainian war. Russia's involvement in the region may not be so easily limited, and any attempts to coerce the region to making choices will only be a miscalculation on part of Washington.