

# *INSIGHT* SOUTHEAST ASIA

Looking Eastwards From New Delhi



MANOHAR PARRIKAR INSTITUTE FOR  
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## Overview

Developments across Southeast Asia in January 2026 point to a region undergoing significant strategic and political transition. Indonesia's engagement with President Donald Trump's Board of Peace, alongside the induction of French-made Rafale fighter jets, reflects Jakarta's balancing of strategic interests. The signing of an Acquisition and Cross-Servicing Agreement (ACSA) between Japan and the Philippines underscores the strengthening of regional security partnerships amid rising tensions in the South China Sea. Meanwhile, political milestones in mainland Southeast Asia—including Myanmar's military-managed electoral process, Vietnam's 14th National Party Congress, and Thailand's forthcoming general elections; highlight critical domestic transitions with implications for foreign policy orientation and regional stability.

### Indonesia joins President Trump's Board of Peace

Indonesia has joined the recently announced Board of Peace initiative associated with former US President Donald Trump, signalling Jakarta's willingness to engage with alternative diplomatic and conflict-resolution platforms. The move reflects Indonesia's long-standing emphasis on strategic autonomy and peace diplomacy. The decision, however, has

generated domestic debate. Critics argue that participation risks undermining Indonesia's traditional foreign policy principles, particularly its support for the Palestinian cause, by appearing to align with US and Israeli interests. Supporters counter that engagement with the initiative is consistent with Indonesia's increasingly proactive diplomacy and could enhance access to major global power centres. President Prabowo Subianto's decision to involve Indonesia in the initiative represents a notable departure from established practice and carries potential diplomatic and reputational risks according to regional observers, particularly in the context of Indonesia's role within the Global South and the Organisation of Islamic Cooperation.

### Indonesia takes delivery of French-made Rafale fighter jets

Indonesia has taken delivery of the first three Rafale fighter jets under its multi-billion-dollar defence agreement with France, marking a significant step in the modernisation of the Indonesian Air Force. The aircraft are part of an US\$8.1 billion deal signed in 2022 for the acquisition of 42 Rafale jets from Dassault Aviation, during Prabowo Subianto's tenure as defence minister. The Rafale induction forms part of a broader defence modernisation drive initiated under former president Joko

Widodo and accelerated under the current administration. Indonesia has also explored other fighter aircraft options, including China's J-10 and the US-made F-15EX, reflecting its effort to diversify defence procurement. France's appeal lies in its ability to offer advanced military technology without the political conditionalities often associated with other major suppliers. Thus enabling Jakarta to balance relations with both China and the United States while avoiding excessive dependence on any single power.

### **Japan–Philippines sign Acquisition and Cross-Servicing Agreement (ACSA)**

Japan and the Philippines signed an Acquisition and Cross-Servicing Agreement (ACSA) during the Japanese Foreign Minister's visit to Manila, marking a significant deepening of bilateral defence cooperation. The agreement allows Japan's Self-Defense Forces (SDF) and the Armed Forces of the Philippines (AFP) to exchange supplies, fuel, and logistical support during joint exercises, humanitarian assistance, and disaster relief operations. In addition to the ACSA, the two sides signed an exchange of notes for a ¥900 million Overseas Security Assistance (OSA) programme and a ¥1.63 billion grant for establishing wireless broadband connectivity in the provinces of

Basilan, Sulu, and Tawi-Tawi. The agreements were signed by Philippine Foreign Affairs Secretary Theresa Lazaro and Japanese Foreign Minister Toshimitsu Motegi. These arrangements reflect the institutionalisation of a security partnership amid a shifting Indo-Pacific balance and underscore Japan's expanding security engagement with Southeast Asia under its Free and Open Indo-Pacific (FOIP) vision.

### **Myanmar holds second round of voting in its general election**

Myanmar has commenced a second phase of voting in its first general election since the military junta seized power five years ago. The extended polling covers additional townships, including areas affected by ongoing conflict between the junta and armed resistance groups. The election process has been widely criticised by domestic and international observers, who argue that the military-organised polls lack credibility and are neither free nor fair. Critics contend that the exercise is intended to legitimise the military's continued rule following the overthrow of Aung San Suu Kyi's elected government in February 2021. The military-aligned Union Solidarity and Development Party (USDP) has dominated the results thus far, winning 232 of 263 contested seats in the Pyithu Hluttaw (lower house) and 109 of the 157 announced seats in the Amyotha

Hluttaw (upper house). Parliament is expected to convene in March to elect a president, with a new government scheduled to take office in April.

### **Vietnam's 14th National Party Congress**

Vietnam's 14th National Party Congress concluded on 23 January 2026, setting the country's political direction for the next five years through key leadership appointments. The outcomes underscore continuity in leadership while further consolidating authority within the Communist Party's central institutions. The newly constituted 19-member Politburo remains dominated by senior figures from the military, public security apparatus, party organisation, and the National Assembly. The composition highlights the continued primacy of state security and administrative institutions within Vietnam's power structure, signalling policy stability and a sustained emphasis on regime control and internal cohesion.

### **Thailand to hold general elections in February**

Thailand is scheduled to hold general elections in February to determine the composition of its next government. Bhumjaithai, Pheu Thai, and the People's Party are expected to emerge as the principal contenders. The election follows a prolonged period of political turbulence marked by judicial

interventions, shifting coalition dynamics, and ongoing tensions between reformist movements and the conservative establishment. While economic pressures, rising living costs, and demands for institutional reform dominate the campaign, the vote is widely viewed as a test of whether Thailand's political system can translate electoral mandates into stable governance. The contest reflects competing visions for Thailand's future. Bhumjaithai advocates continuity and incremental change through coalition politics. Pheu Thai is seeking to revive its traditional populist appeal amid lingering credibility challenges. The People's Party presents the most ambitious reform agenda, directly challenging military influence, economic concentration, and entrenched institutional constraints. The outcome will depend on how voters weigh stability against demands for deeper structural reform.