

INSIGHT SOUTHEAST ASIA

Looking Eastwards From New Delhi



*Southeast Asia & Oceania
Centre
Monthly Newsletter*

Contents

- **Japan and Australia Inch Closer**
- **Cambodia Begins Deliberations on ADMM**
- **Indonesia and Singapore Sign Landmark Agreements**
- **China Plans to Sell More Defence Items to Southeast Asia**
- **The Philippines Finalises BrahMos Deal with India**
- **Myanmar Seeking to Boost its Maritime Defence Capabilities**
- **Volcanic Eruption Cuts-Off Tonga**

Southeast Asia & Oceania Digest

February 2022

Southeast Asia struggles with economic recovery after waves of the coronavirus pandemic inflicted large economic losses and paralyzed important value chains in the region. The superpower rivalry between the US and China in Southeast Asia has become more visible in its political economy. Some [analysts believe](#) that US' security guarantees alone may not suffice to maintain America's edge in the region. Instead, Washington could seek to integrate more with Asian trade blocs and become more involved in the development of infrastructure in the region, probably through multilateral banks and other Quad partners. As infrastructure becomes increasingly a political issue and way to flex influence, Quad partners should not remain behind China's BRI in Southeast Asia.

Japan and Australia Inch Closer

Japan and Australia have signed '[Reciprocal Access Agreement](#)' which will allow their defence forces to station troops on each other's territory. The agreement was in works since 2014 but was concluded only on 6 January, 2022 between the two prime ministers virtually. Japan has signed this kind of agreement only with the United States. It is significant given both countries' deteriorating relations with China and their geographical position which makes them regional powers in the Indo-Pacific. China's aggressive posture in South China Sea and elsewhere has pushed regional powers like Japan to revisit their security doctrines and broaden outreach in the vicinity. It is expected in Tokyo and

Canberra that this agreement will send a [strong message to Beijing](#) to roll back its incursions in the strategic maritime neighbourhood.

Cambodia Begins Deliberations on ADMM

Cambodia is the rotating chair for ASEAN in 2022 and its chairmanship is being observed closely by ASEAN partners as well as countries like India, China, Japan, and Australia, which have substantial involvement in the region. Cambodia's National Minister of Defence Tea Banh met ASEAN Secretary-General Lim Jock Hoi on 17 January, 2022 during the latter's visit to the country. Banh requested [Secretariat's cooperation](#) in coordinating the ASEAN Defence Minister's Meeting (ADMM) for 2022 along with an informal meeting among the defence ministers including Russia and Japan. Hoi expressed his full support to the Minister. Cambodia's role as chair this year will be significant for Myanmar crisis as ASEAN has advocated five-point consensus, but has been unable to get it implemented. There may also be deliberations on Code of Conduct on South China Sea, and it is expected that China's agenda on the issue will find more space and visibility, given close China-Cambodia relations.

Indonesia and Singapore Sign Landmark Agreements

The two countries have [signed agreements](#) on 25 January, 2022 on airspace, extradition and defence cooperation, indicating strengthening of their bilateral relations. The development is being seen as a major win in Indonesia domestically with some websites hailing Jakarta for gaining

back the control of airspace above the Riau islands in the Natuna region. Notably, Indonesia's sovereignty over Natuna was never disputed by Singapore but it had control over the airspace by virtue of International Civil Aviation Organization decision in 1946. However, given that Singapore's Changi airport is close by, some spaces within Indonesia's Natuna airspace will still be controlled by Singapore under the new agreement. The militaries of Singapore and Indonesia will also be able to [engage more](#) with each other through joint exercises.

China Plans to Sell More Defence Items to Southeast Asia

China Electronic and Technological Corporation International (CETCI) is responsible for [marketing Chinese defence](#) items in Southeast Asia, and establishment of production facilities for these items along with intelligence-related technology and social media management systems. CETCI is particularly active in Thailand, as well as Malaysia and Indonesia, where since past few months it has been pushing to sell weapon-locating radars. It also aims to sell National Comprehensive Tactical Intelligence system to Indonesia, and market its Electronic Intelligence Equipment (ELINT) to Southeast Asian markets. Additionally, drone-related technology, National Firewall System (NFS) and National Social Media Management System may also be marketed by CETCI to these markets. NFS is said to be instrumental in governance of cyber security through Big Data and Artificial Intelligence. Even though there may be quality issues, China's competitive pricing for these products has helped it find footing

in Southeast Asia. Given the importance of emerging technologies in defence, India may need to closely monitor China's technology involvement in Southeast Asia, and seek to develop its own competitive alternative technology platforms.

The Philippines Finalises BrahMos Deal with India

The Philippines had expressed an interest last year in buying the BrahMos missiles jointly developed by India and Russia. Moving ahead on that, it has [finalized the deal](#) for about US\$ 375 million. The missiles will boost Filipino naval capabilities and act as deterrent to China. The Philippines will be the first country to buy BrahMos. Much of its concern around its maritime security arises out of its conflict with China in the South China Sea, and repeated Chinese incursions into Philippines' Exclusive Economic Zone. The deal will also help India and the Philippines to find greater alignment in their foreign policy and strengthen bilateral relations.

Myanmar Seeking to Boost its Maritime Defence Capabilities

The government in Naypyidaw received a [submarine from China](#) in December, 2021 in a bid to secure its maritime region. The Ming-class Type 035B diesel electric submarine, renamed UMS Min Ye Kyaw Htin, will be the Myanmar military's second submarine. Interestingly, the military had gotten its [first submarine](#), INS Sindhuvir (renamed UMS Min Ye Thein Kha Thu) from India in October, 2020. The Myanmar military is signaling a resolve to stay in power, and also manage strategic affairs of the country by acquiring

sophisticated defence equipment like submarines, especially from two rival powers in the region.

This comes in the backdrop of growing domestic resentment against the military regime and continued crackdown of the government on its citizens, even as the military finishes one year of its rule. There have been continuous clashes between the military and ethnic rebel armies and thousands of people are being displaced. Recently, the government has sought to [imprison citizens](#) for using Virtual Private Network in order to anonymously access the internet. Cambodia's prime minister Hun Sen also [visited Myanmar](#) on 7 January, 2022 to meet with the country's military leader General Min Aung Hlaing. Cambodia is the chair of ASEAN for 2022 and many critics of the regime in Myanmar have pointed out that Hun Sen's visit to Naypyidaw legitimizes rule of the military. There were protests against Hun Sen in many cities of Myanmar.

More than [2000 refugees](#) have entered India through Mizoram from the Chin State of Myanmar where they have been attacked by the military forces. Young Mizo Association, largest civil society body among Mizos, has been working to provide shelter to the displaced persons. Chin National Front has been on the radar of the Tatmadaw as it has joined hands with political groups that are fighting the regime, Karen National Union and Karenni National Progressive Party.

Volcanic Eruption Cuts-Off Tonga

A volcanic eruption on 15 January in South Pacific has destroyed undersea cables, cutting-off Tonga from rest of the world for

weeks. The repair contractor, an American Company SubCom, suggests that it may take up to [four weeks](#) for the cables to be repaired. At least three people were confirmed dead in a search-and-rescue mission. Australia and New Zealand have sent naval ships carrying relief supplies and drinking water. More than 99 percent of international data traffic is dependent on about [280 submarine cables](#). Their disruption by natural disasters can lead to major crises since business and governance activities are substantially dependent on them.