The Overlooked Gap in the Southeast Asia Maritime Security Initiative

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Secretary of Defense Ashton Carter’s trip to the Philippines on April 13-15 was an affirmation of U.S. support for its treaty ally amid the simmering South China Sea maritime disputes. The timing of his visit—at the end of the annual Balikatan U.S.-Philippine joint exercises and just weeks before an expected decision by the Permanent Court of Arbitration in The Hague in the Philippines’ arbitration case against China’s nine-dash-line claim—was a clear message to Beijing and Manila that Philippine maritime security is a priority for the United States.

To underscore this, Carter announced just before the trip that out of this year’s $50 million funding for the Southeast Asia Maritime Security Initiative (MSI)—a five-year, $425 million project to enhance partner capabilities and maritime domain awareness—more than 80 percent was earmarked for the Philippines. The Philippine armed forces sorely needs this money to have any credible presence in the face of Chinese provocations, but if enduring regional security and maritime capabilities are at the heart of the MSI, it is critical that the funds also cover the Philippines’ abysmal security gap in the Sulu and Celebes Seas.

The maritime zone roughly circled by the islands of Palawan, Borneo, Sulawesi, and Mindanao forms the border between the Philippines, Malaysia, and Indonesia. It is a hopelessly porous border, and the Sulu archipelago that splits the Sulu and Celebes Seas is a hot spot for many of the criminal activities that plague the ungoverned regions: drug smuggling, human trafficking, and gunrunning.
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The most notorious threat in the region, under renewed focus following the beheading of Canadian hostage John Ridsdel on April 25, is the Islamist Abu Sayyaf Group. Abu Sayyaf is a criminal and sometimes-terrorist organization that has declared allegiance to the Islamic State. It runs a kidnapping-for-ransom industry and currently holds at least 22 foreign hostages. The ease with which Abu Sayyaf transports hostages, evades pursuit, and connects with smaller allied militant groups to facilitate kidnappings is largely due to the Philippines’ inability to monitor and police the waters off its coast.

The Philippine military’s efforts to stamp out the organization over its 25-year span have failed, and the rash of recent kidnappings shows the government is still a long way from removing this persistent threat. If Philippine naval and Coast Guard forces hope to focus resources on the external threat posed by Chinese expansionism, they cannot afford the distraction posed by the ungoverned southern littoral region.

Successfully subduing the criminal and militant organizations in the area will also reap benefits in international regional cooperation. Malaysia, which receives a pittance of this year’s MSI funding, is nevertheless allocating a substantial portion of it to reinforcing the Eastern Sabah Security Zone, established in 2013 after the Lahad Datu standoff. The standoff, which saw 70 people killed over six weeks before the Malaysian military prevailed, was sparked by an invasion of militants from the Sulu archipelago claiming historical sovereignty over parts of Malaysia’s eastern Sabah State. The incident was an embarrassment to the Malaysian military, which faced criticism for being caught unaware by the attack, and preventing another invasion is a clear priority for Prime Minister Najib Razak. Malaysia also has at least four citizens being held hostage by Abu Sayyaf.

After two separate attacks in late March and April in which 14 Indonesian sailors were abducted from coal barges by militants affiliated with Abu Sayyaf, authorities in several coal ports in Indonesia banned ships from traveling to the Philippines. The threat posed to the shipping route, along which at least $40 billion of trade passes annually, led Indonesian coordinating minister for political, legal, and security affairs Luhut Pandjaitan to call for ship escorts and joint patrols with the Philippines and Malaysia to avoid creating “a new Somalia.”

Armed escorts will help reduce the threat of trade disruption, but will not tackle the root cause of the problem and will be a drain on resources for all three nations. MSI funding, especially devoted to maritime domain...
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Awareness capabilities like those at the heart of the Philippines' National Coastal Watch System, will improve the ability to detect incidents in real time, not after the fact. Intelligence, surveillance, and reconnaissance can be shared among domestic and international partners, promoting a common operating picture and cooperation among neighbors that will lead to a more cohesive and stable regional maritime security environment.

The Department of Defense should also consider MSI funding for the Maritime Border Security Initiative under the Philippine Coast Guard and the Maritime Special Operations Unit of the Philippine National Police, both projects launched under the guidance of the U.S. Justice Department’s International Criminal Investigative Training Assistance Program. These programs are dedicated to improved security along the Philippines' southern sea border but do not have the resources to realistically cover such a large region.

Highlighting the Sulu and Celebes maritime threat is critical to ensuring it is not overlooked in the effort to challenge Chinese coercion in the South China Sea. Language in the National Defense Authorization Act of 2016, which authorizes the MSI, makes clear that the assistance and training authorized are intended for maritime security missions in countries "along the South China Sea." Although the focus on China is readily apparent, the initiative does not say that assistance must be bound to activities exclusively within the South China Sea.

This opens the door to MSI funding for increased maritime security and maritime domain awareness activities in the troubled Sulu and Celebes Seas, essential for lasting regional security. For Philippine Navy assets to be able to protect Philippine fishing vessels in the South China Sea, they must be freed from duties that the National Coastal Watch System and Philippine Coast Guard should cover in the archipelago. Establishing cooperation and interoperability among the Philippines, Indonesia, and Malaysia in the tri-border area will encourage the same in the South China Sea, reducing the potential for destabilizing conflict among neighbors and increasing pressure on China to interact with regional claimants as a bloc.

Allocating a portion of the 2016 MSI funding to Philippine missions in the Sulu and Celebes Seas would provide a method to improve partner capabilities and contribute to greater peace and security in the region. Bringing some order and security to the ungoverned maritime zone in the tri-border area will allow partners to devote the appropriate attention and resources to ensuring a fair and peaceful resolution to disputes in the South China Sea.
PHILIPPINES

- **U.S. begins stationing warplanes, troops in Philippine facilities.** The United States has begun deploying warplanes and military personnel to Philippine bases as part of the Enhanced Defense Cooperation Agreement signed between the two countries in 2014. Five A-10 Thunderbolt ground-attack jets, three HH-60G Pave Hawk helicopters, one MC-130H Combat Talon aircraft, and more than 200 U.S. Air Force personnel have been stationed at Clark Air Base, north of Manila, since the completion of the annual U.S.-Philippine military exercise Balikatan on April 15.

- **U.S. transfers aircraft, new surveillance radars to Philippines under Maritime Security Initiative.** The United States on April 12 handed over a C-130 transport aircraft, to be equipped with maritime intelligence, surveillance, and reconnaissance capabilities, to the Philippines as part of the U.S. Maritime Security Initiative aimed at assisting Southeast Asian countries’ maritime domain awareness. The Philippines will receive nearly $42 million out of $50 million in funding under the initiative this year. Other projects aimed at the Philippines include transfers of sensors, radars, and communications enhancement equipment from the United States.

- **Duterte surges in polls, raises concerns with rape joke.** Davao City mayor and presidential candidate Rodrigo Duterte continued to maintain his lead in the latest Social Weather Stations survey released on April 25. Despite concerns over a controversial joke Duterte made about the rape and killing of an Australian missionary Jacqueline Hamill during a hostage-taking incident in Davao City in 1989, 33 percent of respondents still chose Duterte, giving him a nine-point lead over second-place Senator Grace Poe. Under fire from foreign diplomats and women’s groups, Duterte issued an apology on April 19, but has otherwise defended his remarks.

- **Abu Sayyaf beheads Canadian hostage after new ransom deadline passed.** The terrorist organization Abu Sayyaf on April 15 set April 25 as the new ransom deadline for the Norwegian, Filipino, and Canadian hostages it captured last October, and beheaded the Canadian hostage, John Ridsdel, as the deadline passed. A Philippine military spokesman on April 20 urged all parties to observe the Philippine government’s no-ransom policy. President Benigno Aquino on April 25 ordered soldiers and policemen to intensify efforts to rescue the hostages.
• **Philippines, Vietnam agree to six-year plan to boost security cooperation.**
The Philippines and Vietnam have agreed to draft a new six-year
Philippines-Vietnam action plan for 2017-2022, according to a statement
released on April 12 by the Philippine Department of Foreign Affairs. The
two countries, which last year upgraded their relations to a strategic
partnership, pledged to deepen cooperation in defense and security, as
well as counterterrorism and transnational crime. The two sides will
also increase information exchanges and coordination between relevant
government agencies, and they agreed to push for a legally binding code
of conduct in the South China Sea.

• **Aquino hopes to award $2.7 billion in infrastructure projects before
  stepping down.** Executive director of the Public-Private Partnership Center
Andre Palacios on April 20 said President Benigno Aquino wants to award
$2.76 billion worth of infrastructure projects before he leaves office in
June. The projects the Aquino administration is looking to give out include
five regional airports worth $2.34 billion, a $411 million port modernization
project in the southern Philippines, a $6.5 million information technology
project, and a railway maintenance deal. Philippine conglomerate San
Miguel Corporation and Metro Pacific Investments Corporation have
expressed interest in the airport projects.

**VIETNAM**

• **U.S. deputy secretary of state Antony Blinken visits Vietnam, questions
  China’s intentions.** U.S. deputy secretary of state Antony Blinken visited
Vietnam on April 20-21, meeting with Deputy Prime Minister and Minister
of Foreign Affairs Pham Binh Minh. The two discussed maritime issues,
President Barack Obama’s upcoming visit in May, and other aspects of
bilateral relations. Blinken questioned China’s intentions behind its land
reclamation and militarization of features in the South China Sea during
a public speech, while Minh called for a deepening of ties and reaffirmed
Vietnam’s commitment to the Trans-Pacific Partnership trade agreement.

• **U.S., Vietnam hold annual human rights dialogue.** The United States
and Vietnam on April 25 held their annual human rights dialogue in
Washington, weeks before U.S. president Barack Obama is scheduled to
visit Vietnam. U.S. assistant secretary for democracy, human rights, and
labor Tom Malinowski, who led the U.S. delegation, expressed concerns
about the arrests of activists and bloggers since the start of the year, and
emphasized the importance of continuing legal reforms in Vietnam. The
Vietnamese delegation is led by Vu Quang Anh, director general of the
Department of International Organizations at the Vietnamese Foreign
Ministry.
• **Vietnam signs joint agreement on submarine rescue with Singapore.** Rear admirals Pham Hoai Nam of Vietnam and Lai Chung Han of Singapore on April 13 signed an agreement on cooperation in submarine rescue between the Vietnamese and Singapore militaries. The meeting took place in Padang, Indonesia, on the sidelines of the 15th Western Pacific Naval Symposium on regional security issues and cooperation. Vietnam, which will have a fully operational advanced submarine fleet by 2017, plans to seek similar agreements with other militaries in the region.

• **UK foreign secretary visits Vietnam to discuss boosting strategic partnership.** UK foreign secretary Philip Hammond visited Vietnam to conduct the first UK-Vietnam strategic dialogue on April 11-13. He met with Prime Minister Nguyen Xuan Phuc and Deputy Prime Minister Pham Binh Minh to discuss ways to increase trade and investment ties, boost education cooperation, and combat climate change. Phuc called on the EU to speak out against land reclamation and militarization of features in the South China Sea, while Hammond expressed support for a code of conduct and freedom of navigation.

INDONESIA

• **Indonesia hosts multilateral naval exercise Komodo.** Indonesia hosted the second iteration of Exercise Komodo, a biannual multilateral naval exercise involving the navies from 35 countries, including China, Russia, and the United States, from April 12 to 16. This year’s exercise focused on maritime peacekeeping operations and involved approximately 48
A palm oil plantation in Cigudeg, Bogor.

Palm oil is a major industry in Indonesia, but President Joko Widodo recently called for a moratorium on new palm oil concessions due to their negative impact on the environment. https://upload.wikimedia.org/wikipedia/commons/7/7b/Oil_palm_plantation_in_Cigudeg-03.jpg

ships and aircraft. It also coincided with the 15th Western Pacific Naval Symposium in Padang in West Sumatra Province, which brings together naval leaders across the region biannually to discuss key maritime issues of shared interest.

- **Jokowi visits Europe, signs billions in investment deals with Germany, the Netherlands.** President Joko “Jokowi” Widodo on April 18 embarked on a five-day visit to Europe to strengthen trade ties between Indonesia and the European Union and discuss Indonesia’s role in the global fight against terrorism. During his trip, Jokowi secured $875 million in investment commitments from German firms and more than $600 million in business agreements with Dutch companies, signed memorandums of understanding with the United Kingdom in five areas, and agreed to initiate talks on an Indonesia-EU economic agreement within the next four to six months.

- **Indonesia considers coordinated patrols with Philippines, Malaysia.** Vice President Jusuf Kalla on April 17 said that a joint patrol between Indonesia, Malaysia, and the Philippines is necessary, after a recent spate of kidnappings of Indonesians by Abu Sayyaf militants heightened concerns about piracy in the Sulu Sea. The Indonesian government on April 19 temporarily banned unescorted ships heading from Indonesia to the Philippines, and stopped approving shipping permits at the coal ports of Banjarmasin and Tarakan in South Kalimantan and North Kalimantan provinces, respectively.

- **Indonesia holds symposium on 1965 anticommunist killings; Luhut rules out official apology.** The independent National Commission on Human Rights on April 19-20 held a government-supported symposium on the atrocities committed during the 1965-1966 anticommunist campaign. The purges, carried out by soldiers and military-backed groups, killed an estimated half a million people, with hundreds of thousands of others held in detention for years. Coordinating Minister for Political, Legal, and Security Affairs Luhut Pandjaitan, who spoke at the symposium, ruled out an apology for the killings from the present government, however. President Joko Widodo later said the government has yet to make a decision.

- **Jokowi says government plans to issue moratorium on new palm oil concessions to address smog concerns.** President Joko Widodo on April 14 said Indonesia will issue a moratorium on new palm oil concessions in order to reduce the impact of the palm oil sector on the environment. The slash-and-burn technique of forest clearing for palm oil and pulp plantations has contributed to an annual smog problem in Southeast Asia.
Palm oil companies have slammed the proposed moratorium, while the Indonesian national development planning minister, Sofyan Djalil, said on April 15 that the proposal would require further deliberations.

- **Singapore’s GIC makes first investment in Indonesia’s logistics sector.** Singapore’s sovereign wealth fund GIC and Indonesian logistics company PT Mega Manunggal Property on April 15 said they will develop a collection of logistics warehouses over the next three years around the cities of Jakarta and Surabaya. The two companies aim to fulfill the demand for sophisticated inventory systems, which traditional warehouses are incapable of meeting. While GIC has previously invested in Indonesia’s retail sector, this will be its first foray into the local logistics sector.

**MYANMAR**

- **U.S. religious freedom commission urges Myanmar to change policies toward minorities.** The independent U.S. Commission on International Religious Freedom on April 14 urged the Myanmar government to protect religious freedom and end abusive policies against minority groups. The commission—whose members are appointed by the U.S. president and congressional leaders—said the government should eliminate discriminatory laws such as the 1982 Citizenship Law, ratify the International Covenant on Civil and Political Rights, and allow the U.N. High Commissioner for Human Rights to open an office in Myanmar.

- **Twenty-one people die in boat accident off Rakhine coast.** At least 21 Rohingya Muslims, including nine children, died after a boat capsized off the coast of Rakhine State in western Myanmar on April 19. The boat was traveling from a camp for internally displaced people in Paukaw Township to Sittwe, the capital of Rakhine State, to purchase goods and medicine when it was toppled by unusually large waves. The passengers on the boat took the sea route due to restrictions on overland travel imposed on Rohingya by local authorities.

- **President releases 83 political prisoners.** President Htin Kyaw on April 17 pardoned 83 prisoners, who had been detained for political reasons, on the occasion of Myanmar’s traditional New Year. The freed prisoners included four journalists and a newspaper executive who were sentenced in 2014 for writing a report that accused the military of operating a chemical weapons factory. The National League for Democracy government had earlier pardoned 113 political prisoners a few days after taking office.

- **Clashes between military, Arakan Army leave at least 20 government troops dead.** The rebel Arakan Army on April 19 claimed it had killed at
least 20 government troops during clashes that erupted in Ponnagyun and Rathedaung townships in northern Rakhine State three days earlier. The Arakan Army said it was ambushed by the military during Myanmar’s New Year celebrations, but that it did not suffer any casualties. The military, which rarely discloses its casualties’ record, has reportedly deployed more troops to the area following the clashes. The Arakan Army did not sign a cease-fire with the Thein Sein government last October.

- **USDP expels former speaker Shwe Mann and allies from party.** The military-backed Union Solidarity and Development Party (USDP) on April 25 dismissed Shwe Mann, former party chair and parliamentary speaker, and 16 of his allies from the party for disobeying party rules and discipline. The ousted officials include 14 USDP members who sit on the Legal Affairs and Special Cases Assessment Commission—which Shwe Mann chairs—and two who serve as ministers in the current government. Shwe Mann was ousted as USDP chair last August over what the military saw as his close relations with Aung San Suu Kyi.

- **Chevron reportedly looks to sell $1.3 billion stake in Myanmar gas block.** U.S. oil company Chevron plans to sell its stake in a Myanmar gas block, estimated to be worth $1.3 billion, amid declining global oil prices, according to an April 18 Reuters report. Australian energy company Woodside Petroleum and Thailand’s state-owned PTT Exploration and Production have been cited as potential buyers. Chevron has been operating in Myanmar for 20 years.

**MALAYSIA**

- **1MDB defaults on bond payment; authorities form special task force to probe 1MDB.** State investment fund 1Malaysia Development Bhd (1MDB) on April 26 missed a $50 million interest payment on a $1.7 billion bond it issued privately in 2012. The missed payment triggered defaults on $1.9 billion of 1MDB’s debt. Abu Dhabi’s sovereign wealth fund, International Petroleum Investment Corporation, which guaranteed the bond issuance, said a day earlier it would pay the $50 million in interest for 1MDB only if the fund defaulted. Meanwhile, Inspector-General of Police Khalid Abu Bakar on April 14 announced the formation of a special task force to investigate the findings of the parliamentary Public Accounts Committee’s report on 1MDB.

- **Sarawak to hold state elections on May 7.** Nominations for candidates for Sarawak State elections began on April 25, with contests expected for all 82 state seats. The elections will be held on May 7. Sarawak chief minister Adenan Satem has imposed a travel ban during the election period on
several opposition leaders, including the Democratic Action Party’s Teresa Kok and Tony Pua and the People’s Justice Party’s Nur Izzah Anwar. The ruling Barisan Nasional coalition won 55 out of 71 state seats contested in state elections in 2011.

- **Malaysia closes Sabah border with Mindanao following recent kidnappings.** Malaysia on April 14 closed the border between Sabah State in eastern Malaysia and the Autonomous Region in Muslim Mindanao (ARMM) in the southern Philippines, in response to the recent kidnapping of four Malaysians by the extremist Abu Sayyaf group off the coast of Sabah on April 2. The Malaysian government on April 6 suspended all barter trade activities between the east coast of Sabah and the southern Philippines. ARMM executive secretary Laisa Alamia on April 14 said negotiations have begun between ARMM authorities and the Malaysian government.

- **Malaysia extends bauxite mining ban amid concerns over contamination.** Minister for Natural Resources and Environment Wan Junaidi Tuanku Jaafar on April 8 announced the government will extend the bauxite mining moratorium in Kuantan for another three months, effective April 15, to provide more time to clear the 3.5 million tons of bauxite stockpiles in the area. Wan Junaidi said the ban will remain in place until the producers clear their remaining stockpiles. The bauxite ban in Malaysia may interrupt supply to major aluminum producers such as China.

- **Taiwan persuades Malaysia not to send 20 Taiwanese suspects to China.** Taiwan’s Foreign Ministry on April 15 announced that Malaysia has agreed to hand over 20 Taiwanese criminal suspects to Taiwan rather than deport them to China. The 20 suspects were detained on suspicion of committing wire fraud. Taiwanese officials have been in talks with their Malaysian counterparts to secure the deportation of the remaining 32 suspects to Taiwan for investigation.

**SINGAPORE**

- **Central bank unexpectedly eases monetary policy.** The Monetary Authority of Singapore (MAS) on April 14 announced it will ease its monetary policy by not allowing the Singapore dollar to further appreciate in anticipation of relatively weak economic growth. The decision was unexpected given the central bank’s previous policy of allowing modest, gradual appreciation of the Singapore dollar. MAS cautioned the move was not the same as depreciating the currency, and said the width of the exchange rate’s band will remain unchanged. The central bank kept its estimated gross domestic product growth this year at 1 to 3 percent.
• Prime minister visits Israel, agrees to expanded cyber defense cooperation. Prime Minister Lee Hsien Loong and his Israeli counterpart, Benjamin Netanyahu, on April 19 agreed to intensify cooperation in areas such as defense cyber security and high-tech trade during Lee’s visit to Israel, the first by a Singaporean head of state. Lee and Netanyahu also signed an agreement to provide technical assistance and training to developing countries. The two leaders encouraged Israelis and Singaporeans to enhance entrepreneurial and business exchanges and to explore investment opportunities in each other’s countries.

• Navy launches second littoral mission vessel; eight new warships to be fully operational by 2020. Deputy Prime Minister and Coordinating Minister for National Security Teo Chee Hean on April 16 officiated at the launch of the second locally designed and built littoral mission vessel (LMV), Sovereignty, for use by the Singapore navy. Teo highlighted the importance of the LMVs for Singapore’s security given the vessels’ effective technology in detecting and responding to future maritime threats. All eight LMVs will be fully operational by 2020 to replace the Fearless-class patrol vessels.

• Alibaba buys majority stakes in Lazada for $1 billion. Chinese online e-commerce giant Alibaba Group on April 12 acquired controlling stakes in Singapore-based e-commerce platform Lazada Group for $1 billion. Alibaba will buy about $500 million in newly issued Lazada shares, and acquire the remaining stakes from various shareholders, including Germany’s Rocket Internet and British supermarket chain Tesco. The acquisition is expected to help Alibaba access the Southeast Asia market.

• Bukit Batok by-elections to be held on May 7, campaigning begins April 27. The by-election to fill the vacant Bukit Batok seat will be held on May 7. The campaigning period began on April 27 and will last through May 6. The ruling People’s Action Party nominee, Murali Pillai, and the opposition Singapore Democratic Party’s secretary-general, Chee Soon Juan, are expected to be the only contenders for the seat representing the single-member constituency.

• Singapore’s Changi calls off talks on maintenance deal for two Indian airports. Singapore’s Changi Airports International and the Airports Authority of India on April 15 terminated their talks on a deal for Changi to operate and provide maintenance for the Ahmedabad and Jaipur airports in India. The collaboration between the two parties was agreed on during Indian prime minister Narendra Modi’s visit to Singapore last November. Spokesperson for Changi See Ngee Muoy said the two sides were unable to agree on the commercial terms for the agreement.
THAILAND

- **Two suspects in shrine bombing appear in court, other suspects remain at large.** Two suspects in the 2015 bombing of Erawan Shrine on April 20 faced a military court, while 15 other suspects connected to the attack remain at large. The two in court were ethnic Uyghur from China, while eight of the remaining suspects are thought to be Turkish. The blast killed 20 people and is speculated to have been staged in retaliation for Thai authorities’ deportation of more than 100 Uyghurs to China in July 2015.

- **Thailand puts two Turkish nationals on watch list after alert from Singapore about plot on Thai soil.** Thailand placed two Turkish nationals and an unknown third person on a watch list after an April 19 warning from Singaporean intelligence officials regarding a potential attack targeting Chinese interests on Thai soil. The two men, Ali Yalcin and Arif Yilmaz, are said to be ethnically Uyghur and have no criminal backgrounds. The alleged plot, like the Erawan bombing of August 2015, is thought by many analysts to be connected with Thailand’s deportation of ethnic Uyghurs to China in July 2015.

- **Pheu Thai ex-minister Watana Muangsook briefly detained over criticisms of draft constitution.** A former commerce minister from the Pheu Thai Party, Watana Muangsook, on April 21 was released on bail after being detained in Kanchanaburi Province three days earlier for criticizing and pledging to reject Thailand’s draft constitution. Deputy Prime Minister and Minister of Defense Prawit Wongsuwon warned Watana that further political activities would result in incarceration. Police had previously detained Watana from March 28 to 31 for “attitude adjustment.”

- **Government bans political campaigns before referendum on new constitution, planned for August 7.** The military government on April 19 banned political campaigning ahead of the referendum on the new draft constitution, set for August 7. Deputy Prime Minister and Minister of Defense Prawit Wongsuwon said that people should be free to think and not be influenced by any campaigning. Both the Pheu Thai Party and the Democrat Party have criticized the draft, with the former even instructing its supporters to vote against it.

- **Government announces plans to develop rural economy.** The Thai government has announced a new strategy to develop the country’s rural economy, according to an April 18 Bangkok Post report, involving a social enterprise in every province. The enterprises will function as businesses, but will be held under the government’s Pracharath Raksamakkee holding company for people-state partnerships. The government will provide
funding and policy assistance, while the enterprises will run the business operations. The participating enterprises will reportedly have more flexibility than official government cooperatives.

- **Prayuth accuses Thaksin of stirring up recent antigovernment activities.** Thai prime minister Prayuth Chan-ocha on April 21 accused former prime minister Thaksin Shinawatra and “lobbyists” abroad of instigating small-scale antigovernment protests across Bangkok. Thaksin has lived in exile outside of Thailand since 2008 to avoid corruption charges. The military government has stepped up its clampdown on critics of the draft constitution.

**LAOS**

- **National Assembly elects new president, prime minister.** The National Assembly on April 20 elected Bounnhang Vorachit the new president of Laos and former foreign minister Thongloun Sisoulith its new prime minister. Bounnhang was elected to the post of secretary-general of the ruling Lao People’s Revolutionary Party at the 10th Party Congress in January. Bounnhang said in his first official speech he will work toward “peaceful international policies, unity, friendship and cooperation.”

- **Lao president visits Vietnam.** President and General Secretary of the ruling Lao People’s Revolutionary Party, Bounnhang Vorachit, on April 25 began a three-day visit to Vietnam. The trip is Bounnhang’s first overseas visit since he became president and is aimed at enhancing relations between Laos and Vietnam. Bounnhang, who is believed to have close ties with Vietnam, is expected to discuss the new Lao government’s foreign policy approach and position on the South China Sea dispute as this year’s ASEAN chair.

- **Philippine foreign secretary visits Laos, pledges to boost cooperation.** Philippine foreign affairs secretary Rene Almendras on April 19 met with new Lao prime minister Thongloun Sisoulith in Vientiane to discuss ways to boost bilateral ties. The two sides agreed to deepen cooperation on trade, investment, air transport, and education. The Lao Ministry of Foreign Affairs said Thongloun and Almendras also discussed ways to eliminate duplicate customs duties on exports to each other’s countries.

**SOUTH CHINA SEA**

- **China reaches “important consensus” with Brunei, Cambodia, Laos on South China Sea.** China’s Foreign Ministry on April 24 said an agreement has been reached with Brunei, Cambodia, and Laos on the South China

Sea during Foreign Minister Wang Yi’s recent visits to the three countries. At a press conference in Vientiane, Wang said all four countries agreed that territorial disputes “should not affect China-ASEAN relations” and should be resolved through direct consultations between the parties involved. China’s move can be seen as an attempt to limit the potential for a consensus among ASEAN countries on the upcoming ruling in the Philippines’ arbitration case against Chinese claims in the South China Sea.

- **U.S. says it conducted joint patrols in South China Sea with Philippines.** The United States on April 14 said it has launched joint naval patrols with the Philippines in the South China Sea. U.S. Secretary of Defense Ashton Carter, who visited the aircraft carrier USS John C. Stennis in the South China Sea during a trip to the Philippines, said the first joint patrols, which took place in March, contribute to regional maritime safety and security.

- **China lands military plane on Fiery Cross Reef.** A Chinese Y-8 navy patrol aircraft on April 18 made the first public military landing at a new runway on Fiery Cross Reef. According to Chinese state media, the aircraft was forced to land on the island to assist in a medical evacuation. The landing has raised questions over whether China will move to base fighter jets on features it controls in the Spratly Islands. China began civilian aircraft landings on the island in January.

- **Vietnam refutes Russian foreign minister’s calls against internationalization of South China Sea dispute.** Vietnamese Foreign Ministry spokesperson Le Hai Binh on April 14 said maritime disputes in the South China Sea cannot be resolved bilaterally and should involve “all relevant parties.” The remarks were made in response to Russian foreign minister Sergey Lavrov’s calls against the internationalization of and interference of external parties in the South China Sea disputes at an April 12 conference in Moscow. According to Binh, bilateral settlement can be achieved only if the dispute involves no more than two parties.

- **China says it has conducted drills that “resemble actual combat conditions.”** China’s South Sea Fleet has conducted training drills using more advanced methods to strengthen combat capabilities, according to an April 17 PLA Daily report. The drills, which began on April 7, have been upgraded to include electromagnetic environment training to “make the enemy situation even more dangerous,” division commander Tian Junqing said. China’s naval fleets are also looking to conduct 24-hour maritime attack drills and low-altitude exercises in coordination with other military branches.
• Vietnam calls on China to withdraw aircraft stationed on Woody Island. Vietnamese Foreign Ministry spokesperson Le Hai Binh on April 14 called on China to stop violating Vietnam’s sovereignty in the Paracel Islands and withdraw its fighter jets from the region. Satellite imagery from April 7 showed 16 Chinese J-11 fighter jets deployed in the Paracel Islands, including two stationed on Woody Island. Binh reaffirmed Vietnam’s sovereignty over the Paracel and Spratly archipelagos and called China’s deployment of fighter jets a threat to regional peace and stability.

TRANS-PACIFIC PARTNERSHIP

• U.S. sends teams to TPP countries to discuss implementation plans. United States Trade Representative Michael Froman on April 18 said the U.S. government will start sending teams to other Trans-Pacific Partnership (TPP) member countries to discuss implementation plans for obligations on intellectual property and other difficult issues. The teams will also engage in talks on any capacity-building assistance needed to help some member countries meet these requirements. However, the administration of President Barack Obama has yet to address concerns by congressional leaders on provisions regarding biologic medicines and financial data localization.

• Vietnam’s ambassador calls on U.S. Congress to look at TPP “on its own merits.” Vietnamese ambassador to the United States Pham Quang Vinh on April 13 urged the U.S. Congress to examine the Trans-Pacific Partnership (TPP) trade agreement “on its own merits” and ratify it during a speech at the University of Virginia. Vinh said that Vietnam is currently working toward the full implementation of the deal and hopes the United States will ratify the agreement as well. He called on congressional members not to be swayed by the current political environment.

• Kerry dismisses political backlash on TPP and free trade. U.S. secretary of state John Kerry on April 12 reiterated that the Trans-Pacific Partnership (TPP) is crucial to the United States’ economic, strategic, and diplomatic interests. In his remarks at the Pacific Council of International Policy, Kerry said the TPP sets new rules for global trade and is the highest-standard trade deal to date. He said the TPP will allow the United States to forge closer ties with Asia-Pacific countries.

CAMBODIA

• Opposition lawmaker charged with incitement over Vietnam border claims. An opposition lawmaker in Cambodia, Um Sam An, on April 12 was charged with “incitement” after accusing the government of ceding
territory to Vietnam. The claim was based on maps that the government has repeatedly declared fake. Despite protests from civil society, the National Assembly determined that Um Sam An could not take advantage of his parliamentary immunity because his crime had been blatant and indisputable. Prime Minister Hun Sen threatened to arrest anyone who disputed the legitimacy of the current Cambodia-Vietnam border.

- **Kem Sokha’s alleged mistress changes stance, admits to affair during trial.** The woman accused of being opposition leader Kem Sokha’s mistress, Khem Chandaraty, on April 19 admitted to the affair in a Phnom Penh court. This runs counter to her initial claims of innocence in the face of phone recordings allegedly between her and Kem Sokha posted on her Facebook page. While she is officially charged with prostitution and false testimony, her lawyer claims that those charges were not mentioned during the court proceedings. Kem Sokha has not commented on the woman’s admission.

- **Chinese-owned sugar plant opens as displaced villagers hold protests.** A $360 million Chinese-owned sugar-processing facility, the largest in Southeast Asia, was inaugurated in Preah Vihear Province on April 19. Prime Minister Hun Sen promised the facility would bring economic benefits for the area and local farmers, including attracting further development and the generation of electricity from sugar waste. Approximately 180 villagers gathered outside the ceremony to protest their displacement by the plant’s construction, and claimed that they were barred from attending the opening.

**TIMOR-LESTE**

- **Timor-Leste takes maritime boundary dispute with Australia to United Nations.** Timor-Leste on April 11 advised Australia it will launch conciliation proceedings under the United Nations Convention on the Law of the Sea (UNCLOS) mechanisms to settle their longstanding maritime dispute. As part of the process, a panel of five UNCLOS experts will decide a new maritime boundary between the two countries. A spokesperson for Australia’s foreign minister Julie Bishop criticized the move, noting that it disregards previous agreements between the two countries.

- **Indonesia’s Bank Rakyat to open branch in Timor-Leste.** Bank Rakyat Indonesia will open a branch in Timor-Leste in an effort to expand business into the neighboring country, according to an April 13 statement by a senior Indonesian banking official. Muliaman Hadad, head of the Financial Services Authority of Indonesia (OJK), said the branch will likely commence operations in the second half of 2016. A memorandum of understanding was signed by Indonesia’s OJK and the central bank of Timor-Leste in March, paving the way for the expansion.
BRUNEI

- **Bank of China to open branch in Brunei.** The Bank of China Hong Kong Limited plans to open a branch in Brunei, according to an April 19 statement by the bank’s deputy chief executive, Lin Jing Zhen. Preparations to open the branch are in “full swing,” with banking operations expected to begin by the end of the year. The bank said its Brunei branch aims to support China’s “One Belt, One Road” connectivity initiative, and that it aims to expand operations to all 10 ASEAN countries.

- **Brunei, Singapore to cohost counterterrorism exercise.** The Royal Brunei Armed Forces and Singapore Armed Forces will cohost the Maritime Security and Counter Terrorism Field Training Exercise from May 2 to May 12. The exercise, which will be coordinated under the ASEAN Defense Ministers’ Meeting (ADMM) Plus, aims to strengthen “military-to-military interoperability” and cooperation in response to regional maritime challenges. Participating vessels will conduct drills en route to Singapore from Brunei, and conclude with a counterterrorism exercise.

ASEAN

- **U.S. annual human rights report raises concerns about abuses in Cambodia, Myanmar, Vietnam.** The U.S. Department of State on April 13 released its annual human rights report, which covers internationally recognized rights as set forth in the Universal Declaration of Human Rights and other international agreements. This year’s report raised concerns about the persecution of Rohingya Muslims and military abuses of civilians in conflict zones in Myanmar; the clampdown on bloggers and rights activists in Vietnam; and the targeting of political opposition parties and other dissidents in Cambodia.

- **ASEAN reaches full clarification of Open Skies agreement.** ASEAN announced on April 15 that all of its members have ratified agreements under the ASEAN Open Skies initiative, consisting of agreements on liberalization of air freight and passenger services. The Philippines and Indonesia had previously held out on the full implementation of the Open Skies initiative. The Philippine government agreed to ratify the agreements in February, while Indonesia recently confirmed its participation through a presidential regulation, according to an April 18 report by Indonesia-Investments.

- **Pakistan seeks full dialogue partnership with ASEAN.** Pakistani president Mamnoon Hussain on April 19 said that his country is seeking a full dialogue partnership with ASEAN as part of Pakistan’s “Vision East

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Bank of China building in Hong Kong. The bank is expanding operations into Brunei, and preparations to open the new branch are under way. https://commons.wikimedia.org/wiki/File:Hongkong_Bank_of_China.JPG

An AirAsia Airbus A320 departing from Kuala Lumpur International Airport. ASEAN announced that it has reached full ratification of the ASEAN Open Skies initiative, a critical element in the grouping’s establishment of an ASEAN Single Aviation Market. https://upload.wikimedia.org/wikipedia/commons/9/96/AirAsiaA320.jpg
Asia" policy, which is aimed at strengthening political as well as trade and economic ties with ASEAN member countries. Hussain highlighted Pakistan’s liberal investment policies, which he said would allow ASEAN businesses to invest in the country’s energy and infrastructure sectors.

- Laos, Vietnam rank last in ASEAN on 2016 World Press Freedom Index. Reporters Without Borders on April 20 released its 2016 World Press Freedom Index, which measures the freedom and independence accorded to journalists in 180 countries. Laos and Vietnam ranked last among ASEAN members on freedom for journalists, while Thailand, Singapore, and Brunei saw a drop in their rankings compared to the previous year.
• **Environmental Security: A Crucible in the South China Sea.** The East-West Center on May 3 will host a panel to discuss the relationship between marine scientific research and the marine environmental provisions of the UN Convention on the Law of the Sea in the South China Sea. Speakers include James W. Borton, faculty associate, Walker Institute, University of South Carolina; Dr. Nong Hong, director, Institute for China-America Studies, and research fellow with the National Institute for South China Sea Studies; and Dr. John McManus, professor, National Center for Coral Reef Research, Rosenstiel School of Marine and Atmospheric Science, University of Miami. The event will take place from 12:30 p.m. to 2:00 p.m., 6th Floor Conference Room, 1919 L St., NW. Click [here](#) to RSVP.

• **Sixth Annual China Defense and Security Conference.** The Jamestown Foundation on May 12 will host the Sixth Annual China Defense and Security Conference, featuring a number of China defense analysts who will discuss issues regarding China’s military modernization and reorganization. Speakers include Kurt Campbell, chairman and CEO, The Asia Group; Timothy R. Heath, senior international defense research analyst, RAND Corporation; Michael S. Chase, senior political scientist, RAND Corporation; Dan Alderman, deputy director, Defense Group Inc.; and Andrew S. Erickson, professor of strategy, U.S. Naval War College’s China Maritime Studies Institute, among others. The event will take place from 9:00 a.m. to 4:30 p.m., 1135 16th St., NW. Click [here](#) to register.

• **2016 Global Development Forum.** The CSIS Project on U.S. Leadership in Development will host its annual Global Development Forum (GDF) on May 19. GDF 2016 seeks to address the complex issues highlighted by the recently adopted Sustainable Development Goals and examine the role and purpose of official development assistance against a backdrop of rising incomes, rapid urbanization, economic growth, and youth unemployment in many parts of the world. The forum will feature over 40 speakers, including key stakeholders from U.S. government agencies, leading multilateral and nongovernmental organizations, foreign governments, and the private sector. The event will take place from 8:30 a.m. to 2:30 p.m., 1616 Rhode Island Ave., NW. E-mail [Project on U.S. Leadership in Development](#) to register.

• **USAID Adaptation Community Meeting: Enhancing Global Climate Change Adaptation Capacity in the Pacific Small Island Developing States.** The USAID Adaptation Thought Leadership and Assessments project on May 19 will host Britt Parker and Dr. John Marra of the National Oceanic and Atmospheric Administration (NOAA) to share approaches
and outcomes of a two-year program to support climate change adaptation in the Pacific Islands. The event will take place from 4:00 p.m. to 5:30 p.m., 1717 H St., NW. Click here to register.
SOUTHEAST ASIA FROM SCOTT CIRCLE

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