

# *INSIGHT* SOUTHEAST ASIA

Looking Eastwards From New Delhi



MANOHAR PARRIKAR INSTITUTE FOR  
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## **Southeast Asia and Oceania Digest**

### **February 2023**

Amidst rising geopolitical tensions with China, the US has increased its efforts to consolidate influence in the Indo-Pacific through diplomatic initiatives and a growing military presence. With high-level visits, military cooperation and business agreements, the US has been striving to deepen its ties with traditional allies in the region. These initiatives are Washington's attempt to limit China's aggressive behaviour. Fiji's withdrawal from a security deal with China is a notable development given US efforts. On the other hand, the political climate in Myanmar does not seem to be ameliorating anytime soon.

### **The United States reestablishes its embassy in the Solomon Islands.**

Following a 30-year hiatus, the U.S. reestablished its embassy in the Solomon Islands. This move was largely perceived as an effort to strengthen diplomatic ties in the Pacific region while expanding its influence in the South Pacific and countering China's growing presence. President Joe Biden has already announced a fresh round of funding of \$810 million for Pacific Island nations over the next ten years, including \$130 million for climate change mitigation. Additionally, the US is currently in talks with three key Pacific island nations, namely Palau, the Marshall Islands and the Federated States of Micronesia, to renew their cooperation agreement, known as the "Compact of Free Association."

### **Myanmar military government extends emergency**

On the second anniversary of the army's seizure of power in 2021, the military-run government of Myanmar has prolonged the country's state of emergency by six months, effectively postponing the elections that the junta had promised to hold by August. The state of emergency was set to expire at the end of January, and the junta had been widely expected to announce plans for the elections. It is worth noting that the military takeover in Myanmar and potential solutions dominated discussions at ASEAN's foreign ministers meeting in Indonesia in February. Due to the inability to carry out a five-step agreement signed in 2021 between Senior General Min Aung Hlaing and ASEAN leaders, Myanmar's foreign minister was not invited to the meeting.

### **US signs deal with Philippines leading to expansion of bases**

United States has made a deal with the Philippines to expand its military presence in the country, giving it access to four additional bases in addition to the five current EDCA (Enhanced Defense Cooperation Agreement) sites. The deal was finalized during Philippines' visit of US Defense Secretary Lloyd Austin. In a joint statement, the US and the Philippines announced that they had decided to speed up the full implementation of their agreement, which aims to support combined training, exercises, and interoperability. Under the agreement, the US has allocated \$82 million for

infrastructure improvements at the five current EDCA sites. This agreement has completed the arc of alliance that already includes South Korea, Japan, and Australia. The US and the Philippines have already agreed to resume joint patrols in the South China Sea as the two longtime allies seek to counter China's military expansion.

### **Philippine's President Ferdinand Marcos Jr visits Japan**

Against the backdrop of rising regional and geopolitical tensions, Ferdinand Marcos Jr. embarked on an "official working visit" to Japan aimed at bolstering investment and defence ties. During the visit, the Marcos administration signed agreements worth \$3 billion, and Japan pledged to provide ¥600 billion in development aid and private-sector investment to the Philippines. President Marcos stated that the trip was part of a broader foreign policy agenda to strengthen political ties and enhance defence and security cooperation, with a particular focus on expanding security-related aspect. There are speculations about Philippines and Japan moving towards a potential military agreement that would allow their respective troops to conduct joint exercises and access military bases in the Philippines.

### **Australia's trade minister meets virtually with his Chinese counterpart signifying 'thaw'**

Australia's trade minister, Don Farrell, and China's commerce minister, Wang Wentao, held virtual talks to ease the strained trade relations between the two nations. The two sides agreed to increase dialogues to

resume trade. In a formal statement, China underlined its willingness to discuss economic and trade matters with Australia and its interest in enhancing cooperation in areas including environmental issues and new energy sectors. The 'Thaw' comes after bilateral relations deteriorated under former Prime Minister Scott Morrison, as Australia sought an inquiry into the origins of the coronavirus pandemic and banned Chinese telecommunications companies Huawei and ZTE from building their 5G network. China retaliated by placing restrictions on a range of Australian goods, including wine, coal, lobsters, barley and beef.

### **Sixth round of sanction imposed by the EU on Myanmar's Junta government**

The European Union has imposed a sixth round of sanctions on Myanmar for the military coup in 2021 that led to the removal of the democratically elected government under Aung San Suu Kyi. The EU announced asset freezes and travel bans on nine individuals and seven entities, including the energy minister, influential businessmen, high-ranking officers, departments of the Ministry of Defense, and the heads of three companies that supply weapons to the military. Following this latest round of sanctions, a total of 93 individuals and 18 entities associated with the armed forces are now subject to restrictive measures. The EU also denounced grave abuses of human rights, including sexual and gender-based violence, attacks on civilians, and persecution of members of civil society,

human rights advocates, and journalists. The United States, Canada, Britain, and Australia have already announced a new round of sanctions.

### **The multinational military exercise “Cobra Gold 2023” starts in Thailand**

Thailand and the United States jointly inaugurated the Cobra Gold military exercise which will take place from February 28 to March 10 with more than 7,000 personnel and forces from 30 countries participating in the 2023 edition. The primary objective of this exercise is to conduct integrated operations in the land, sea, air, and cyberspace domains. This edition of the exercise will also witness a

space exercise, with military and civilian space agencies from Thailand, the United States, and Japan participating together to study the effects of aerial phenomena, such as solar storms, on communication processes, military operations and satellites in space. The humanitarian aid exercise notably includes India, China and Australia. Countries including Brunei, Canada, Fiji, Mongolia, New Zealand, France, the United Kingdom, Bangladesh, Nepal and the Philippines, and will participate in the coordination and implementation of international actions to address minor contingencies that are not related to war.