Southeast Asian Nations Watch Paris for Deal to Cut Greenhouse Gases

MURRAY HIEBERT

Murray Hiebert is senior fellow and deputy director of the Sumitro Chair for Southeast Asia Studies at the Center for Strategic and International Studies in Washington, D.C.

December 3, 2015

Much of the focus at the Paris climate summit that began on November 30 will be on the delegations from the United States, China, and India, and the pledges of the world’s largest greenhouse gas emitters to limit emissions, protect forests, and launch rigorous renewable energy projects. Countries in Southeast Asia, several of which are among the most vulnerable to the impact of climate change, are watching closely to see if the nearly 200 participating countries put forward action plans robust enough to pull the world away from its trajectory toward perilous levels of global warming.

Whether a deal to curtail greenhouse gases is achieved depends at least in part on overcoming differences about funding. Many developing countries, led by India and including Indonesia, Malaysia, and others, say that developed nations that have emitted the lion’s share of carbon dioxide on their march to industrialization must do more to support the switch to more green energy and assist poorer nations in coping with the impact of climate change.

The Philippines, which is ranked in a 2011 report by the United Nations University’s Institute for Environment and Human Security as the third most-at-risk nation from climate change, is committed at the summit to press for stronger global cooperation to limit the destructive effects of climate change. Philippine negotiators will highlight the country’s experiences with extreme weather disturbances such as Typhoon Haiyan, which ravaged the Philippines two years ago, to demonstrate the effects

Inside This Issue

BIWEEKLY UPDATE

• Myanmar’s president, commander in chief discuss power transfer with Aung San Suu Kyi
• 1MDB sells energy assets to state-owned Chinese company
• U.S., ASEAN upgrade ties to a strategic partnership
• Thailand issues three new arrest warrants in lèse-majesté crackdown

LOOKING AHEAD

• Challenges and Opportunities for TPP Countries
• Strategic Consensus in the Indo-Pacific: A Security Partner Dialogue
• Beyond the Paris Climate Talks
Southeast Asian Nations Watch Paris for Deal to Cut Greenhouse Gases (continued)

Millions of people rely on the Mekong River for nourishment and incomes. It is estimated that by 2025, the population living along the river will reach more than 100 million, increasing the river’s importance as a source for food and security. 

of climate change on vulnerable nations. Due to climate change, tropical storms that slam the country up to 10 times a year are expected to increase in intensity.

The Paris summit will seek to cobble together an international climate accord that will aim to limit global warming to about 2 degrees Celsius. The Philippines and other nations that already face the harshest impact of climate change are pushing for a more ambitious and legally binding agreement that will impose a 1.5-degree ceiling. The Philippine government said it aims to cut its carbon emissions by as much as 70 percent by 2030 if it can receive adequate financial and technical assistance.

Indonesia, currently the world’s fourth-largest emitter due to its conversion of forest and carbon-rich peat land into agricultural fields, has said it will reduce its emissions by 28 percent by 2030 using its own resources, which would require a sharp reduction in deforestation and forest fires. But Jakarta adds that it would increase this reduction to 41 percent with international assistance. The government also rolled out new regulations banning further exploitation of peat land ahead of the Paris summit. The peat fires that have burned in Indonesia for the past few months have discharged so much carbon dioxide into the atmosphere that Indonesia this year went from the world’s sixth- to the world’s fourth-largest emitter in the span of six weeks, according to data released in October by the Washington-based World Resources Institute. Deforestation, mostly to create palm oil plantations that produce vegetable oil, causes more pollution than the country’s power plants and cars combined.

Vietnam, one of the most densely populated countries in Southeast Asia, is among the world’s 11 countries most vulnerable to the effects of climate change, especially floods, droughts, and sea-level increases, according to a UN Environment Program report. Weather-related disasters are estimated to cost around 1.5 percent of the country’s gross domestic product (GDP) each year. Rising sea levels are expected to have a devastating impact on Vietnam’s rice basket in the fertile Mekong Delta.

Vietnam has pledged to cut its greenhouse emissions by 8 percent by 2030 using domestic resources and up to 25 percent with international help. Under the UN Reducing Emissions from Deforestation and Degradation Program (UN-REDD), which it joined in 2011, Vietnam aims to reduce total emissions in the agricultural sector by 20 percent and increase the national level of forest cover to about 45 percent by 2020.
Southeast Asian Nations Watch Paris for Deal to Cut Greenhouse Gases (continued)

Myanmar was identified as the country most affected by climate change during the 20-year period ending in 2013, according to the UN Risk Model. Cyclone Nargis in 2008 caused at least 140,000 deaths in the Irrawaddy Delta, Myanmar’s rice bowl. Myanmar is being deforested at an alarming rate, having lost about 18 percent of its forests between 1990 and 2005 due to commercial logging and expansion of farmland, according to the UN-REDD program.

The long-isolated country, which launched reforms toward free market principles and a transition to democracy in 2011, actually sequesters more greenhouse gases than it emits, but this is expected to change rapidly as the country sets up more power and manufacturing plants and imports more vehicles. Myanmar pledged to the global summit to calculate a reliable estimate for how much it can reduce emissions, and to increase its primary forested area to 30 percent by 2030, up from 10 percent at present.

Thailand is one of 16 countries at “extreme risk” from climate change due to its long coastline. Thailand blames climate change for serious droughts and for the disruptive 2011 floods, which caused an estimated 0.52 percent drop in GDP. Bangkok has pledged to reduce greenhouse gas emissions by 20 percent by 2030 on its own and by an additional 5 percent with increased access to technology transfers and financing from richer nations.

As the summit opened in Paris, it was clear that some big obstacles have to be overcome before a deal can be struck. For starters, the agreement must be accepted unanimously by the almost-200 countries participating before it can be legally binding. One of the biggest challenges could come from the developing nations’ grouping, which has insisted that their countries should not be pressed to curtail economic growth to repair a problem that was caused mostly by developed countries. They insist that emissions cuts must be accompanied by billions of dollars of investment to assist developing nations in their shift from fossil fuel to cleaner energy options.

Negotiators were joined in Paris by a group of billionaires, including Microsoft founder Bill Gates, who announced major donations to help reduce emissions, develop alternative sources of energy, and aid developing countries that will be most affected by climate change. Conference organizers hope that commitment from the business
Southeast Asian Nations Watch Paris for Deal to Cut Greenhouse Gases (continued)

tacloban city in the philippines was nearly destroyed after suffering through typhoon haiyan. as one of the strongest tropical cyclones ever recorded, the typhoon devastated the philippines in november 2013, killing at least 6,300 people. the philippines is among the countries most vulnerable to the effects of climate change. https://www.flickr.com/photos/dfid/11043346434/in/photolist-hPS39J-hDFdHG-huWaKR-hvLPJc-hM56LN-hGBmq-e8tGC-nf8sXa-hEppcd-hDtyA6-agrJGv-jiWccZ-nwCdKp-wcQeq-jiWZve-jiWYSo-nuzpPY-nvQ8jm-2j4nZo-hDHEe6-jiWZtd-nudD84-nxrv8-nvoUk7-bePrxp-ruzuTF-huWAKm-g63tq3-8Lqw9E-hv6VzC-hv85kF-hzt1Cd-huv8hDt-hFiFv-cNmNum-hwX4qq-hwX3tc-rulYvS-r4oy6P-aqHbbh-q63YAp-hv6PAA-d1QU7L-akGF6-hM6Bh8-hM7jKD-hM6FUW-hM6GxG-hM5ur8-hM6x9S

community, coupled with the pledge by 20 countries, including the united states, to double their investments in new energy technology to $20 billion over the next five years, will convince developing countries that they will get critical assistance in moving their economies away from carbon dependence.

Southeast Asian leaders hope that by the time the summit winds up on december 11, negotiators will have hammered out a deal to curb greenhouse gases and put together an aid package to help the most vulnerable countries in the region cope with the effects of climate change. ▪
MYANMAR

- **Landslide at jade mine causes over 100 deaths, more missing.** A landslide at a jade mine in Kachin State in northern Myanmar on November 19 caused at least 113 deaths and 100 more are missing. Many of the victims were migrant workers who were staying in temporary tents on the mine’s dumping ground. Mine workers are typically tasked with searching for highly valued jade stones—which are often smuggled into China—in the debris that mining companies dump at the site. Myanmar’s jade industry is known to lack regulations and for years has been fought over by powerful military officers, their cronies, and local armed ethnic groups.

- **Commander in chief and president meet Aung San Suu Kyi to discuss political transition.** Commander in chief Min Aung Hlaing and President Thein Sein on December 2 held separate meetings with opposition leader Aung San Suu Kyi, whose National League for Democracy is expected to take office next year. Aung San Suu Kyi requested the meetings shortly after the November elections, as early results showed her party had won a landslide victory. U.S. assistant secretary of state for Asian and Pacific affairs Daniel Russel met with Aung San Suu Kyi, Min Aung Hlaing, and Thein Sein on November 23 to reassure them of U.S. support for Myanmar’s transition and to call on all parties to respect the election results. Both Min Aung Hlaing and Thein Sein have publicly pledged to allow a peaceful transfer of power.

- **NLD official says Aung San Suu Kyi’s presidential pick should be “uncontroversial.”** Senior National League for Democracy (NLD) official Win Htein on November 19 said that opposition leader Aung San Suu Kyi will likely nominate a presidential candidate who is “uncontroversial” and “low-profile.” Aung San Suu Kyi has said on several occasions that she will be “above the president”; she is disqualified by Myanmar’s constitution to become president because her sons have foreign passports. In a meeting with new NLD lawmakers on November 29, Aung San Suu Kyi laid down her party’s rules on personal finance accountability for lawmakers, and forbade the rise of factionalism within the party.

- **Presidential spokesman, military chief reject UN calls to grant citizenship to Rohingya.** Presidential spokesman and Information Minister Ye Htut on November 23 rejected calls in a recent United Nations review on Myanmar to grant citizenship to Rohingya Muslims. Ye Htut said the Myanmar government will act in accordance with its 1982 Citizenship Act and will not be swayed by international pressure on the Rohingya.
issue. Commander-in-Chief Gen. Min Aung Hlaing also said in a November 23 Washington Post interview that Myanmar does not allow the term “Rohingya,” and that “these people are not [one of] our nationalities.” The government rejected outright about half of the recommendations in the UN report.

• Military continues offensives in Kachin and Shan states, clashes erupt in Kokang Region. The military has in recent weeks stepped up air strikes and ground offensives against several ethnic rebel groups in Kachin and Shan states, causing at least 10,000 civilians in Shan State to flee. Government peace negotiators meanwhile proposed talks with the Shan State Army-North, which has been battling government troops in central Shan State, according to a November 19 The Irrawaddy report. Fighting also broke out between the military and the Myanmar National Democratic Alliance Army, or Kokang, on November 29 in northern Shan State. The clashes took place less than two weeks after President Thein Sein lifted martial law in the Kokang Special Region.

• ADB approves $80 million loan to upgrade Yangon electricity network, $100 million for road improvement in Kayin State. The Asian Development Bank (ADB) on November 25 approved an $80 million loan to upgrade Yangon’s electricity network. Yangon, the commercial hub of Myanmar, has an aging electricity network and faces frequent electricity outages. The ADB earlier in November also approved a $100 million loan for road improvement in Kayin State in southeastern Myanmar to fill in the missing link of the East-West economic corridor, an ambitious project backed by Japan that runs from Myanmar to Vietnam.

INDONESIA

• Jokowi assigns maritime affairs and ICT ministers to attract U.S. investment. President Joko “Jokowi” Widodo on November 23 assigned 12 ministers to attract investment from particular countries and regions in a bid to boost Indonesia’s slowing economy. Communications and Information Minister Rudiantara and Maritime Affairs and Fisheries Minister Susi Pudjiastuti were assigned to focus on attracting investment from the United States. Luhut Panjaitan, Jokowi’s chief adviser and coordinating minister for political, legal, and security affairs, was assigned to Singapore. Coordinating Maritime Affairs Minister Rizal Ramli will be charge of Malaysia, and Trade Minister Thomas Lembong of Europe and Australia.

• USAID launches project to protect forests, biodiversity in Indonesia. The U.S. Agency for International Development and the Center for International
Forestry on November 16 announced a $5 million project that aims to improve forestry management and biodiversity conservation in Indonesia. The project will fund research and 15-20 scholarships for Indonesian students to attend U.S. universities. Indonesia this year went from being the world’s sixth-largest to fourth-largest emitter of greenhouse gases, as forest fires caused by slash-and-burn practices raged across the islands of Sumatra and Borneo. The government is in the process of rolling out regulations on the conservation and rehabilitation of peat land.

- **Indonesia urges greater information sharing on counterterrorism, global fisheries.** President Joko Widodo on November 21 called for greater intelligence sharing among ASEAN member countries following the November 13 terrorist attacks in Paris, for which the Islamic State in Iraq and Syria has claimed responsibility. Coordinating Minister for Political, Legal, and Security Affairs Luhut Panjaitan told reporters on November 19 that Australia and Indonesia plan to resume intelligence sharing in counterterrorism and drug trafficking.

- **House ethics council delays decision on House Speaker’s alleged extortion of Freeport.** The House ethics council on November 24 decided to postpone its decision on whether to launch an inquiry into allegations that House Speaker Setya Novanto sought to extort executives of U.S. mining company Freeport-McMoran by claiming to represent President Joko Widodo and Vice President Jusuf Kalla. Minister of Energy and Mineral Resources Sudirman Said on November 16 submitted to the council a transcript of a recorded conversation that implicated Setya along with Coordinating Minister of Political, Legal, and Security Affairs Luhut Panjaitan and a member of Luhut’s staff, Darmawan Prasodjo, in the scandal. Luhut has denied his and Darmawan’s involvement in the case.

- **Army, police step up hunt for terrorist Santoso; Abu Bakar Bashir launches legal attempt to win release.** Armed forces commander Gatot Nurmantyo met with police chief Badrodin Haiti over the weekend of November 7 to discuss ways in which the military can assist the police in the hunt for Abu Wardah Santoso, leader of the Eastern Indonesia Mujahideen (MIT), a terrorist group based in Central Sulawesi Province. The Indonesian military deployed troops to Central Sulawesi in late November following an MIT ambush in the area, which killed a soldier. Meanwhile, Abu Bakar Bashir, the spiritual leader of Jemaah Islamiyah—the terrorist network responsible for the 2002 Bali bombing—on November 17 asked the South Jakarta district court to reduce his prison sentence from 15 to 9 years.
Megawati calls for constitutional amendment to end regional autonomy. Former president and chairwoman of the ruling Indonesian Democratic Party of Struggle Megawati Sukarnoputri called for a constitutional amendment that, if implemented, would end the autonomy that provinces in Indonesia currently enjoy, according to a November 23 Jakarta Post report. Megawati reportedly said that regional autonomy has hindered economic development across Indonesia because local development plans are interrupted every five years for elections. She proposed that the central government carry out development planning for the entire country.

THAILAND

U.S., Thailand hold trade talks. U.S. Trade Representative Michael Froman and Thai commerce minister Apiradi Tantraporn on November 16 held talks on the possibility of Thailand joining the Trans-Pacific Partnership (TPP) trade agreement. Major Thai industry groups have publicly urged Thailand to join the pact, and Deputy Prime Minister Somkid Jatusripitak said that Japan will help Thailand join the TPP bloc.

Military court issues three arrest warrants in widening royal defamation crackdown; ultra-nationalists protest U.S. envoy’s remarks. A military court on November 26 issued three arrest warrants for a high-profile military general and two senior police officers, as the military government intensifies a crackdown on lèse-majesté offenders. Two of the three individuals who were arrested in October 2015 as part of a high-profile royal defamation probe have died while in police custody. Hundreds of ultra-nationalist protesters took to the streets on November 27 to protest U.S. ambassador Glyn Davies’ remarks a few days earlier expressing U.S. concerns about the stringent lèse-majesté laws in Thailand.

Nestle-funded report documents use of slave labor in Thai seafood industry. A report published on November 23, commissioned by Nestle and conducted by non-profit organization Verité, documents the widespread use of slave labor in the Thai seafood industry. The report details ill treatment of and hazardous working conditions facing illegal migrant workers in the industry, many of whom come from Cambodia or Myanmar. Nestle said it will set up new requirements for potential suppliers following the report findings. Thai ambassador to the United States Pisan Manawapat said the report was conducted in December 2014 and might not include recent Thai government efforts to crack down on abuses in the seafood industry.

Government detains opposition leaders ahead of corruption inspection. The military government on November 30 detained two Red Shirt leaders
from the United Front for Democracy against Dictatorship when the two tried to visit a public park dedicated to Thailand’s monarchy. The park is at the center of a growing corruption scandal involving the Thai military’s alleged abuse of funds in the construction of the park. Authorities detained the two opposition leaders under a junta-enacted law that prohibits political gatherings of more than five people. The pair was later released.

- Thailand holds first joint air force exercise with China. Thailand on November 24 launched its first joint air force exercise with China, signaling expanding security ties between the two countries. Thai and Chinese Marines and special forces began their joint exercises in 2009-2010. A senior Thai air force officer said Thailand has been seeking to maintain a balance of power in its relations with both China and the United States.

- Government indicts two with Uighur links in connection to shrine bombing. A military court on November 22 indicted two individuals with Uighur links who were suspected of being responsible for the Erawan shrine bombing in August, which killed 20 people and injured 130. The political motives for the blast remain unclear, although police claimed that the two suspects, Bilal Mohammed and Yusufu Mieraili, have confessed their involvement in the blast. Both suspects are being held at an army base. Thai authorities in July deported more than 100 Uighur Muslims back to China at the request of the Chinese government.

MALAYSIA

- U.S. to share information on terrorist suspects with Malaysian authorities. Malaysia and the United States on November 19 signed an agreement in Kuala Lumpur to share information currently housed in U.S. databases on terrorist suspects. The databases, which include as many as 1.2 million sets of fingerprints of known and suspected terrorists, will be used to prevent these individuals from entering Malaysia. Malaysian authorities have arrested over 150 suspected supporters of the Islamic State in Iraq and Syria over the past two years.

- UMNO branches in five states call for Najib to resign. Prime Minister Najib Razak faces increasing pressure from his own party as 34 branches of the ruling United Malays National Organization (UMNO) across five states on November 21 called for his resignation. Thirty-three UMNO branch chiefs have openly called on Najib to resign since October, and have urged the government to refrain from taking disciplinary actions against its critics. Najib had earlier this year obtained the support of all UMNO local chiefs, as criticisms of his role in the 1Malaysia Development Bhd’s scandal grew louder.
• **1MDB to sell energy assets to Chinese firm in $2.3 billion deal.** The embattled state investment fund 1Malaysia Development Bhd (1MDB) on November 23 announced a deal to sell its energy assets to a Chinese state-owned enterprise, China General Nuclear Power Corporation, for $2.3 billion. The deal, expected to take place in February, will also see the Chinese firm take on an unspecified amount of debt linked to 1MDB’s energy assets. Observers believe that the deal, if concluded, will likely help restore confidence in the Malaysian ringgit, which is Asia’s worst performing currency in 2015.

• **Human rights group calls on Malaysia to recognize Rohingya as refugees.** Rights group Refugees International on November 17 released a report calling on Malaysia—as well as other countries in Southeast Asia that have received Muslim Rohingya migrants from Myanmar—to recognize the Rohingya as refugees. The report also urged Malaysia to grant Rohingya living in the country legal status. Thousands of Muslim Rohingya have left Myanmar, where they are widely discriminated against, for neighboring countries in recent years. President Barack Obama on November 21 visited a Rohingya refugee camp in Kuala Lumpur during his visit to Malaysia for the East Asia Summit, and called on both the United States and Malaysia to do more to protect refugees.

• **Malaysia and Philippines to form joint task force to target kidnappers in Sabah and Sulu.** Malaysian inspector general of police Khalid Abu Bakar on November 19 said that Malaysia and the Philippines will discuss plans to establish a joint task force that would target kidnappers operating in eastern Malaysia’s Sabah State and the Sulu archipelago in the Philippines. The task force would target the extremist militant group Abu Sayyaf, which is based in the southern Philippines and has kidnapped tourists in nearby Sabah for ransom.

**VIETNAM**

• **USDA to put prohibitions on Vietnamese catfish imports.** The U.S. Department of Agriculture (USDA) on November 25 announced it would phase in over 18 months safety regulations for catfish imports from Vietnam, which make up nearly 75 percent of catfish sold in the United States. U.S. farmers in states such as Mississippi and Louisiana have complained for years that sales of domestic catfish have fallen by 60 percent over the past 10 years due to competition from cheaper Vietnamese catfish. Implementing the new safety measures could cost U.S. taxpayers $14 million per year and require the establishment of a new body under the USDA.
Electronics industry attracts $10 billion in FDI this year, South Korea remains largest investor. Vietnam’s electronics industry attracted $10 billion in foreign direct investment this year, according to the Ministry of Planning and Investment. Vietnam was the third-largest electronics exporter in the region last year, and boasted the fastest growth rate in export revenue within ASEAN, according to a November 18 Tuoi Tre News report. The latest statistics from the ministry show South Korea is the biggest foreign investor in Vietnam for the first 10 months of this year, with more than $6.2 billion in newly registered capital during this period.

VietJet Air inks $3.6 billion deal to buy 30 Airbus planes. Vietnam’s first privately owned airline, VietJet Air, announced on November 10 during the Dubai Air Show that it will add 30 Airbus A320 jets into its fleet between 2016 and 2020. The deal, worth $3.6 billion, would help the company keep up with growing demand for travel among Vietnamese and international travelers. VietJet currently flies to 35 locations in China, Myanmar, Singapore, South Korea, Taiwan, Thailand, and Vietnam.

National Assembly passes laws recognizing transgender people, adopts revised criminal code. The National Assembly passed legislation recognizing the rights of transgender people in Vietnam during a session that lasted from October 20 to November 27. Vietnam has between 270,000 and 450,000 transgender people, according to the New York Times. Lawmakers also voted to adopt a revised maritime law and to amend the country’s criminal code, including removing the death penalty for seven crimes such as corruption and possession of drugs.

PHILIPPINES

Supreme Court delays EDCA decision. The Philippine Supreme Court on November 16 again delayed a decision on the U.S.-Philippine Enhanced Defense Cooperation Agreement (EDCA), two days before President Barack Obama arrived in Manila for an economic conference. The agreement, which affords U.S. troops a greater rotational presence on Philippine territory and was signed in April 2014, has been held up by questions on its constitutionality. The Philippine Senate on November 10 passed a resolution demanding that the EDCA pass their scrutiny first as required for all treaties.

Philippines, Vietnam sign strategic partnership. Philippine president Benigno Aquino and Vietnamese president Truong Tan Sang on November 17 witnessed the signing of a strategic partnership between their countries. It is the first strategic partnership the Philippines has forged besides its longstanding alliance with the United States. Vietnam and
the Philippines have drawn closer in recent years in response to China’s increasingly assertive behavior in the South China Sea, where both China and the Philippines claim their territorial sovereignty has been violated.

- **Commission votes to disqualify Poe.** The second division of the Commission on Elections on December 1 voted to disqualify Senator Grace Poe from the presidential race. Poe, the frontrunner in polls for the May 2016 election, lived in the United States and moved back to the Philippines in 2006, leaving her just short of the 10-year residency requirement to be a presidential candidate. Poe’s managers said they would appeal the decision, which would bring the case before the full seven-member commission.

- **Duterte appears to be running for president after all.** Rodrigo Duterte, the ruthless yet popular mayor of Davao city, on November 23 announced his candidacy for president in 2016. Duterte is admired around the Philippines for his harsh treatment of criminals and drug dealers, and has claimed links to the death squad responsible for more than 1,000 extrajudicial killings since his term as mayor began. Although the election filing deadline passed in October, Duterte entered as a substitute for a placeholder candidate in his political party. He spent much of the last year alternately announcing and denying plans to run.

- **Philippines legal team rests South China Sea case in UN tribunal.** The Philippines’ team of legal experts on November 30 concluded their arguments before the Permanent Court of Arbitration in The Hague in the case against China’s nine-dash-line claims in the South China Sea. The Philippines team, led by Foreign Secretary Albert del Rosario, stressed the importance of international law in allowing small states to stand up to larger states. China has repeatedly criticized the Philippines for its case and refuses to take part in the proceedings. The tribunal is expected to make a ruling in 2016.

- **Philippines receives two new Korean fighter jets.** Two FA-50 fighter jets landed on November 26 at Clark Air Base as the first of 12 new jets purchased from South Korea. The Philippines acquired the planes as part of its effort to build a “minimum credible defense” against territorial rivals in the South China Sea. Funding for the Philippine Air Force and Navy has languished for years, leaving both services hopelessly outmatched by Chinese forces that challenge Philippine claims in the disputed Spratly island chain.

**SINGAPORE**

- **India, Singapore elevate ties to a strategic partnership during Modi’s visit.** Singapore and India on November 24 upgraded bilateral ties to a
strategic partnership during Indian prime minister Narendra Modi’s visit to Singapore to celebrate the 50th anniversary of diplomatic ties. Modi met with Singapore prime minister Lee Hsien Loong to discuss cooperation on defense and maritime security, including by holding joint military exercises, and cultural exchanges. Modi has championed an “Act East” policy since coming into power last year.

- **Singapore police rearrest man accused of fixing international soccer matches.** Police on December 1 rearrested alleged soccer match-fixing mastermind Tan Seet Eng for “involvement in criminal activities” after the Singapore Court of Appeal ordered his release on November 25. Tan was first arrested in September 2013 on charges of fixing soccer matches globally. Authorities had held Tan under a law that allows detention for up to a year without trial for public safety reasons, but the court had found that the charges against him did not warrant detention without trial. Italy has also issued an arrest warrant for Tan, but it is unclear if Tan would face trial in Europe.

- **Singapore lowers GDP growth for 2015 to 2 percent, despite sharp rise in third quarter growth.** The Ministry of Trade and Industry on November 25 lowered its economic growth forecast for 2015 from 2.5 percent to about 2 percent, despite higher third-quarter growth than expected. China’s economic slowdown has had a negative impact on manufacturing activities across the region. The ministry forecast gross domestic product growth of 1 to 3 percent for 2016.

- **Singapore projected to add 37,600 millionaires a year through 2020.** Global intelligence analytics company WealthInsight expects Singapore to add 188,000 millionaires over the next five years, according to a November 26 CNN report. That amounts to an average of 37,600 millionaires a year through 2020. Singapore currently has more than 154,000 millionaires, or 3 percent of the population.

**TRANS-PACIFIC PARTNERSHIP**

- **Procurement chapter keeps Malaysia’s bumiputra preferences intact.** The current Trans-Pacific Partnership (TPP) provisions on government procurement will largely protect Malaysia’s *bumiputra*, or ethnic Malays, from foreign competition, according to a November 5 report from the Malaysian Legal and Tax Information Centre. An undated report from Malaysia’s International Trade and Industry Ministry said that areas of interest to the bumiputra business community and small and medium-sized enterprises have been excluded from the TPP trade deal in order to “maintain preferences for selected groups.”
• **ILO backs Vietnam’s labor provisions in TPP.** The International Labor Organization (ILO) said in a press release on November 20 that it was prepared to support Vietnam’s accession to the Trans-Pacific Partnership (TPP) trade deal. The ILO said it will consult with the Vietnamese government when requested to help Hanoi put in place laws, institutions, and practices that meet international labor standards and TPP provisions specifically. Vietnam is expected to introduce major reforms in freedom of association for factory workers under the TPP.

• **Insurer MetLife publicly supports TPP, other financial services companies criticize data flow rules.** Steven Kandarian, chairman and chief executive officer of MetLife, issued a public statement on November 18 supporting the terms of the Trans-Pacific Partnership (TPP) trade agreement. MetLife praised the ease of cross-border data flows under the TPP, which can help lower the costs of doing business for financial services companies. Meanwhile, other companies in the financial sector have criticized the TPP for not requiring member countries to allow freedom of movement for data flows more explicitly.

• **TPP leaders plan signing on February 4 in New Zealand.** Leaders of the 12 Trans-Pacific Partnership countries plan to sign the trade deal in New Zealand on February 4, a date they agreed to during a meeting on the sidelines of the Asia-Pacific Economic Cooperation (APEC) summit in Manila from November 18 to 20. The expansive trade agreement still faces stiff opposition from domestic constituencies in a number of countries, primarily in the United States, Canada, Japan, and New Zealand.

**SOUTH CHINA SEA**

• **Obama calls on China to halt South China Sea constructions.** President Barack Obama on November 18 pressed China to cease its land reclamation and construction projects on features of the South China Sea. Obama was speaking on the sidelines of the Asia-Pacific Economic Cooperation summit in the Philippines, a country that has grown worried over increased Chinese militarization of the waters just off its coast. China has been building airstrips and naval facilities on reclaimed islands for what it says are non-military purposes, but the United States and other nations see them as a possible threat to nearby shipping lanes.

• **UK requests observer status in Philippines-China maritime tribunal case.** The United Kingdom on November 25 requested “neutral observer” status in the Philippines’ case against China before the Permanent Court of Arbitration in The Hague. The UK, which has no claims in the South China Sea, said it sees the case as a matter of normal international maritime
affairs, but the timing of the request after President Xi Jinping’s visit to London has prompted talks that the UK government may be acting on a request from China.

• **White House announces expanded assistance to Southeast Asian maritime security programs.** The White House on November 17 announced $250 million in funding through 2016 for maritime security programs in Vietnam, Indonesia, Malaysia, and the Philippines. The assistance comes as part of a maritime capacity building effort linked to the Obama administration’s rebalance to Asia, and follows Secretary of Defense Ashton Carter’s announcement in May of a $425 million Southeast Asia Maritime Security Initiative.

**ASEAN**

• **U.S. upgrades ties with ASEAN to a strategic partnership.** Heads of 10 ASEAN member states and the United States on November 21 signed the ASEAN-U.S. Strategic Partnership to deepen cooperation by promoting peace, security, and progress in Southeast Asia. The accord highlighted mutual concerns, such as the ongoing maritime disputes in the South China Sea. President Barack Obama met with the 10 ASEAN leaders at the ASEAN-U.S. Summit in Kuala Lumpur and invited the 10 leaders to visit the United States for a special summit next year.

• **Japan relaxes Southeast Asia loan requirements to compete with China on infrastructure projects.** Japanese prime minister Shinzo Abe on November 20 announced that the government would halve the time needed to approve infrastructure loans and will ease insurance requirements on grants to public organizations with government involvement. The announcement is seen as a countermeasure to China since the two countries are competing for contracts on regional high-speed rail and other infrastructure projects. China recently pledged to add $10 billion to its funding pool.

• **Thailand, Philippines rank in top 20 in 2015 Global Terrorism Index.** In November, the Institute of Economics and Peace released its 2015 Global Terrorism Index, ranking Thailand, the Philippines, and Indonesia at numbers 10, 11, and 33, respectively. The rankings indicate the significant impact of terrorism in those countries. All three countries are grappling with ongoing insurgencies from militant separatist groups. Other Southeast Asian countries received relatively low scores, indicating less of a problem with terrorism.
CAMBODIA

- Hun Sen threatens to arrest opposition leader Sam Rainsy if he returns to Cambodia. A Cambodian court on November 13 ordered the arrest of opposition leader Sam Rainsy in connection with a seven-year-old defamation case. Rainsy, who was traveling at the time, initially planned to fly home to Siem Reap but has since avoided returning to Cambodia. The National Assembly subsequently stripped him of his lawmaker status and charged him with falsifying documents and inciting social unrest. Rainsy traveled to Brussels and met with members of the European Parliament, which on November 27 passed a resolution on cutting foreign aid to Cambodia if the arrest warrant is not rescinded.

- CNRP deputy president Kem Sokha returns to Cambodia, vows dialogue with government. Kem Sokha, deputy president of the opposition Cambodia National Rescue Party (CNRP), on November 24 returned to Cambodia from Thailand with two CNRP lawmakers who were brutally attacked outside parliament during a Cambodian People’s Party (CPP) protest on October 26. The protest was held to call for Sokha’s removal as the vice president of the National Assembly. Sokha pledged to negotiate with the ruling party to enable the return of opposition leader Sam Rainsy, who is in exile avoiding a warrant for his arrest. Responding to Sokha’s statement, a CPP spokesperson said that the ruling party is open to a discussion and has already established a working group to facilitate talks between the two parties.

- Russia will provide help to Cambodia to build capacity for nuclear power. Russia will provide research, training, and expertise to Cambodia for the construction of a nuclear power plant under a newly signed agreement between the two countries, according to a November 26 Reuters report. The power plant will help Cambodia meet its growing domestic electricity demand. Currently, electricity is more expensive in Cambodia than in any other Southeast Asian country, and the cost is a common complaint among investors.

LAOS

- Laos assumes ASEAN chairmanship for 2016. Laos on November 22 officially became the 2016 ASEAN chair after receiving the ceremonial gavel from Malaysia at the closing ceremony of the 27th ASEAN summit in Kuala Lumpur. Lao prime minister Thongsing Thammavong announced the theme for 2016 will be “Turning Vision into Reality for a Dynamic ASEAN Community,” focusing on areas such as realizing the ASEAN Community Vision 2025 project that would form a more cohesive ASEAN and narrow
the development gaps between ASEAN members. This will be the second time Laos hosts ASEAN.

MEKONG RIVER

- **Mekong dolphins face threat from Don Sahong dam construction.** Conservation experts and residents in Cambodia’s Kratie Province expressed concern for the wellbeing of Irrawaddy river dolphins, according to a November 17 VOA Khmer report. With the recent decision of the Lao government to build the Don Sahong dam just two kilometers from the Cambodian border, it is believed that the dolphins could face extinction. Currently, there are only about 80 dolphins living in Cambodia, down from 200 recorded in 1997.
• **Competition for Capital in the National Security Sector.** The Center for Strategic and International Studies on December 7 will host a panel focusing on the implications of defense-focused firms depending on capital markets for resources and confronting choices about how to deploy their capital. The panel will include Andrew Hunter, director of CSIS’s Defense Industrial Initiatives Group, as well as CSIS president and CEO John Hamre. The event will take place from 10:40 a.m. to 12:00 p.m. at CSIS, 1616 Rhode Island Ave., NW. [Click here](#) to RSVP.

• **From South China Sea to ISIS: What Is the role of American Sea Power?** The U.S. Naval Institute on December 7 will host the 2015 Defense Forum Washington to examine the role of U.S. sea power in the current volatile situation in the South China Sea and the rise of the Islamic State in Iraq and Syria. The panel will feature prominent speakers, including Senator John McCain, chairman of the Senate Committee on Armed Services. The event will take place from 8:00 a.m. to 12:10 p.m. at the Newseum, Knight Conference Center, 555 Pennsylvania Ave., NW. [Click here](#) to RSVP.

• **Challenges and Opportunities for TPP countries.** The Wilson Center on December 8 will host a panel of ambassadors and representatives from Peru, Canada, New Zealand, Vietnam, and Japan analyzing how the TPP agreement will affect their countries’ economies. The event will take place from 12:00 p.m. to 1:30 p.m. at the Wilson Center, Ronald Reagan Building and International Trade Center, 1300 Pennsylvania Ave., NW. [Click here](#) to RSVP.

• **Strategic Consensus in the Indo-Pacific: A Security Partner Dialogue.** The Heritage Foundation on December 8 will host a day-long conference discussing how countries in the Indo-Pacific will craft security strategies in an environment in which China seems to have a strategy that directly opposes the collective interests of other nations. The event will take place from 9:30 a.m. to 5:30 p.m. at the Heritage Foundation, Allison Auditorium, 214 Massachusetts Ave., NW. [Click here](#) to RSVP.

• **Beyond the Paris Climate Talks: What was achieved and what remains to be done.** The Wilson Center, George Mason University, and World Resources Institute on December 16 will host a panel of experts to discuss the outcomes of the negotiations of the Paris climate change summit and how they affect the United States’ domestic and international policies in combating climate change. The panel will feature prominent speakers, including Andrew Steer, president and CEO of the World Resources Institute. The event will take place from 3:00 p.m. to 5:00 p.m., at Woodrow Wilson Center, 1300 Pennsylvania Ave. NW, 5th floor. [Click here](#) to RSVP.
SOUTHEAST ASIA FROM SCOTT CIRCLE
CSIS Chair for Southeast Asia Studies contributors:
   Ernest Z. Bower, Senior Adviser and Chair
   Murray Hiebert, Senior Fellow and Deputy Director
   Gregory Poling, Fellow
   Phuong Nguyen, Associate Fellow
   Joshua Goodman, Researcher
   Khine Thant, Researcher
   Hunter Marston, Researcher
   Conor Cronin, Researcher
   Mai Nguyen, Researcher

For more details on our programs and to follow CSIS with real-time updates, follow the CSIS Chair for Southeast Asia Studies:

Facebook at http://www.facebook.com/CSISSoutheastAsia
Twitter at @SoutheastAsiaDC.
Blog, cogitASIA at http://cogitASIA.com

Thank you for your interest in U.S. policy in Southeast Asia and the CSIS Chair for Southeast Asia Studies. Join the conversation!