

INSIGHT SOUTHEAST ASIA

Looking Eastwards From New Delhi



MANOHAR PARRIKAR INSTITUTE FOR
DEFENCE STUDIES AND ANALYSES

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Overview

The month of April reflected an evolving strategic landscape in Southeast Asia, which was marked by intensifying geopolitical competition with a renewed focus on security and economic resilience. One of the most closely watched developments was the reported transfer of Myanmar's ousted leader, Aung San Suu Kyi, from prison to house arrest. The move was announced through state media, which garnered regional and international attention.

Economic security and supply-chain resilience emerged as key regional priorities, wherein Vietnam strengthened its economic engagement with South Korea through expanded cooperation on technology and supply chains. Vietnam also deepened its diplomatic engagement with China during the four-day visit of its top leader to Beijing.

Security cooperation across the Indo-Pacific also intensified in the month of April. The US and Indonesia advanced a major defence cooperation partnership, signalling Washington's efforts to strengthen strategic ties with Southeast Asia. Meanwhile, the Philippines and the US launched the annual Balikatan military exercise in which Japan played a direct operational role for the first time with its troops.

In the Oceania region, Australia has had key developments with the release of the National Defence Strategy. Moreover,

Japan and Australia signed an agreement on the Mogami-class frigates, and Australia's PM also made a visit to Brunei and Malaysia to further strengthen its ties with Southeast Asia.

Myanmar's Leader Aung San Suu Kyi Transferred to House Arrest

Myanmar's military authorities announced in late April 2026 that Aung San Suu Kyi had been transferred from prison to house arrest after more than five years in detention following the 2021 military coup. The announcement was made through state-run media and marked the first public confirmation regarding her status in years. The move came as part of a broader prisoner amnesty linked to a Buddhist holiday and included further reductions to Suu Kyi's sentence. Originally sentenced to 33 years on multiple charges widely criticised by international observers as politically motivated, her sentence had previously been reduced through several amnesties.

The development generated significant international attention because Suu Kyi has remained largely isolated since the military overthrew her elected government in February 2021, triggering nationwide protests, armed resistance, and an ongoing civil conflict. Her health and whereabouts had remained uncertain, with family members and legal representatives repeatedly expressing concern over her condition.

While the United Nations described the transfer as a potentially "meaningful

step” toward creating conditions for political dialogue, critics and democracy activists argued that the move was largely symbolic and intended to improve the military government’s international image without offering genuine political reform.

Vietnam and South Korea to boost cooperation on supply chains

Vietnam and South Korea decided to expand their partnership to closely cooperate on energy security and supply chains to address the global uncertainties during the bilateral summit between the two countries in Hanoi. Vietnam has emerged as a key manufacturing hub for South Korean Companies and a strategic partner to diversify the supply chains beyond China.

Discussions are also going on for Korean companies to participate in a \$740 million development project in the Southeastern city of Vietnam. Both countries also signed 12 MOUs to cooperate across energy, infrastructure, technology and culture. In the technology domain, the two governments signed an agreement on digital cooperation to promote cooperation in AI, cybersecurity, and digital transformation.

South Korean President Lee Jae-myung has articulated the rationale for deepened engagement in the context of the Middle East tensions.

Vietnam’s top leader had a four-day visit to China

Vietnam’s top leader To Lam conducted a four-day state visit to China from April 14–17, 2026, marking his first overseas trip after consolidating power as both Vietnam’s President and Communist Party General Secretary. The visit highlighted the growing strategic importance of China–Vietnam relations amid intensifying geopolitical competition in the Indo-Pacific.

During the visit, To Lam held high-level talks with Chinese President Xi Jinping and other senior Chinese leaders in Beijing. Discussions focused on strengthening economic connectivity, railway infrastructure, supply-chain integration, technology cooperation, and political coordination between the two communist-led states. Both sides reaffirmed their “Comprehensive Strategic Cooperative Partnership” and signed multiple agreements covering transport, public security, technology, agriculture, and digital cooperation. Infrastructure cooperation emerged as a major outcome of the visit. China offered financial support, technology transfer, and training assistance for railway development projects in Vietnam, including high-speed rail connectivity and logistics infrastructure.

A major Defence Cooperation Partnership between the US and Indonesia

A key defence development in April 2026 was the formal establishment of a

Major Defence Cooperation Partnership between the United States and Indonesia, marking a significant upgrade in bilateral military ties and Indo-Pacific security coordination. The agreement was signed during high-level talks at the Pentagon between U.S. Defence Secretary Pete Hegseth and Indonesian Defence Minister Sjafrie Sjamsoeddin. It represents a new framework designed to deepen defence collaboration across training, modernisation, operations, and regional security coordination.

Officials from both sides emphasised that the partnership is based on mutual respect, sovereignty, and long-term strategic stability in the Indo-Pacific. Alongside the defence partnership, discussions were reported on a U.S. proposal for expanded military overflight access through Indonesian airspace.

The Philippines and the US commence the annual Balikatan Exercise

The Philippines and the United States officially launched the 2026 iteration of the annual Balikatan, one of the most significant bilateral defence drills in the Indo-Pacific, which will go on till May 08, 2026. The exercise marks a continued expansion of military cooperation between Manila and Washington amid rising regional security tensions, particularly in the South China Sea.

This year's Balikatan drills are among the most extensive in recent years and

feature large-scale joint and combined military operations with Japan's first-ever operational role. The 2026 Balikatan drills come at a time when Southeast Asia is experiencing heightened strategic competition, particularly between the United States and China. For Washington, Balikatan remains a central pillar of its Indo-Pacific strategy, reinforcing alliance credibility and forward presence in a key maritime corridor.

Australia released its National Defence Strategy

Australia has released its 2026 National Defence Strategy, marking a significant shift in its strategic posture amid rising geopolitical competition in the Indo-Pacific. The strategy moves Australia toward a "deterrence by denial" approach, with a stronger focus on preventing adversaries from operating in its northern approaches and surrounding maritime domains. It prioritises long-range strike capabilities, enhanced missile systems, improved intelligence and surveillance networks, and a strengthened defence presence in northern Australia, which is being developed as a key operational hub.

A major emphasis of the strategy is also placed on accelerating capability development under the AUKUS framework, particularly in relation to nuclear-powered submarines and advanced undersea warfare technologies. Alongside this, Canberra is pushing for greater defence industrial self-reliance and more resilient supply

chains, while deepening partnerships with regional allies such as the United States, Japan, India, and ASEAN members. Overall, the strategy reflects Australia's assessment of a more contested Indo-Pacific, where integrated alliances, rapid strike capability, and regional deterrence are central to maintaining stability.

Australia and Japan signed an agreement on the Mogami-class Frigates

Australia and Japan have advanced their defence industrial cooperation with the signing of an agreement centred on Japan's Mogami-class frigates, marking one of the most significant naval procurement partnerships between the two countries. The deal is part of Australia's broader naval modernisation programme and reflects Canberra's effort to rapidly enhance its maritime combat capability amid rising strategic competition in the Indo-Pacific.

The agreement involves Japan's advanced multi-role frigate design, known for its stealth features, automation, and cost efficiency, which is expected to support Australia's future surface fleet requirements. Beyond procurement, the arrangement is also seen as a major step toward deepening strategic trust between the two countries, strengthening interoperability, and expanding defence-industrial cooperation. It underscores the growing convergence between Australia and Japan as key Indo-Pacific security partners working

to reinforce maritime deterrence and regional stability.

Australian PM's visit to Brunei and Malaysia

The Australian Prime Minister's recent visit to Brunei and Malaysia underscored Canberra's renewed diplomatic push to strengthen engagement with Southeast Asia as part of its broader Indo-Pacific strategy. The visit focused on deepening economic cooperation, expanding defence and maritime security partnerships, and reinforcing Australia's commitment to ASEAN centrality in regional affairs.

In Brunei, discussions centred on maritime security cooperation, capacity building, and energy collaboration, reflecting shared interests in maintaining stability in the South China Sea region. In Malaysia, talks with leadership focused on trade and investment linkages, education partnerships, and enhanced coordination on regional security challenges, including cyber threats and maritime domain awareness. The visit highlights Australia's efforts to position itself as a more embedded and reliable regional partner amid increasing geopolitical competition in Southeast Asia.