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Asia in Review

Grasp the pattern, read the trend

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Dear Readers,

Welcome to this week's issue of the Asia in Review (AiR) covering the latest events, developments and trends in domestic politics, international relations and geopolitics in East Asia, South Asia, and Southeast Asia.

I wish you an informative read and extend special greetings to everyone who celebrates Eritrea's, Jordan's, Montenegro's and Timor-Leste's Independence Day and Cameron's National Day this week.

With best regards,

Henning Glaser

Editor in Chief

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Constitutional Law and –Politics, Human Rights and National Security in East Asia

China: Government launches corruption probe into Guangxi regional chairman

(ld) China has launched an investigation into Lan Tianli, the government chairman of the Guangxi Zhuang Autonomous Region in southern China, over suspected "violations of law and discipline", according to a May 16 statement from the Central Commission for Discipline Inspection (CCDI), the country's top anti-corruption watchdog. The phrase is commonly used by Chinese authorities to indicate corruption-related allegations. [CCDI, in Chinese]

Lan, 62, is one of the most senior current officials to come under investigation without having first been removed from office, a move that remains relatively rare in Chinese political practice. Lan is the second provincial-level official to be investigated in recent

weeks. In April, the CCDI announced a similar probe into the governor of Shanxi province in northern China. [China Daily]

Lan has served as chairman of Guangxi since 2021. His most recent public appearance was during an official inspection tour between May 10 and May 11, focusing on environmental and ecological protection in several cities within the region. [Reuters]

According to reports by financial outlet Caixin, Lan was taken into custody in Nanning on May 12, and his relatives, including his wife Wei Xiaoyan, were also placed under investigation. [Caixin]

Lan's downfall is part of a broader sweep targeting officials across Guangxi. Between May 9 and May 14, four other officials were placed under investigation, including a deputy mayor of Qinzhou, a deputy Party secretary of the regional political and legal affairs commission, a Wuzhou municipal secretary-general, and a vice general manager at the Guangxi Beibu Gulf International Port Group. [Lianhe Zaobao, in Chinese]

Former chairman of semiconductor giant receives suspended death sentence for corruption

In another case, a Chinese court has sentenced Zhao Weiguo, the former chairman of semiconductor firm Tsinghua Unigroup, to death with a two-year reprieve after convicting him of corruption and embezzlement. [CCTV, in Chinese]

Tsinghua Unigroup, originally established in 1988 as a spin-off from China's elite Tsinghua University, was intended to serve as a key player in the country's efforts to advance its domestic semiconductor industry. Zhao joined Tsinghua Unigroup in the 1990s and was instrumental in its rise as a major semiconductor company, producing chips for computers, mobile devices, and cloud infrastructure. Backed by the state, the firm pursued an aggressive acquisition strategy under Zhao's leadership, investing heavily in chip-related businesses. However, it also diverted funds into unrelated and unprofitable ventures such as real estate and online gambling.

These decisions contributed to a severe financial crisis within the company, culminating in multiple bond defaults in late 2020 and eventual bankruptcy proceedings. In 2022, Tsinghua Unigroup underwent a court-supervised restructuring that replaced its two former owners—Tsinghua University and a holding entity owned by Zhao—with a consortium led by two state-backed semiconductor venture-capital firms. [Reuters]

Zhao's case, first announced in early 2023, was part of a broader anti-corruption sweep targeting prominent figures in China's chip industry, following years of large-scale public investment that often failed to produce expected results. [Wall Street Journal]

China: Government urged to free Panchen Lama

(lb) On the 30th anniversary of the enforced disappearance of the 11th Panchen Lama, Gedhun Choekyi Nyima, international voices have renewed pressure on the Chinese government to release him and respect the religious rights of Tibetan Buddhists. A statement was issued calling on China to stop interfering in religious practices, including the reincarnation process of His Holiness the Dalai Lama. [Central Tibetan Administration]

The Panchen Lama, who was recognized by the Dalai Lama in May 1995 at the age of six, was abducted days later by Chinese authorities along with his family and teacher. Their whereabouts remain unknown. Global rights groups, governments, and religious freedom advocates have described his disappearance as emblematic of China's broader efforts to suppress Tibetan identity and control the future of Tibetan Buddhism. Beijing later installed a government-backed candidate, Gyaltsen Norbu, in the role—a move widely rejected by the Tibetan community.

The case is linked closely to the question of succession for the 14th Dalai Lama, who turns ninety on July 6. Traditionally, the Panchen Lama plays a key role in recognizing the reincarnation of the Dalai Lama, a process China now seeks to control. In 2007, the Chinese government decreed it would oversee all Tibetan lama reincarnations. The Dalai Lama, however, has publicly declared that his next incarnation will be born in the "free world," outside of China's control—a statement that further challenges Beijing's efforts to legitimize its influence over Tibetan Buddhism.

The late 10th Panchen Lama, known for defending Tibetan heritage under Chinese rule, was imprisoned and tortured for more than a decade. His 70,000-character petition detailing the destruction of Tibetan monasteries in the 1960s was labeled by Mao Zedong as a "poisoned arrow shot at the party." [Radio Free Asia]

China: Government launches USD 138 billion tech venture fund to boost self-reliance

(ld) China has unveiled a sweeping package of financial initiatives aimed at strengthening self-reliance in science and technology, according to the Ministry of Science and Technology (MOST). The newly announced policies cover a range of areas including venture capital, credit support, capital markets, and technology insurance. [MOST, in Chinese]

At the core of the plan is the creation of a national venture capital guidance fund that will direct nearly CNY 1 trillion (USD 138 billion) into strategic emerging industries, particularly those positioned for future growth.

The policy package, jointly issued by seven key government bodies including the People's Bank of China, the China Securities Regulatory Commission, and the Ministry of Finance, also expands the use of structural monetary tools, including increased relending quotas targeted at technological innovation and industrial upgrades. [Yicai Global]

As part of the effort, China will promote the listing of qualified technology firms both domestically and internationally, provided they meet legal and regulatory requirements. Additionally, the government will expand a pilot program for financial asset investment companies to 18 cities and provinces to channel more equity investment into tech innovation firms. [Reuters]

China: Alibaba's missed revenue target highlights slowing consumer spending

(ld) Alibaba Group reported fourth-quarter revenue that fell slightly below analyst expectations, as the Chinese e-commerce giant faces slowing consumer spending and rising competition within the domestic online retail sector.

The company's revenue for the quarter ending March 31 totaled CNY 236.45 billion (USD 32.79 billion), just below the CNY 237.24 billion (USD 32.89 billion) forecast compiled by the London Stock Exchange Group (LSEG). [Reuters 1] [Trading View]

U.S.-listed shares of Alibaba fell over 4 percent in premarket trading following the earnings

announcement, though the stock remains up approximately 58 percent for the year. [Reuters 2]

China: First 12 satellites for AI-driven space computing constellation launched

(ld) China successfully launched 12 satellites on May 14 for a new orbital computing initiative that aims to establish a large-scale artificial intelligence constellation in space. The mission, carried out by a Long March 2D rocket from the Jiuquan Satellite Launch Center in northwest China, is part of the "Three-Body Computing Constellation," developed by commercial startup ADA Space in partnership with Zhejiang Lab.

The launch marks the first deployment of what is planned to become a 2,800-satellite network under the broader "Star-Compute Program." The satellites offer a computing capacity of 5 peta operations per second (POPS) and 30 terabytes of onboard storage. Equipped with advanced AI capabilities and 100 Gbps laser inter-satellite links, the satellites also carry remote sensing payloads to collect data processed directly in space.

The Star-Compute Program forms part of China's broader "New Infrastructures" strategy and aligns with national objectives to lead in AI development by 2030. The program is intended to meet the growing demand for low-latency space-based computing and to position China as a global leader in space infrastructure and artificial intelligence. [Space News]

The launch underscores China's accelerating investment in satellite and space-based technologies. China's satellite navigation and positioning service industry reached a total output value of CNY 575.8 billion (USD 79.9 billion) in 2024, reflecting a year-on-year growth of 7.39 percent, according to a white paper released on May 18.

China has expanded exports of its BeiDou Navigation Satellite System (BDS), a satellite-based radio navigation system, to over 140 countries and regions. BDS has been incorporated into the standards of 11 international organizations, including those in civil aviation, maritime operations, and mobile communications, supporting China's ambition to lead in satellite-based navigation services. [China Daily]

China: AI-powered surveillance tools to monitor Telegram and VPN users showcased

(ld) China showcased a new generation of artificial intelligence (AI) surveillance technologies at its annual police equipment exhibition in Beijing, highlighting an intensified domestic security drive and increased efforts to modernize policing aimed at combating “lone wolf” attacks and tightening control over encrypted communications platforms like Telegram and virtual private networks (VPNs).

The 12th China International Exhibition on Police Equipment, which concluded on May 17, featured a wide range of law enforcement tools developed by both private firms and state-affiliated research institutes, particularly those tied to the Ministry of Public Security. Many of the products emphasized AI capabilities, such as intelligent surveillance, digital forensics, and psychological analysis of suspects.

Among the most prominent exhibits was a system developed by the Third Research Institute of the Ministry of Public Security, which claimed to monitor Telegram accounts registered with Chinese mobile phone numbers—numbers that must be registered under users' real names in mainland China. According to the institute, the system has gathered over 30 billion messages from 70 million accounts and monitored 390,000 public channels and groups.

The same institute introduced other AI tools for analyzing individual behavior patterns using search histories, shopping records, and social media posts. These tools aim to identify individuals at risk of committing “extreme” acts of violence, a category the government increasingly focuses on following a series of deadly lone-actor incidents. One such attack occurred in November 2024, when a man drove a vehicle into a crowd in Zhuhai, killing at least 35 people. He was executed in January. [South China Morning Post]

Japan: Diet approves new law allowing data collection during peacetime

(ad) The Diet passed a bill enabling active cyberdefense measures on May 16, allowing the central government to gather communication data and respond to cyberattacks, even during peacetime. [The Record]

The legislation was backed by the ruling Liberal Democratic Party (LDP), its coalition partner Komeito, the main opposition Constitutional Democratic Party of Japan, Nippon Ishin (Japan Innovation Party), the Democratic Party for the People, and others. It was opposed by the Japanese Communist Party, Reiwa Shinsengumi – a party regarded as leftist and formed in 2020 by former members of the Japan Innovation Party – and a few more.

Under the new law, the government will be authorized to monitor online activity, collect and analyze communication information, and preemptively infiltrate and disable servers believed to be sources of cyberattacks—even when the country is not under active threat. Full-scale implementation of the system is planned by the end of 2027.

An independent oversight body, the Cyber Communications Information Supervisory Board, will be established to monitor the government's activities and ensure proper conduct.

During Upper House deliberations, opposing lawmakers expressed concern that the collected data might be used for other purposes, such as criminal investigations, beyond the intended scope of cyberdefense.

To address concerns, the five supporting parties introduced and passed a supplementary resolution calling for strict limitations on the use of collected information to only cybersecurity-related efforts.

Earlier, in the Lower House, opposition parties raised constitutional concerns, warning that the bill could infringe upon the "secrecy of communications" protected by Article 21 of the Constitution. In response, six ruling and opposition parties proposed an amendment, explicitly stating that citizens' rights and freedoms—including communication privacy—must not be unreasonably restricted. [The Asahi Shimbun]

Japan: Bill to reform pension system approved by cabinet

(ja) A new bill to expand the employees' pension insurance program has been approved by the Cabinet on May 16 and is slated to enter parliamentary deliberations this week. The new bill will allow part-time workers that earn less than JPY 1.06 million (USD 7,300) yearly, and employees that work in companies with less than 51 employees, to sign up for the

program. These workers currently only receive basic coverage.

Chief Cabinet Secretary Yoshimasa Hayashi told reporters that the plan will include measures to increase pensions for current recipients while also enhancing benefits for future recipients.

The opposition has criticized the current bill, believing that the increased benefits are not enough to provide an apt safety net for the so-called employment ice age generation, a group of people who struggled to maintain stable employment after large economic downturn lasting from the 1990s to the early 2000s.

The ruling Liberal Democratic Party hopes to get the bill passed by the Lower House before the end of May. [The Japan Times] [The Japan News]

Japan: Draft proposed to expand eligible industries for foreign skilled workers

(ja) The ruling Liberal Democratic Party presented a draft on May 15, proposing that the number of eligible industries for individuals with a Specified Skilled Worker visa be increased from 16 to 19.

The Specified Skilled Worker visa was created in 2019 to address the growing labor shortages in Japan. It allows foreign skilled workers to maintain residency in Japan, opening an avenue towards permanent residency, in exchange for their contributions towards industries facing workplace challenges, such as agriculture, nursing care, and construction.

The draft proposes to expand the visa to add warehouse management, waste disposal and linen supply as eligible industries. [The Mainichi]

Japan: Cabinet approval rating hits all-time low

(ja) A *Kyodo News* survey released May 18 showed that Japanese Prime Minister Shigeru Ishiba's Cabinet's approval rating has hit a record low of 27.4 percent, a drop in 5.2 percent since last month.

High food prices have been a particularly major contributing factor to the drop in approval rating, with 87.1 percent of the survey respondents stated that they believed that the government's efforts to address and control the rising cost of rice were inefficient.

Respondents also remain critical of Ishiba's reluctance towards reducing consumption taxes to help address the rising price of rice, with 73.2 percent of the respondents believing it would be necessary to remove consumption taxes either "only for food items," "for all products," or be abolished altogether. However, 72.9 percent also stated that they are concerned that there would be a decline in social security services if the consumption tax were reduced or removed altogether.

Despite Ishiba's dwindling ratings, there currently remains little discussion within the Liberal Democratic Party to remove him from office before the upper house election in July. [The Mainichi] [CNBC]

Japan: Government to fully subsidize childbirth expenses

(ad) Japan's health ministry plans to eliminate out-of-pocket expenses for childbirth as early as April 2026 to help combat the country's declining birthrate. A panel of experts approved a proposal to include normal deliveries under the public health insurance system, which currently excludes them as they are not considered medical conditions. Cesarean sections are already covered, but epidurals would remain outside the scope.

Currently, the government offers a JPY 500,000 (USD 3,400) lump-sum payment per birth, but average delivery costs exceed this amount, reaching around JPY 518,000 (USD 3,531) in early fiscal 2024. If the plan is implemented, childbirth fees would be standardized nationwide. However, obstetricians warn that this could financially impact medical institutions, which now set their own fees for deliveries. [Kyodo News]

Japan: Children's mental health remains concern

(ad) A UNICEF report released on May 14 shows that children's mental health in Japan remains poor, with the country ranking 32nd out of 43 developed and emerging nations. While Japan's overall position improved from 37th in 2020, it now has the fourth highest youth suicide rate among wealthy countries, a sharp rise from 12th place previously. [UNICEF]

Despite these mental health concerns, Japan ranked highest in physical health, as in the previous report, and improved in academic and social skills, rising from

27th to 12th. Overall, Japan placed 14th among the surveyed countries, up from 20th. The Netherlands took the top spot overall, while the U.S. and six other nations were excluded due to insufficient data.

Experts point to low public awareness and ineffective government policies as contributing factors to Japan's mental health issues. [Kyodo News]

Japan: 30 percent target for women in leadership roles questioned

(ad) More than half of female executives in Japan are doubtful the country will achieve its goal of having women make up 30 percent of top corporate positions by 2030, pointing to the slow pace of change in attitudes among predominantly male leadership.

According to a *Kyodo News* survey of 41 senior female professionals—including CEOs and auditors at major companies—73 percent believe a shift in management mindset is essential to increase the number of women in leadership roles, while 54 percent say a transformation in corporate culture is also necessary.

The Japanese government has urged companies listed on the Tokyo Stock Exchange's Prime Market to raise the proportion of female executives to at least 30 percent by 2030. Still, 54 percent of survey respondents said the goal is unlikely to be met, and only 29 percent believe it is achievable.

As of 2024, women held just 16.2 percent of executive roles at top Japanese firms. This lags far behind the Group of Seven average of 38.8 percent.

When asked about the reasons behind the gender gap, 71 percent of the respondents cited persistent traditional gender roles in the workplace, and 63 percent pointed to challenges in balancing work and personal life.

The survey, conducted between mid-March and early May, coincided with the 40th anniversary of Japan's Equal Employment Opportunity Law. Regarding the law's effectiveness, only 7 percent felt it had fully achieved its goals, while 63 percent said it had partially done so. [Kyodo News]

Japan: Government advances timeline for introducing bioethanol

(ad) Japan's industry ministry has announced it will bring forward the timeline for blending gasoline with bioethanol in certain parts of the country. Initially set for fiscal year 2030, the new target is now 2028. This adjustment comes in response to trade pressure from the United States.

Bioethanol, which is produced from agricultural products such as corn and sugarcane, helps reduce carbon dioxide emissions when used as fuel for vehicles and aircraft.

The U.S. has been urging Japan to increase imports of American goods. A report from the Office of the United States Trade Representative in March highlighted that Washington wants Japan to purchase more corn-based bioethanol from the U.S. [NHK World]

In addition, the Environment Ministry is set to begin offshore "blue carbon" research to enhance carbon dioxide capture and storage using marine vegetation like seaweed, mangroves, and kelp.

The initiative aims to support Japan's goal of achieving net-zero emissions by 2050. Despite a drop in CO2 emissions due to increased use of renewables and nuclear energy, Japan seeks to expand its carbon capture efforts, especially as forests—currently responsible for absorbing around 45 million tons of CO2—are becoming less effective due to aging.

Japan targets capturing 1 million tons of CO2 annually through blue carbon by 2035 and 2 million tons by 2040, a sharp increase from just 34 tons absorbed by coastal plants in 2023. [Kyodo News]

Japan: Economy contracts more than anticipated amid looming US tariff threat

(ad) Japan's economy contracted more than expected in the first quarter of the year, marking its first decline in a year and exposing the fragile state of its recovery amid growing pressure from U.S. trade policies under President Donald Trump.

Data released on May 16 showed Japan's real GDP shrank at an annualized rate of 0.7 Percent for the January–March period, significantly worse than the median forecast of a 0.2 percent drop. The contraction was driven by stagnant consumer spending and a decline in exports, pointing to weakening external demand even before Trump's April 2 announcement of broad "reciprocal" tariffs.

Policymakers now face mounting challenges, particularly as Japan's export-reliant economy—especially the automotive sector—grapples with uncertainty from steep U.S. tariffs.

Flat consumption and export pressure

Private consumption, which makes up over half of Japan's economic output, was flat for the quarter—contrary to expectations of a slight increase. Meanwhile, external demand dragged GDP down by 0.8 points, with exports falling 0.6 percent and imports rising 2.9 percent, even before the full effect of U.S. tariffs kicks in.

Japanese carmakers are already feeling the pressure. Toyota has forecast a drop by a fifth in profit for the current fiscal year, while Mazda has postponed releasing its financial outlook due to uncertainties around U.S. trade policy. [The Asahi Shimbun]

Auto sector under pressure

Nissan Motor Co. announced on May 13 that it will close seven vehicle plants and cut 20,000 jobs worldwide—more than double its previous plan—in a major restructuring effort following a JPY 670.9 billion (USD 4.5 billion) net loss for fiscal 2024. The company, struggling with weak sales in key markets like the U.S. and China, aims to reduce its global workforce by about 15 percent and scale back its production capacity, excluding China, by 30 percent to 2.5 million units by fiscal 2027. Its total number of vehicle plants will be reduced from 17 to 10, including closures in Japan.

Nissan's outlook is clouded by uncertainty over U.S. trade policy, especially the 25 percent auto tariffs imposed by the Trump administration starting in April. With a large share of its U.S. sales reliant on imports from Japan and Mexico, Nissan has withheld earnings forecasts for fiscal 2025 due to the volatile environment. [Kyodo News]

Other automakers are also under pressure to reconstruct. Honda projects a 70 percent profit drop in fiscal 2026, hit hard by tariffs and slumping China sales. S&P downgraded its outlook to negative. Mazda, heavily reliant on the U.S. market, suspended its earnings forecast due to tariff uncertainty and reported a JPY 9–10 billion (USD 61–68 million) hit in April alone. It aims to stabilize global sales and maintain domestic output.

Mitsubishi Motors expects tariffs to cut JPY 40 billion (USD 272 million) from profits and is deepening

collaboration with Nissan, including joint U.S. SUV production. It also announced an EV partnership with Taiwan's Foxconn, which is seeking broader cooperation with Japanese carmakers. [The Mainichi]

Japan: 1 percent annual real wage growth over five years targeted

(ad) The Japanese government has set a five-year target to boost annual real wage growth by 1 percent, aiming to achieve this through JPY 60 trillion (around USD 408 billion) in combined public and private investment focused on enhancing productivity. The plan comes amid widespread concern over rising living costs that have outstripped wage increases.

The initiative prioritizes support for small and medium-sized businesses, which employ a significant portion of the country's workforce. The government plans to support productivity improvements—especially in the service industry—by subsidizing labor-saving technologies like robots and IT systems. It also stressed the need for central and local governments to secure sufficient funds to ensure wage growth when contracting small businesses, particularly in rural areas, for construction projects and procurement.

With the government and Bank of Japan maintaining an inflation goal of around 2 percent, reaching the new wage target would require 3 percent nominal wage growth—an ambitious aim given current economic uncertainties, including heightened U.S. tariffs.

Despite the fastest wage increases in more than three decades last year, real wages still fell for a third consecutive year due to inflation, according to data from the Ministry of Health, Labor and Welfare. [The Mainichi]

Japan: Ministry of finance considers revising de minimis rule

(ja) The Finance Ministry is considering a revision towards the de minimis rule to make it mandatory for businesses managing e-commerce sites to register with the tax authority and file their tax, allowing the ability to set consumption taxes on imported goods priced at JPY 10,000 (appr. USD 70) or less. The ministry aims to establish a level competitive field between domestic and foreign businesses, particularly in relation to Chinese e-commerce sites.

Under Japan's de minimis rule, all imported goods priced under JPY 10,000 were exempt from consumption taxes.

Japan imported JPY 425.8 billion (USD 2.9 billion) worth of goods priced under the de minimis rule, which is five times larger than it was five years ago. Experts point out Chinese e-commerce sites have been increasing their sales of low-cost items, taking advantage of the de minimis rules, and threatening local Japanese businesses.

The ministry is considering utilizing the Japanese government's tax reform scheduled within the next coming years to fully implement this revision. [The Japan News]

Japan: Defense white paper highlights threat of Sino-Russian military cooperation

(ja) Japan believes that China's increased military cooperation with Russia may pose a severe security threat, a draft of Japan's 2025 defense white paper showed on May 15.

The draft reuses expressions related to China and Russia used in the 2023 and 2024 white papers to state that the international community has entered a new crisis and says that unilateral demonstrations of force in changing the status quo pose a serious threat to a stable international order.

Describing Beijing's military moves as the biggest strategic challenge ever, the paper draws particular attention to a Chinese warplane intruding into Japanese airspace over the waters off the Danjo islands in the Nagasaki prefecture in August 2024, and Chinese aircraft carrier Liaoning's entry into a Japanese contiguous zone in the Nansei southwestern island chain in September of that same year.

The Defense Ministry hopes to finalize the draft and submit it to a cabinet meeting by July. [The Japan Times]

Japan: GSDF to hold first-ever long-range missile exercise within country

(ad) The Ground Self-Defense Force (GSDF) will carry out its first domestic training exercise using long-range

missiles next month, aiming to enhance Japan's preparedness against maritime threats, particularly amid China's growing naval activity.

Scheduled from June 24 to 29 at the missile range near Camp Shizunai on Hokkaido's southern coast, the GSDF will launch nonexplosive Type 88 surface-to-ship missiles at targets located up to 40 kilometers offshore in the Pacific.

Previously, such exercises took place overseas, mainly in the U.S., due to safety and space limitations. About 300 personnel—double the usual number for foreign drills—will participate, with the Northern Army in Hokkaido overseeing operations.

The government is also considering creating another missile testing site on Minami-Torishima, Japan's easternmost island, and is planning future domestic drills for upgraded Type 12 surface-to-ship missiles, which are now classified as standoff "counterstrike" weapons under Japan's new defense policy. [The Asahi Shimbun]

Japan: Government rolls out economic security clearance system

(ad) Japan implemented a new "security clearance" system on May 16, enabling the government to classify sensitive economic information, though critics have raised concerns about potential privacy intrusions stemming from the required background checks of people seeking to access the information.

Under the new law, the government has broadened the definition of classified information to include economic security matters such as critical infrastructure and advanced semiconductor technologies. This expands beyond the existing state secrets law that already covers defense, diplomacy, espionage, and counterterrorism.

To access such classified data, government officials and private-sector employees must undergo thorough screening by the Cabinet Office. The vetting process will examine employment history, criminal records, overseas travel, alcohol use, and mental health treatment. Individuals must also complete a 35-page questionnaire detailing personal and family information, including nationalities, foreign bank accounts, and property ownership.

The new system aims to strengthen Japan's information-sharing capabilities with allies like the

United States and European nations, which already operate similar clearance protocols. It also opens the door for more Japanese companies to join international projects involving classified data.

Those found guilty of leaking classified information will face penalties of up to five years in prison, fines of up to JPY 5 million (approximately USD 34,000), or both.

Despite provisions requiring consent for background checks and restricting misuse of the data, opposition lawmakers have criticized the system for its potential to infringe on individual privacy rights. [Kyodo News]

Japan: U.S. Yakota Airbase inspected over suspected chemical leak

(ja) Japanese officials on May 14 conducted an on-site inspection of the U.S. Yakota airbase over growing concerns that the base is leaking PFAS chemicals into local Japanese waterways, which, if true, would pose a severe health risk to citizens in western Tokyo.

PFAS chemicals break down incredibly slowly, and can rapidly accumulate in people, plants, animals, and the environment. High accumulations of the chemical can result in increased risk of cancer. However, the chemicals are commonly used in a wide range of products, namely firefighting foam.

This marks the second instance of the Japanese government carrying out an inspection of the Yakota airbase, with the first being carried out in December.

The U.S. military currently has 380,000 liters of water pooled at a firefighting facility, while 1.14 million liters remain in a reservoir. The U.S. plans to release remaining water at the base, but Japan will only permit this if PFAS levels are lower than 50 nanograms per liter. Japan has taken a sample of purified water and plans to analyze it within the next two weeks.

This marks the first instance of Japanese officials accessing the airbase under an environmental agreement tied to the Japan-U.S. Status of Forces Agreement, a pact which allows Japanese officials to enter U.S. military bases in Japan to conduct environmental surveys. [Japan Today]

Mongolia: Prime Minister under investigation amid allegations of

corruption linked to his family

(fs) Prime Minister Luvsannamsrain Oyun-Erdene of Mongolia is under public scrutiny amid allegations that his son and daughter-in-law's lavish lifestyle may have been funded through corruption.

Following a citizen complaint, the Anti-Corruption Agency has launched an investigation. The probe centers on claims that Oyun-Erdene's unemployed son, O. Temuulen, gave his girlfriend luxury items, including handbags and a car, raising concerns about the source of his wealth. [News.mn] [Gogo 1]

Public protests have taken place in Sukhbaatar Square in Ulaanbaatar, with demonstrators calling for the Prime Minister's resignation and demanding transparency regarding his family's finances. [Gogo 2]

Mongolia: Parliament discusses 2026 development plan

(fs) Mongolia's parliament held its first discussion on the draft resolution approving the country's Development Plan for 2026 on May 15.

The plan aims for a 6 percent economic growth, a per capita GDP of USD 8,090, and a 5 percent reduction in poverty. Some priorities include enhancing human development, focusing on education, as 2026 was designated the Year to Support Education by the government. Related goals include improving the quality and accessibility of education, raising investment, and increasing the number of schools and kindergartens.

Additionally, the plan targets reducing urban-rural educational disparities. It also emphasizes economic reforms, a business-friendly environment, and the introduction of artificial intelligence in public services.

The draft was forwarded to the Parliament's Standing Committee for further review and preparation for a second discussion that will be held in the next weeks. [Montsame]

Mongolia: TMK Energy to focus on Gurvantes XXXV project

(fs) Australian TMK Energy has sold its 20 percent indirect stake in Australia's Talisman Deeps oil project

to concentrate fully on its natural gas operations in Mongolia.

The divestment, made through its subsidiary Skye Napoleon, aims to eliminate all financial risks related to the Talisman Deeps project.

Following the sale, TMK Energy's share price surged by over 50 percent on the Australian Securities Exchange. According to the agreement, the company will receive a USD 1 million payment within 90 days of the project's commencement of extraction. [Bloomberg TV]

TMK Energy's wholly owned Gurvantes XXXV methane gas project in Mongolia continues to show strong progress, with production volumes increasing monthly during the first quarter of the year (see AiR No. 6, February/2025, 2).

Mongolia: Consumer prices rise 0.3 percent in April, annual inflation hits 8.6 percent

(fs) Mongolia's national consumer price index increased by 0.3 percent in April compared to the previous month, marking the smallest rise in seven months, according to data from the National Statistics Office. [NSO]

Year-on-year, inflation reached 8.6 percent, a significant rise from 5.7 percent in April 2024. The increase was driven by rising costs in key sectors, with services up 17 percent, non-food products 9.4 percent, and food prices 6.8 percent.

Imported goods contributed with 29.8 percentage to the inflation, while domestic goods accounted for 58.1 percent. Housing, utilities, and fuels saw a 21.7 percent increase, with education and hospitality services also experiencing notable price hikes.

The monthly increase in April was primarily fueled by a 0.9 percent rise in food prices and a 0.7 percent increase in housing and utility costs. [UB Post]

Mongolia: Draft law on energy infrastructure project ratification submitted

(fs) Mongolia's Minister of Finance Javkhlan Bold presented the draft Law to ratify the loan agreement

between Mongolia and the International Bank for Reconstruction and Development (IBRD) to the parliament on May 16.

The funding from the loan, if approved, will be directed towards the Energy-3 Project, which aims to upgrade the Baganuur-Choir 110 kV overhead transmission line to a 220 kV double-circuit line and expand the Baganuur and Choir substations. [Montsame]

The Baganuur-Choir Transmission Line is a high-voltage transmission line in Mongolia, connecting the Baganuur area of Ulaanbaatar with Choir in the Govisümber Province. It plays a significant role in the country's power distribution, facilitating energy transfer between different regions.

Mongolia: Two individuals sentenced for espionage

(fs) Mongolian monk Z. Sanjdorj and his advisor D. Byambajav have been sentenced to prison for nine years and six months and to nine years respectively after being found guilty of conspiring with a foreign intelligence service. [Ikon]

Beyond the legal proceedings, Sanjdorj has been a polarizing figure within Mongolia's Buddhist community. He has faced criticism for aligning with Chinese Buddhist organizations and opposing the Dalai Lama's influence in Mongolia. Notably, his attempt to appoint his son as the next reincarnation of the Khalkha Jetsun Dhampa, a significant religious position traditionally linked to Tibetan lineages, has sparked debate (see AiR No. 12, March/2025, 4).

North Korea: Mandatory registration of foreign currency payment systems odered

(fw) On May 8, North Korea’s Cabinet State Planning Commission instructed all businesses in the Wonsan-Kalma Coastal Tourist Zone to register electronic payment systems for foreign currency by May 14.

In Kangwon province, the measure aims to increase government oversight of foreign currency use in the area. Hotels, restaurants, shops, and other facilities are set to begin phased operations from late May, ahead of the tourist zone’s official opening in June.

Experts view this directive as part of North Korea’s broader strategy to centralize financial control, noting

that the policy represents an ongoing effort to manage foreign currency flows and strengthen state-led economic planning. [Daily NK]

North Korea: Kim Jong-un oversees special operations drills, reaffirms war readiness

(kp) North Korean leader Kim Jong-un has supervised a combined tactical exercise involving special operations and tank subunits, emphasizing full war preparedness as the regime's top military priority, state media reported May 14.

According to the Korean Central News Agency (KCNA), the joint fire strike demonstration was conducted on May 13. During the drills, Kim reiterated that the North's revolutionary armed forces must prioritize readiness, particularly on what he described as the "anti-imperialist class front"—a term often invoked to frame military opposition to the United States and its allies. [KCNA]

Kim's remarks appeared to signal continued justification for North Korea's controversial deployment of troops to Russia amid Moscow's ongoing war in Ukraine. Last month, Pyongyang publicly acknowledged for the first time that it had sent forces to support Russia's war effort, describing the move as part of its mutual defense obligations under a treaty with Moscow.

Images released by state media showed North Korean troops in camouflage operating drones—further evidence aligning with earlier assessments by South Korea's National Intelligence Service that Pyongyang's forces in Russia have been receiving training in drone operations and tactical warfare.

Kim, during a recent visit to the Russian Embassy in Pyongyang (see AiR No. 19, May/2025, 2), called the troop deployment a legitimate exercise of sovereign rights, reiterating the regime's solidarity with Moscow amid deepening military ties between the two nations. [Yonhap News Agency]

South Korea: Presidential debate highlights policy divisions among candidates

(fw) The first televised debate ahead of South Korea's presidential election on June 3, featured diverse

opinions among candidates Lee Jae-myung of the Democratic Party (DP), Kim Moon-soo of the People Power Party (PPP), Lee Jun-seok of the Reform Party, and Kwon Young-gook of the Korean Democratic Labor Party.

Lee Jae-myung proposed to increase investment in AI development, supporting unionized workers, and implementing a four-and-a-half-day workweek. He underscored the importance of expanding the high-tech and renewable energy sectors to combat slow economic growth. Lee further called for constitutional reforms to allow a four-year, two-term presidency and introduce a two-round election system via referendum. He criticized the ruling PPP for the economic and social fallout from the martial law declaration, blaming it for disrupting livelihoods and harming small businesses. He challenged Kim Moon-soo, former labor minister under President Yoon Suk Yeol, over his role during a period of negative economic growth.

Lee highlighted a pragmatic foreign policy focused on maintaining balanced relations with China and Russia, while continuing security cooperation with the U.S. and Japan. He advocated for denuclearization of the Korean Peninsula and prioritized South Korea's interests amid ongoing trade negotiations with the U.S., including seeking exemption from tariffs. Lee faced criticism for his conciliatory approach toward China, particularly his remarks that South Korea should avoid involvement in China-Taiwan disputes.

Kim Moon-soo focused on legal allegations against Lee, including accusations of illicit funds transferred to North Korea during Lee's tenure as Gyeonggi governor, which Lee denied as politically motivated. Kim also challenged Lee's national security stance, highlighting his past opposition to the U.S.-led Terminal High Altitude Area Defense (THAAD) missile system and comments on China-Taiwan relations, framing these as risks to the Korea-U.S. alliance.

Following Lee's advocated for constitutional changes, Kim also proposed reforms including shortening the presidential term from five to three years for the next president. Kim also expressed support for expanding housing benefits for young families and reducing state intervention in the economy. [KBS World]

Lee Jun-seok also questioned the feasibility of Lee Jae-myung's policy proposals, particularly the plan for a four-and-a-half-day workweek without wage cuts and dismissed the "hotel economics" concept (which argues that canceled hotel reservations still contribute economically) as unrealistic. He also criticized Lee's AI investment pledge as unprecedented and called Lee a

“no-show candidate” for his perceived lack of preparation and evasiveness when challenged.

While Kwon Young-gook maintained a critical stance toward Kim Moon-soo, accusing him of shielding former President Yoon Suk Yeol and calling for his withdrawal from the race. Kwon pledged to boost job creation, deregulate to support businesses, establish a government agency for regulatory innovation, and allocate over 5 percent of the budget to research and development. [Al Jazeera] [JoongAng Daily]

South Korea: Polling shows opposition party presidential candidate Lee Jae-myung ahead

(fw) Recent polling by Realmeter shows opposition Democratic Party (DP) candidate Lee Jae-myung leading the South Korean presidential race with 50.2 percent support, despite a slight decline. Meanwhile, the ruling People Power Party (PPP) candidate Kim Moon-soo's support increased to 35.6 percent, while Reform Party candidate Lee Jun-seok rose to 8.7 percent, gains of 4.5 and 2.4 points respectively.

Kim’s rise follows his official confirmation as the PPP nominee on May 10, which helped consolidate conservative voters amid earlier intra-party disputes. Lee Jae-myung has been expanding his appeal by attracting moderate voters and consolidating conservatives opposed to former President Yoon Suk Yeol, with gains in the Yeongnam region where polling shows a close contest between Lee and Kim. [The Korea Herald 1]

Amid the debate and campaign, Kim is seeking support by merging with Lee Jun-seok to consolidate conservative votes and strengthen their challenge to frontrunner Lee Jae-myung. Despite shared policy views, Lee Jun-seok has consistently rejected merger proposals, citing his 2022 removal from PPP leadership and ongoing party conflicts.

Analysts suggest that conservative disunity has weakened their electoral prospects. [The Korea Herald 2]

South Korea: Democratic Party pushes bills to shield Lee Jae-myung and challenge Supreme Court ruling

(kp) The opposition Democratic Party (DP) has introduced a package of controversial legislative measures aimed at protecting its presidential candidate Lee Jae-myung from a potential conviction and retaliating against the Supreme Court following its recent ruling against him.

Using its majority in the National Assembly, the party convened a meeting of the judiciary committee and unilaterally passed a revision to the Public Official Election Act. The revision removes the specific provision under which Lee was found guilty of making false statements during the 2022 presidential campaign. If passed in a future plenary session, the change could lead to Lee's acquittal when the Seoul High Court reopens his case. The party advanced the proposal just one day after the Supreme Court overturned a prior acquittal and ordered a retrial, reviving concerns about Lee's eligibility ahead of the June 3 presidential election.

In a more aggressive move, the DP also submitted a bill to initiate a special counsel investigation into Supreme Court Chief Justice Cho Hee-de. The party accuses Cho of interfering in the presidential race by issuing the May 1 ruling during the campaign season.

The ruling People Power Party (PPP) has stepped forward to sharply criticize the DP's actions, calling the legislative push a "dangerous abuse of power" designed to eliminate Lee's legal risks at the expense of judicial independence. Lawmaker Yoo Sang-bum, the PPP's deputy judiciary committee chair, said the measures amounted to "arbitrarily" modifying the laws in favor of Lee's interests.

Lee is currently facing five ongoing criminal trials. If elected, he could become the first sitting president in South Korean history to stand trial while in office. A separate Democratic Party bill introduced last week, which would suspend criminal proceedings against any elected president, also awaits a vote. [The Korea Herald]

South Korea: Former President Yoon exits People Power Party ahead of snap election

(kp) Former President Yoon Suk Yeol announced on May 17 that he is leaving the ruling People Power Party (PPP), bowing to mounting internal pressure and calls from party leadership to step aside ahead of the June 3 presidential election. The move marks a significant development for the conservative bloc, which has

faced internal turmoil and declining public support following Yoon's failed martial law declaration in December 2024 and subsequent impeachment.

Yoon's decision comes after repeated appeals from senior PPP figures, including newly appointed interim leader Kim Yong-tae and election committee co-chair Lee Jung-hyun. Both urged Yoon to voluntarily exit the party in hopes of consolidating conservative support and distancing the campaign from the controversy that led to his removal from office. [The Korea Herald 1] [Reuters]

PPP presidential candidate Kim Moon-soo has consistently maintained that the decision to leave the party should be Yoon's alone. In recent appearances, Kim reiterated his criticism of the former president's martial law declaration and issued a second formal apology. While he declined to directly request Yoon's resignation, the former labor minister acknowledged the damage Yoon's actions have caused among centrist and undecided voters. [The Korea Herald 2]

Yoon's departure follows a tumultuous stretch for the PPP. Kim Moon-soo only recently retained his candidacy following an internal leadership attempt to replace him with former Prime Minister Han Duck-soo. The party's hopes now hinge on rallying behind Kim, who trails significantly in national polls. A Gallup Korea survey released May 17 showed Kim with 29 percent support, compared to 51 percent for DP candidate Lee Jae-myung (see AiR No. 19, May/2025, 2).

South Korea: Supreme Court upholds prison sentence for former SK Networks Chairman

(kp) The Supreme Court has upheld a two-and-a-half-year prison sentence for Choi Shin-won, former CEO and chairman of SK Networks Co., one of the country's largest conglomerates, concluding a high-profile embezzlement case involving tens of billions of won. Choi was convicted of misappropriating KRW 56 billion (USD 40 million) from six company affiliates.

Choi was first indicted in 2021 for embezzling a total of KRW 223.5 billion (USD 160 million) under the guise of funding a golf course project, paying family and relatives' salaries, and covering other personal expenses. The Seoul High Court determined that KRW 56 billion (USD 40 million) of that amount constituted criminal embezzlement and found Choi guilty of illegally exporting KRW 2.4 billion (USD 1.7 million) in foreign currency.

Among the charges, the court highlighted Choi's embezzlement of KRW 28 billion from SK Telesys to finance personal recapitalization and capital gains tax liabilities. Both the prosecution and Choi had appealed the appellate court's ruling, but the Supreme Court dismissed the appeals, affirming there were no legal errors in the previous judgments. Choi will serve the full two-and-a-half-year sentence as originally ordered. [The Korea Herald]

South Korea: Government reveals support plan for SMEs affected by U.S. tariffs

(kp) On May 14, South Korea announced KRW 4.6 trillion (USD 3.25 billion) in support measures to assist small and medium-sized enterprises (SMEs) expected to be impacted by newly introduced U.S. tariffs. The aid package includes financing support, logistics subsidies, and initiatives to help firms expand into new export markets.

According to the government, 81 percent of SMEs see themselves as vulnerable to the 25 percent tariffs rolled out by the Trump administration in April, despite the 90-day suspension that followed. SMEs accounted for 17 percent of South Korea's total exports in the first quarter of 2024. [Reuters]

The support plan is part of a broader KRW 13.8 trillion (USD 9.9 billion) supplementary budget passed by the National Assembly on May 1 to help stabilize the economy amid global trade uncertainty and weak domestic demand. The finance ministry announced on May 8 that 70 percent of the budget will be executed within three months to maximize its impact (see AiR No. 19, May/2025, 2).

South Korea: Defense Acquisition Program Administration launches defense semiconductor projects

(kp) According to the Defense Acquisition Program Administration (DAPA) on May 19, South Korea has designated five key projects to advance semiconductor technologies specifically for military applications. The initiative marks a strategic push to enhance South Korea's ability to independently produce critical components used in advanced weapons systems. The selected projects include the development of semiconductors for small satellites and module platforms for Synthetic Aperture Radar (SAR) systems

on drones, as well as Active Electronically Scanned Array (AESA) radars. These technologies are essential for modern surveillance, targeting, and communications systems.

DAPA noted that the projects were chosen based on both technological trends and their feasibility for development. Four of the five initiatives are expected to be launched within this year. The announcement comes amid South Korea's broader effort to reduce reliance on foreign-made semiconductors, which are often embedded in critical military systems. As part of this strategy, DAPA established a specialized unit in September 2023 dedicated to developing, managing, and certifying defense-grade semiconductors in response to growing demand. By advancing its domestic capabilities, South Korea aims to ensure greater security and resilience in its defense supply chain. [The Korea Herald]

Taiwan: Hualien officials indicted over recall petition privacy breach

(lo) Three senior Hualien officials have been indicted for illegally accessing personal data from recall petitions targeting an opposition Kuomintang (KMT) lawmaker. The three officials allegedly ordered and carried out unauthorized field checks to verify petition signatures, actions legally reserved for the Election Committee. Residents reported surprise visits just days after over 2,000 signatures were submitted, raising concerns of political intimidation. [Taipei Times]

The incident comes amid a wave of recall campaigns on the island. The recall mechanism, enshrined in the Civil Servants Election and Recall Act, allows voters to unseat elected official's mid-term. Recall campaigns have targeted a total of 50 lawmakers from both ruling and opposition parties, mostly from the opposition party KMT. The same party announced in late April that it would start a recall campaign against DDP President Lai Ching-te (see Asia No. 17, April/2025, 5). [NHK]

In parallel, prosecutors in Pingtung are investigating alleged fraud in a recall effort against DPP lawmaker, where over 1,500 signatures were disqualified, 202 of them reportedly belonging to deceased individuals. 11 KMT officials were summoned for questioning, while the leader of the campaign was detained for suspicion of document forgery, illegal use of personal information, forgery without consent, and false proposals. Similar probes are underway in multiple cities. [Taiwan News, Channel News Asia]

Taiwan: Opposition proposals target defense budget and military pay structure

(yl) Taiwan's Ministry of National Defense has pushed back against two proposals by opposition lawmakers that challenge the government's defense funding priorities. The first would cut NTD 150 billion from a special NTD 410 billion budget aimed at bolstering whole-of-society defense resilience, including cyber defense and logistics capabilities. The ministry warned that the cut would undermine Taiwan's preparedness against hybrid and kinetic threats from China.

Separately, Defense Minister Wellington Koo criticized a legislative initiative from KMT legislator Hsu Chiao-hsin proposing increased compensation for military personnel. Koo argued that unilateral salary decisions by lawmakers infringe on executive authority and risk distorting the military's personnel structure. While proponents cited low pay and recruitment difficulties amid rising cross-strait tensions, the ministry emphasized the importance of coordinated budget planning.

Both debates reflect growing political contention over how Taiwan allocates its defense resources in a volatile security environment. [Taipei Times] [Taiwan News]

Taiwan: Constitutional Court to review amendments on own procedures

(yl) The Constitutional Court has agreed to review amendments to the Constitutional Court Procedure Act. These amendments set a two-month deadline for the president to nominate justices when seats are vacant, establish a minimum number of justices required for the court to operate, and require a 9-out-of-15 supermajority for the court to declare laws unconstitutional.

The amendments were passed in December 2024 by the opposition, which holds a majority in the Legislative Yuan, Taiwan's parliament, and were subsequently promulgated by President Lai Ching-te.

In January 2025, the Executive Yuan, Taiwan's Cabinet, submitted a proposal to reconsider the amendments, but it was rejected by the legislature. The Democratic Progressive Party (DPP) then filed for an injunction and a constitutional review. [Taipei Times]

Taiwan: Migrant groups protest to demand end to work term limits and broker system reform

(yl) On May 18, migrant worker advocacy groups protested in front of the Ministry of Labor in Taipei. The groups presented three demands at the protest, including the abolition of work term limits for blue-collar migrant workers, reforming processes for retaining mid-level skilled workers to ensure fairness, transparency and the protection of workers' rights, and replacing the broker system entirely with a direct hiring mechanism.

The 1992 Employment Service Act caps the stay of blue-collar migrant workers in Taiwan at 12 years, with certain exceptions. The Ministry of Labor (MOL) argues the limit on working years is intended to encourage migrants to switch to higher-skilled jobs. [Taipei Times]

A few days before the protest, the MOL said it was considering an increase in the number of migrant workers an employer can hire on the provision that it increases wages for local workers. [Taipei Times]

As of late March 2025, there were 830 000 foreign workers employed in the country. The National Development Council is estimating that the nation is to face a shortage of 400,000 workers by 2030. [Ministry of Labor] [Taipei Times]

Taiwan: Former CTBC Financial chairman jailed over fraud

(lo) Former vice chairman of CTBC Financial, a holding company whose subsidiary CTBC Bank is one of the largest privately owned banks in Asia, has been sentenced to over seven years in prison for his involvement in a 2005 property deal that caused NTD 100 million (USD 3.3 million)in losses to CTBC Financial. Along with three other former executives, Koo was found guilty of contravening the Securities and Exchange Act through related-party transactions and breach of trust. The court ruled that their actions disrupted financial market order. [Taipei Times]

The case forms part of a broader pattern of financial scandals involving CTBC and Koo, who was previously implicated in the 2006 "Red Fire" affair, which centered on an offshore company allegedly used to falsify financial records and hide bad loans. Although Koo was initially acquitted, the Supreme Court later

ordered a retrial, citing insufficient justification for the earlier decision. [Taipei Times]

Taiwan: Former Cabinet spokesperson found not guilty of bribery

(lm) A Taiwanese district court recently acquitted former Cabinet spokesperson Chen Tsung-yen of bribery charges due to insufficient evidence. The case, which began in 2013, involved allegations that Chen, while serving as director of Tainan's Civil Affairs Bureau, was bribed by nightclub operators.

Revived in early 2023, the case faced challenges due to the decade-long gap and the inability to locate key witnesses. Chen was indicted in August 2024, and he resigned after being accused of accepting sexual favors - but the court found no supporting evidence. [Focus Taiwan]

Taiwan: President Lai reaffirms end of nuclear era despite legal amendment

(lo/yl) On May 14, President Lai Ching-te reaffirmed that the last operational nuclear reactor in Taiwan, the Ma-anshan Nuclear Power Plant's No. 2 reactor, cannot have its license extended or be restarted without a thorough evaluation, despite a legislative amendment extending its operations passed just days before its scheduled decommissioning.

The new law allows reactors to operate for up to 60 years, but Lai stressed that scientific review, public consensus, and solutions for nuclear waste remain essential conditions (see Asia in Review, No. 18, May/2025, 1). [Taiwan News] [Focus Taiwan]

Taiwan depends almost entirely on imported fossil fuel for its energy source. In the face of Chinese blockade, the island has enough liquefied natural gas and coal reserves to last for 11 to 30 days. [France 24]

Opposition party threatens to block Taipower bailout over nuclear reactor extension

In response, Taiwan's main opposition party, the Kuomintang (KMT), has demanded that the government extend the service life of the Ma-anshan Nuclear Power Plant's No. 2 reactor in exchange for approving a proposed NTD 410 billion (USD 13.6 billion) bailout for state-run utility Taipower. The reactor is scheduled for decommissioning on May 18,

as part of Taiwan's nuclear-free energy transition policy.

KMT lawmakers argue that the extension would provide NTD 200 billion (USD 6.6 billion) in economic value, citing international examples and potential US assistance on nuclear waste disposal. In contrast, Taipower, the Ministry of Economic Affairs, and President William Lai maintain that extending the aging reactor would pose serious safety and legal risks. They emphasize the absence of a valid safety evaluation mechanism and the reactor's lack of storage capacity for spent fuel.

The proposal follows a controversial recent legislative amendment that allows nuclear reactors to operate beyond the original 40-year limit, drawing criticism from environmental groups and government officials. The Executive Yuan, Taiwan's Cabinet, has not agreed to implement the amendment due to the reactor's imminent shutdown and unresolved regulatory issues. [Taipei Times]

Taiwan: Government boosts smart robotics amid AI boom and trade challenges

(lo) The Executive Yuan, Taiwan's Cabinet, approved an ambitious plan to accelerate the development of Taiwan's smart robotics industry, targeting a leap in production value from NTD 4 billion (USD 132 million) to NTD50 billion within five years. The initiative, proposed by the National Science and Technology Council (NSTC), aims to tackle Taiwan's growing labor shortages and the increasing demand for elderly care, while fostering a homegrown robotics supply chain. [Focus Taiwan] [Taipei Times]

By 2030, more than 24 percent of Taiwan's population is expected to be 65 or older, above the global average of 17 percent. This demographic shift will likely deepen labor shortages, as robotics could address this shrinkage. [National Development Council, World Health Organization]

With a combined NTD 20 billion budget, half allocated by the NSTC and half from the National Development Fund, the plan will focus on nurturing startups, developing key technologies, and building an industrial ecosystem. The government also plans to establish two major research centers in Tainan: a smart robotics research center in Shalun and an innovation and application R&D center in Liujia. [Taipei Times]

A giant AI supercomputer is also set to be built in partnership with Nvidia, Foxconn, Taiwan Semiconductor Manufacturing Company (TSMC) and the government of Taiwan. [Channel News Asia]

Taiwan: Oversight to be tightened after Chinese components found in military drone prototype

(yl) Taiwan's Ministry of National Defense pledged to enforce tighter supply chain controls after Chinese-made components were found in a prototype of the Rui Yuan II indigenous military drone. The unmanned aerial vehicle, developed by the National Chungshan Institute of Science and Technology, was found to contain China-made communication modules and SD cards during an import inspection.

Defense Minister Wellington Koo stated that drones used in military applications must be free of "red supply chain" components, and stricter protocols will be implemented once the model enters mass production. The institute has already required contractors to replace Chinese parts with domestic alternatives and to develop verified non-Chinese sourcing pathways.

Although the drone is still in the R&D phase, the incident has raised concerns about oversight gaps in military procurement. Koo emphasized that transmission-capable components from Chinese sources are strictly prohibited and subject to a five-tier risk classification system. [Taipei Times]

Taiwan: Ramping up military readiness as Chinese army activity intensifies

(yl) In the span of four days, Taiwan's Ministry of National Defense (MND) recorded 131 Chinese military aircraft operating near the island, included 18 aircraft crossing the Taiwan Strait median line. The People's Liberation Army (PLA) has not acknowledged these operations publicly. During the month of May, Taiwan has tracked Chinese military aircraft 289 times and ships 174 times. [South China Morning Post] [Taiwan News 1]

In the meantime, Taiwan is also training its military readiness across several domains including live-fire drills, training for reservists, and army aviation annual exercises. The military is also modernizing its detection

capabilities with Hawk Eye radar systems, expected to be fully operational by 2026. In parallel, the Sky Bow IV missile system, capable of intercepting high-altitude ballistic threats, is moving toward full-scale production. [Taiwan News 2] [Taiwan News 3] [Taiwan News 4] [Taiwan News 5] [Taipei Times 1]

In addition, Taipei is in talks with "certain countries" to conduct joint humanitarian exercises in the Taiwan Strait, according to the Coast Guard Administration. [Taipei Times 2]

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Bangladesh: Reform taskforce concludes first phase of talks with political parties

(lm) The National Consensus Commission, established in February to consider the recommendations from six reform commissions on the election system, public administration, judiciary, and anti-corruption, has wrapped up the first phase of its dialogues with political parties. This marks the conclusion of two months of discussions aimed at building consensus on key state reforms.

Led by Chief Adviser Muhammad Yunus, the commission began talks in March 2025 and engaged with 33 political parties, including major players like the Bangladesh Nationalist Party (BNP), the Islamic party Bangladesh Jamaat-e-Islami (Jamaat), and the National Citizen Party (NCP), which emerged earlier this year from two student-led groups behind last year's mass protests.

While the discussions have resulted in agreements on several reform issues, differences remain, particularly over changes to the country's constitutional name, the introduction of a bicameral parliament, and reforms to the electoral system.

The vice-chairman of the commission announced that the second phase of talks will soon begin, with a focus on resolving these disagreements and advancing the process of drafting a National Charter. The commission aims to finalize a national consensus on reforms by mid-July. [The Daily Star] [Prothom Alo]

Bangladesh: Advisory Council blocks redefinition of 'freedom fighter,' approves limited legal revisions

(lm) (lm) Bangladesh's Advisory Council, the top policy advisory body under the current interim government, has rejected a controversial proposal to amend the legal definition of "freedom fighter" (Bir Muktijoddha), rejecting a Ministry of Liberation War Affairs plan that sought to divide wartime contributors into two categories.

At its 28th meeting on May 15, the council decided to retain the existing definition, which includes both combatants and civilian contributors such as doctors, artists, journalists, and so-called Mujibnagar officials—those who served in the provisional government-in-exile that led the 1971 Liberation War from Indian territory. The ministry's draft had sought to distinguish between *Bir Muktijoddha* (those who fought or directly supported combat operations) and *Muktijuddher Shohojogi* (associates of the Liberation War), a move critics said would erode the inclusive spirit of what is remembered as a broad-based popular struggle.

The Cabinet Division's legal experts had previously cautioned the ministry that the redefinition could result in legal ambiguity and public resistance. Historians and rights groups have similarly argued that reducing civilian contributors to a secondary category undermines the war's collective legacy and risks politicizing access to pensions, recognition, and symbolic authority. [The Daily Star 1]

While the proposed redefinition was rejected, the Advisory Council conditionally approved other amendments to the National Freedom Fighters' Council (Amendment) Ordinance 2025. These include changes to financial procedures and the removal of several references to *Bangabandhu Sheikh Mujibur*

Rahman—the country's founding leader and father of ousted former Prime Minister Sheikh Hasina—who remains a central figure in Bangladesh's independence narrative. The revised ordinance will now be reviewed by the Legislative and Parliamentary Affairs Division before further action. [The Daily Star 2]

Bangladesh: Supreme Court to deliver verdict on Islamist party's registration appeal June 1

(lm) Bangladesh's Supreme Court has scheduled June 1 to deliver its verdict on Jamaat-e-Islami's appeal challenging a 2013 High Court ruling that revoked the party's registration with the Election Commission (EC). A four-member Appellate Division bench concluded hearings on the case early last week.

Jamaat-e-Islami, a prominent Islamist party and long-time ally of the former ruling Awami League's main rival Bangladesh Nationalist Party (BNP), lost its registration after petitioners argued that the party's charter contradicted the country's secular Constitution. The case was initiated in 2009 by leaders of the Bangladesh Tariqat Federation, a smaller party representing Sufi-oriented Islamic groups that oppose Jamaat's political ideology.

The EC officially deregistered Jamaat in October 2018, preventing it from fielding candidates under its banner in subsequent elections. However, the party has remained politically active through alternative platforms.

Notably, just weeks before her ouster in August 2024, then-Prime Minister Sheikh Hasina signaled a controversial reversal by indicating that Jamaat could be allowed to re-register if it amended its charter—an overture widely seen as a tactical move amid growing political pressure. The pending verdict will now determine whether the party can regain its legal status and contest future elections as a registered entity. [The Daily Star]

Bangladesh: Protests escalate over delayed mayoral swearing-in

(lm) Supporters of Ishraque Hossain, a prominent figure from the Bangladesh Nationalist Party (BNP), have been protesting at the Dhaka South City Corporation (DSCC) headquarters since last week,

demanding his immediate swearing-in as mayor. The DSCC, which oversees the southern part of Dhaka, is responsible for managing municipal services such as waste management, public health, and urban planning. Ishraque was declared the rightful mayor by a court in late March, and the Election Commission issued an official gazette confirming his victory, but his appointment has been delayed. [The Daily Star 1] [The Daily Star 2]

BNP leader officials has warned that the situation may escalate into a larger movement if Ishraque is not allowed to take office soon. They criticized the government for disregarding the court order and undermining democracy. [The Daily Star 3]

Bangladesh: Anti-graft body intensifies efforts against Hasina family amid expanding corruption probes

(lm) Bangladesh's Anti-Corruption Commission (ACC) is intensifying its legal offensive against ousted former Prime Minister Sheikh Hasina, her close relatives, and senior state officials as part of a widening corruption crackdown under the interim administration. The moves involve efforts to revive quashed cases, execute pending arrest warrants, and seek the repatriation of key accused figures currently abroad.

On May 18, a Dhaka court again directed police to submit progress reports—by June 25—on the execution of arrest warrants issued in a high-profile corruption case involving the unlawful allocation of land plots in the Purbachal New Town project. The 18 accused include Hasina, her daughter Saima Wazed Putul, her sister Sheikh Rehana, and Rehana's children: UK Member of Parliament Tulip Siddiq, Radwan Mujib Siddiq, and Azmina Siddiq. Hasina and several co-accused are alleged to have colluded with senior officials of the capital development authority to allocate six premium diplomatic plots to close family members in violation of regulations. The Anti-Corruption Commission filed six cases related to these allocations earlier this year, all of which have now proceeded to the stage of court-issued arrest warrants. [The Daily Star 1]

In parallel, the ACC has moved to revive an 18-year-old corruption case against Hasina, originally filed in 2007 during a military-backed caretaker government, over alleged irregularities in the setting up of a barge-mounted power plant in Khulna. On March 5, the ACC submitted a leave-to-appeal petition to the Supreme Court, seeking to overturn a 2010 High Court verdict

that had quashed the trial proceedings. The Commission also requested condonation for a 5,452-day delay in filing the petition. A hearing has been scheduled for July 15. [The Daily Star 2]

As Hasina fled to India in August 2024 amid widespread anti-government protests, the ACC is now also seeking her repatriation under a 2011 prisoner exchange agreement—ironically signed during her own tenure. The Commission has warned that it may escalate the matter to Interpol if cooperation is not forthcoming. [The Daily Star 3]

Bangladesh: Legal pushback against cases targeting opposition party continues

(lm) The wave of legal reassessments concerning cases filed against leaders of the opposition Bangladesh Nationalist Party (BNP) during the tenure of former Prime Minister Sheikh Hasina's Awami League government continues, following her ouster in August 2024. Two new developments mark the latest iterations of this trend.

On May 20, a Dhaka court accepted a petition accusing former Anti-Corruption Commission (ACC) chairman Hasan Mashhud Chowdhury and three senior officials of filing false graft cases to politically harass opposition leaders Khaleda Zia, a former prime minister and archrival of Hasina, and her son, Tarique Rahman, who is currently serving as acting chairman of the main opposition Bangladesh Nationalist Party (BNP). The case is set for preliminary judicial review on May 25. [The Daily Star 1]

This move follows a separate ruling by the High Court granting bail to Zubaida Rahman, the wife of Tarique, in a 2007 corruption case. Convicted in absentia in 2023 and sentenced to three years in prison, she returned to Bangladesh earlier in May after 17 years abroad and successfully filed a delayed appeal. The court stayed enforcement of her sentence and a BDT 3.5 million (USD 30,000) fine. The original charges concerned alleged illicit accumulation of BDT 48.2 million (USD 400,000) and concealment of BDT 21.6 million (USD 180,000) in assets. [The Daily Star 2]

Bangladesh: Court reduces sentences for Islamist militants in 2001 New Year's bombing case

(lm) Bangladesh's High Court has reduced the sentences of ten members of the banned militant group Harkat-ul-Jihad al-Islami (Huji), convicted in connection with a deadly bombing during Bengali New Year celebrations in 2001 that killed ten people and injured dozens. Huji, a South Asia-based Islamist militant organization with links to Afghan training camps, was banned in Bangladesh in 2005 for its role in a string of attacks on public figures and secular institutions.

The High Court commuted several death sentences to life imprisonment and reduced other life terms to ten years. One life sentence was upheld. The court noted the severity of the crime but rejected the trial court's earlier death references.

Of the 14 men convicted in the case, two have died in custody, and one—Huji leader Mufti Abdul Hannan—was executed in a separate case in 2017. A parallel prosecution under the Explosive Substances Act is still ongoing and may delay the release of some convicts who have already served their reduced sentences. [The Daily Star]

Bangladesh: Supreme Court adjourns review hearings on Warrant of Precedence to July

(lm) Bangladesh's Supreme Court has postponed to July 1 the hearing of two long-pending review petitions challenging its 2015 judgment on the Warrant of Precedence—a document that determines the formal ranking of state officials. The Appellate Division bench issued the adjournment on its own motion after beginning review proceedings on April 27.

The legal dispute began in 2010 when the High Court declared the then-existing Warrant of Precedence unlawful, ordering the government to revise the hierarchy to elevate district judges above military chiefs and secretaries. The government appealed, but in 2015 the Supreme Court upheld the High Court's core findings. The full verdict, released in 2016, reaffirmed that constitutional functionaries—such as the chief justice and judges—should receive priority and that district judges should hold status equal to secretaries.

In 2017, the cabinet secretary and the Public Service Commission chairman filed review petitions. The case has since expanded, with 90 state law officers now listed as parties. [The Daily Star]

Bangladesh: Foreign ministry unsettled amid reports of foreign secretary's removal

(lm) A climate of uncertainty has gripped Bangladesh's Ministry of Foreign Affairs following reports that Foreign Secretary Masud Bin Momen's successor, Jashim Uddin, is set to be removed from his post. While no official reason has been given, sources within the ministry suggest the decision is linked to online campaigns portraying some officials as beneficiaries of the ousted Awami League regime of ex-Prime Minister Sheikh Hasina.

Adding to the unease is the absence of Sufiur Rahman, a former ambassador appointed nearly a month ago as Special Assistant to the Chief Adviser, who has not yet assumed his post at the ministry despite a formal Cabinet Division order. Ministry officials remain divided over his anticipated role, and Rahman has declined to comment publicly. [The Daily Star]

Bangladesh: UN team planning Dhaka visit for talks on enforced disappearances

(lm) The United Nations Working Group on Enforced or Involuntary Disappearances plans to visit Dhaka to discuss ongoing issues related to enforced disappearances in Bangladesh. The visit follows the group's technical cooperation with the country's Commission for Inquiry on Enforced Disappearances, which began in 2024.

The Working Group has held several meetings with the Commission, which reported receiving 1,752 complaints of enforced disappearances, of which 1,000 have been investigated. Notably, 330 cases remain unresolved, with the individuals still unaccounted for. [The Daily Star]

Bangladesh: Multiple incidents raise concerns over safety and legal pressure on journalists

(lm) A series of recent incidents involving physical assault, legal threats, and arrests have drawn renewed attention to the challenges facing journalists in Bangladesh.

In Lalmonirhat, three journalists were physically attacked and their equipment seized after reporting on an arson attack tied to a previous attempted rape case. Police have received formal complaints from both the journalists and the family of the initial victim, and an investigation is ongoing. [The Daily Star 1]

In Narayanganj, media professionals, rights groups, and civil society members held a public demonstration on May 18 calling for the release of a detained reporter and the withdrawal of what they described as politically motivated charges. The reporter was arrested following a police operation targeting a former mayor, but colleagues claim he was not present at the scene and accuse authorities of using fabricated charges to stifle critical reporting. [The Daily Star 2]

Separately, in Chattogram, 37 individuals—including at least 26 journalists—have been named in an attempted murder case filed by a lawyer affiliated with the opposition Bangladesh Nationalist Party (BNP). The complainant alleges the accused were involved in an attack during mass protests in May 2024. However, local journalist unions reject the accusations, claiming those now facing charges were in fact assaulted themselves and had previously received threats from the complainant. [The Daily Star 3]

Bangladesh: Police clash with students during protest march for university funding reforms

(lm) On May 14, Police in Dhaka used batons and tear gas to disperse students from Jagannath University (JnU), a public university located in the capital, as they marched toward the Prime Minister's residence area. The students were demanding increased government funding, a housing allowance, and improved academic facilities. At least 25 students were taken to hospital for injuries or tear gas-related illness. [The Daily Star]

Bangladesh: Legal experts and women's rights advocates critize unequal inheritance laws

(lm) Legal experts and women's rights advocates in Bangladesh are calling for urgent reform of the country's inheritance laws, warning that the current system entrenches gender inequality and stands in direct contradiction to the founding vision of the

country's 1971 independence war—a secular and egalitarian society.

At the heart of the debate is the continued application of the 1961 family law, which governs personal status and inheritance across religious communities. Under this framework, women are legally entitled to only a fraction of the property allotted to their male counterparts, reinforcing a gender hierarchy that persists despite constitutional commitments to equality.

Advocates propose the adoption of a secular, unified family code that would guarantee equal inheritance rights for all citizens, regardless of gender or religious affiliation. Critics also warn of rising religious conservatism in legal and public discourse, with groups such as Hefazat-e-Islam—a hardline Islamist movement with roots in Qawmi madrasa networks—resisting reforms and promoting narratives that frame gender equality as a threat to tradition. Reformers counter that such positions distort both Islamic principles and the historical foundation of the Bangladeshi state. [The Daily Star]

Bangladesh: Garment workers threaten nationwide shutdown over unpaid wages and bonuses

(ms) (lm) Garment workers in Bangladesh earlier this week issued a five-hour ultimatum demanding immediate payment of unpaid wages, Eid bonuses, and service benefits, warning of a nationwide shutdown if their demands remain unmet. The announcement came during a rally on May 18 outside the Labor Ministry, where workers from eight factories under the TNZ Group, a mid-sized Bangladeshi garment manufacturer, gathered to escalate their protest.

The dispute stems from months of unresolved payment issues. Workers claim that the company has repeatedly broken promises, including a March 29 commitment—facilitated by the government—to pay BDT 30 million (USD 255,000) of the BDT 170 million (USD 1.45 million) owed. Only BDT 26.7 million (USD 227,000) has reportedly been disbursed so far, and that too with delays and complications. A government-formed tripartite committee had set May 7 as the final deadline for settlement, but workers say the agreement has not been honored and updates from the authorities have been lacking.

Protests have continued for two months in both Gazipur and Dhaka, including sit-ins, road blockades, and marches. [Dhaka Tribune]

Bangladesh: Budget cuts target most ministries in FY 2025–26 development program

(lm) Bangladesh's interim government is set to reduce allocations for eight of the top ten ministries and divisions under the upcoming fiscal year's Annual Development Programme (ADP), reflecting an emphasis on austerity and the avoidance of new mega-projects. The draft ADP for fiscal year 2025–26, which was expected to be finalized earlier this week, proposes BDT 1.63 trillion (approximately USD 13.69 billion) for the ten largest ministries, accounting for 70 percent of the total development budget.

The railway ministry faces the sharpest cut, with its allocation nearly halved to BDT 77.15 billion (approximately USD 648 million) due to limited foreign funding and the completion of major projects. The power division will see a 30.5 percent reduction to BDT 202.84 billion (approximately USD 1.70 billion). The primary and mass education ministry and the health services division will also receive significantly less funding.

In contrast, two sectors will receive increased resources. The road transport and highways division is allocated BDT 323.3 billion (approximately USD 2.72 billion), the second-highest overall, while the secondary and higher education division will receive BDT 136.25 billion (approximately USD 1.14 billion). Local government retains the highest single allocation at BDT 360.99 billion (approximately USD 3.03 billion), as the government seeks to boost temporary rural employment through local-level spending.

The overall ADP is projected at BDT 2.3 trillion (approximately USD 19.34 billion), a 6.5 percent increase over the revised budget for the current year. However, both domestic and foreign funding sources are set to shrink. Implementation remains a concern, with only 36.65 percent of this fiscal year's ADP spent as of March—the lowest rate in at least 15 years. The final development and non-development budgets are due to be announced on June 2. [The Daily Star]

Bangladesh: IMF clears USD 1.3 billion in loan tranches, government seeks USD 762 million more

(lm) Bangladesh has reached a staff-level agreement with the International Monetary Fund (IMF) for the release of the fourth and fifth tranches—totaling USD 1.3 billion—under its ongoing USD 4.7 billion loan program. The government has also formally requested an additional USD 762 million to address continued macroeconomic pressures. Final approval from the IMF board remains contingent on the full implementation of agreed reforms in monetary, fiscal, and exchange rate policy. [The Daily Star 1]

A centerpiece of these reforms is the transition to a more flexible, market-based exchange rate regime announced by the country's central bank, the Bangladesh Bank (BB), on May 14. The central bank repealed prior restrictions on currency trading margins and reinstated a pricing framework that allows banks to freely negotiate exchange rates for both interbank and customer transactions. While not a fully floating currency system, the shift marks a formal move toward managed flexibility in line with IMF conditionality. [The Daily Star 2]s

To meet the IMF's fiscal conditions, the government pledged to raise BDT 300 billion (USD 2.46 billion) in additional tax revenue in the next fiscal year. Measures include raising the value-added tax to a standard 15 percent, removing exemptions, and dissolving the National Board of Revenue—replacing it with two separate divisions under the finance ministry to split tax policy from administration. The restructuring was also a longstanding World Bank recommendation. [The Daily Star 1] [The Daily Star 3]

As of May 7, Bangladesh's foreign reserves stood at USD 20.29 billion, with expectations they will grow as the IMF disbursement and other multilateral support arrive. In total, Bangladesh expects to secure an additional USD 2 billion in budget support from the World Bank, Asian Development Bank (ADB), Asian Infrastructure Investment Bank (AIIB), Agence Française de Développement (AFD), and the OPEC Fund for International Development by June. That would bring combined external inflows to around USD 3.3 billion. The ADB alone is providing USD 900 million, of which USD 500 million is tied to banking sector reforms and USD 400 million to climate resilience initiatives. [The Daily Star 1]

Bangladesh: World Bank approves USD 270 million for flood recovery and climate resilience

(ms) The World Bank has approved USD 270 million for the Bangladesh Sustainable Recovery, Emergency Preparedness, and Response (B-STRONG) Project, aimed at helping Bangladesh recover from the August 2024 floods and build climate resilience. The funds will be used to rebuild flood protection infrastructure, such as multi-purpose flood shelters, embankments, and roads, benefiting around 1.6 million people. The project will also provide temporary employment, skills training, and support for farm households with climate-smart technologies. It addresses both immediate recovery and long-term adaptation to climate-related disasters. [The Daily Star] [Financial Express]

Bangladesh: Economists express concern over lack of economic reforms

(lm) Economists in Bangladesh have voiced concerns over the interim government's failure to implement key economic reforms, despite the publication of a white paper and recommendations from various taskforces. Economists pointed out that while some progress had been made on issues like inflation and foreign exchange stability, the overall trajectory of economic reform remains stagnant. They emphasized the need for structural changes, including addressing anti-equity biases and improving revenue mobilization.

Criticism was directed at the national budget, with concerns over the large share of revenue allocated to operating costs, leaving little room for investments in poverty alleviation. The economists also highlighted that much of the social security funds do not reach the intended beneficiaries, further exacerbating inequality.

Additionally, the upcoming fiscal year's budget is expected to be shaped by three main deficits: lack of cooperation, poor coordination, and limited transparency. The economists stressed the need for comprehensive economic reforms that go beyond short-term measures to ensure sustainable growth and equity.

Political figures from the main oppositition Bangladesh Nationalist Party have also weighed in on the economic situation, with criticism directed at the budget's assumptions and its continuity from the previous government. Some leaders have argued that the

current budget continues policies from the previous administration of ousted ex-Prime Minister Sheikh Hasina, which they criticized for fostering excessive control over business and commerce, leading to corruption.

Further criticisms were raised regarding the outdated frameworks in Bangladesh's labor migration system, with the lack of qualified trainers for migrant workers highlighting systemic failures. [The Daily Star] [Dhaka Tribune]

Bangladesh: Interim government aims to transform country's principial seaport into global logistics hub

(lm) The interim government of Bangladesh has announced plans to transform Chattogram Port, the country's principal seaport, into a world-class maritime hub by involving top international port management firms. Interim leader Muhammad Yunus made the remarks during his first visit to the port city since taking office, describing the port as the "heart" of Bangladesh's economy, emphasizing importance of regional integration and noting the potential benefits for Nepal and India's northeastern states if connected to the port. [The Daily Star]

Bangladesh: Over 48,400 arrests in one month

(lm) Bangladesh has seen a significant rise in arrests, with more than 48,400 individuals detained over the past month, marking an average of around 1,560 arrests per day. This is higher than the daily average during the earlier "Operation Devil Hunt" earlier this year.

The highest number of arrests occurred on May 10, when 2,271 individuals were detained following former President Abdul Hamid's departure, which sparked protests. The crackdown escalated after the government banned the activities of the Awami League (AL) and its affiliated bodies on May 12, accusing them of involvement in violence during last year's mass uprising which led to the ouster of the AL administration led by ex-Prime Minister Sheikh Hasina.

Police have intensified their efforts, particularly targeting leaders and activists of the banned AL and its affiliated organizations. Flash processions organized by

the banned Chhatra League (the student wing of AL) and other AL-affiliated groups have been swiftly met with arrests.

The surge in arrests has contributed to a rise in prison populations, with certain jails, such as in Chattogram, experiencing increased inmate numbers. [The Daily Star]

Bangladesh: Dismissed armed forces personnel suspend protest as army reviews hundreds of appeals

(lm) Dismissed members of Bangladesh's armed forces suspended their protest on May 18 after day-long demonstrations in Dhaka and negotiations with military representatives. The group demanded reinstatement or pension access, disciplinary reform, and the release of detained coordinator, a former soldier. Protesters agreed to halt their sit-in after receiving verbal assurances but warned they would resume action if written commitments are not delivered by May 19. [Dhaka Tribune]

The protest coincided with a broader institutional initiative: Bangladesh's military has established a high-level board to review 802 formal appeals from former personnel challenging their dismissals or disciplinary sanctions. According to army sources, 106 cases have already been forwarded for resolution, while 696 remain under review. The review effort has been framed as part of both administrative responsibility and humanitarian consideration, amid growing public dissatisfaction over perceived injustices in past dismissal procedures. [The Daily Star]

Bangladesh: Ex-soldier and two others detained for alleged plot to incite unrest

(lm) Three individuals were detained in Dhaka for allegedly planning subversive activities and attempting to incite disorder. The primary suspect, identified as a former soldier dismissed for disciplinary violations, had reportedly been coordinating with other dismissed military personnel since August 2024 and was preparing to organize a disruptive rally near Dhaka Cantonment on May 18. [The Daily Star]

Bhutan: Debate over whether convicted lawmakers should remain in office

(lm) Bhutan is currently debating whether convicted lawmakers should remain in office. A member of the opposition, convicted of child molestation by the Trongsa District Court, continues to hold their position despite an appeal and ongoing legal proceedings. The case has sparked discussions on whether lawmakers should be held to the same ethical and legal standards as other citizens.

While Bhutanese law presumes innocence until a final verdict is delivered by the Supreme Court, the lack of parliamentary action during the appeal process raises concerns. Critics argue that the lawmaker's continued role in Parliament undermines public trust and allows misuse of public resources, as they still receive salary and benefits.

Legal experts highlight the moral responsibility of elected officials, pointing to past cases where MPs resigned after serious convictions. However, the Bhutanese Constitution allows appeals, and no action has been taken by Parliament to address the case. The lack of clarity on whether MPs should serve during legal appeals for serious crimes highlights a gap in the current process. [Kuensel]

Bhutan: GDP grows by 6.06 percent in 2024, driven by strong industrial performance

(lm) Bhutan's economy expanded by 6.06 percent in 2024, reaching BTN 273.3 billion (USD 3.28 billion), up from BTN 249.4 billion (USD 2.99 billion) in 2023. According to provisional data, the growth was largely driven by a strong fourth-quarter performance, which saw GDP rise by 6.86 percent compared to the previous year.

The industrial sector led this recovery, growing by 14.64 percent in the final quarter, driven by surges in construction and electricity output. Agriculture also showed improvement with a 3.16 percent increase, while the service sector's growth slowed slightly to 4.15 percent.

Despite growth across all sectors, the share of the industrial sector in GDP declined from 35.55 percent in Q4 2023 to 26.32 percent in Q4 2024. Services remained the largest contributor at 54.93 percent, followed by industry and agriculture. [Kuensel]

Bhutan: Over USD 27.4 million in loans approved under economic stimulus program

(lm) Bhutanese financial institutions have approved BTN 2.28 billion (USD 27.4 million) in loans under the government's Economic Stimulus Program (ESP), which includes two concessional financing windows aimed at supporting post-pandemic economic recovery.

Window-I, designed to provide collateral-free loans at a four percent interest rate, accounts for BTN 1.67 billion (USD 20.1 million) of the total. The Bhutan Development Bank Limited (BDBL) alone received nearly 4,000 applications, approving over 1,400 and disbursing BTN 754.7 million (USD 9.1 million) to date. Agriculture projects received the highest number of applications, followed by small-scale production and manufacturing ventures.

Window-II, the Reinvigoration Fund, provides interest subsidies on both existing and new loans. A total of BTN 609.5 million (USD 7.3 million) has been approved for 173 applications. Under Modality-I (subsidies on existing loans), the Bank of Bhutan approved the largest amount, followed by Druk Punjab National Bank and Bhutan National Bank. Under Modality-II (subsidies for new loans), BDBL approved the highest number of applications. [Kuensel 1]

In related updates, on May 16, the National Assembly's Economic and Finance Committee (EFC) conducted a public hearing to review the implementation of the ESP. During the hearing, several issues were raised, including delays in fund disbursement, low public awareness, and the exclusion of certain economic sectors, particularly agriculture, from the program. Additionally, the ESP's limitations on businesses with non-performing loans (NPLs) were discussed, with officials clarifying that the program was not a bailout plan. There were also calls for greater awareness of the program at the local government level.

The EFC will compile a report on the findings from the public hearing and submit recommendations to the House during the third session of the fourth Parliament, which begins on May 23. [Kuensel]

Bhutan: Government to review private sector's strategic proposal for current Five-Year Plan

(lm) The Bhutanese government is reviewing a proposal from the Bhutan Chamber of Commerce and Industry (BCCI) outlining models for increased private sector engagement in the implementation of the 13th Five-Year Plan, which is currently underway (2024–2029). The Plan sets national development priorities across sectors and emphasizes economic diversification, innovation, and private sector participation.

Presented last month, the BCCI proposal recommends four modes of collaboration—privatization, outsourcing, partnerships, and direct collaboration—to inject private expertise into service delivery and development efforts. While past mechanisms for public-private dialogue have become inactive, the BCCI called for a more institutionalized platform for sustained engagement. [Kuensel]

India: Supreme Court considers Waqf (Amendment) Act challenges

(lm) India's Supreme Court began hearing petitions on May 20 challenging the constitutional validity of the Waqf (Amendment) Act, 2025, which was passed in April. The Act, which deals with waqf properties—those dedicated by Muslims for religious or charitable purposes—has sparked concerns over its potential impact on minority rights and waqf assets. Waqf properties cannot be sold or transferred once declared, but the 2025 amendments have raised issues regarding retroactive loss of waqf status and the inclusion of non-Muslims in waqf boards.

The government has asked the Court to limit its review to three specific concerns: the power to denotify properties declared as waqf, the composition of state waqf boards, and the process by which properties are classified as waqf or government land. These matters are significant as they raise questions about the scope of retroactive changes to waqf status and the role of non-Muslims in managing waqf properties. [Business Standard]

The Centre has argued against a blanket stay on the law, defending its constitutionality and assuring the Court that no waqf properties will be denotified or any new appointments made to the Central Waqf Council until further orders. The Supreme Court is expected to consider granting interim relief based on the issues raised by the petitioners [The Hindu]

India: Nine arrested on espionage charges following military escalation with Pakistan

(lm) In the wake of heightened tensions following a deadly terrorist attack in Indian-administered Kashmir, India has arrested nine individuals across several states on espionage charges. The arrested individuals, which include students, security personnel, and a travel vlogger, are accused of collaborating with Pakistani intelligence operatives. One of the notable cases involves a YouTuber who allegedly shared sensitive military information with Pakistan after visiting the country multiple times. [BBC] [NDTV]

In a separate political controversy, Indian opposition leader Rahul Gandhi accused External Affairs Minister S. Jaishankar of compromising national security by revealing India's operational plans during Operation Sindoor. Jaishankar informed Pakistan's military that Indian strikes were targeting terrorist infrastructure, not military installations, at the outset of the operation. Gandhi labeled the disclosure a "crime" and questioned how many aircraft India had lost as a result. The Ministry of External Affairs later clarified that the communication with Pakistan occurred after the operation commenced, and Gandhi's statement was a misrepresentation. [The Indian Express]

India: BR Gavai sworn in as 52nd Chief Justice, first Buddhist to hold post

(lm) Justice Bhushan Ramkrishna Gavai was sworn in as the 52nd Chief Justice of India on May 14. Gavai is the first practicing Buddhist to assume the role and will serve a tenure of over six months until November 23, 2025. He had previously been appointed to the Supreme Court in May 2019.

Speaking after the ceremony, Gavai paid tribute to Mahatma Gandhi, leader of India's non-violent independence movement against British rule, and B.R. Ambedkar, principal architect of the Indian Constitution and a prominent Dalit rights advocate. [Daily Mirror]

India: 11 acquitted in 2013 riot case due to lack of evidence

(kb) On May 14, a court acquitted 11 individuals accused of looting and arson during the 2013

communal riots in Muzaffarnagar, Uttar Pradesh, which were sparked by Hindu-Muslim tensions. The violence led to 62 deaths and displaced over 50,000 people. The court cited insufficient evidence and witness hostility as the primary reasons for acquittal. The accused were charged with setting fire to a local resident's home and stealing cash and jewelry. [BBC]

The charges were filed under Sections 436 (mischief by fire with intent to destroy a house) and 395 (dacoity) of the Indian Penal Code, following a police complaint from a local resident who alleged that his property was looted and burned during the violence, forcing him to seek refuge in a displacement camp. [Hindustan Times]

This ruling follows similar cases in which individuals accused in riot-related incidents were cleared for lack of evidence: in April 2025, 16 people accused of murder were acquitted, and 10 others were cleared in September 2024. [The Times of India]

India: Punjab urges central government to regulate use of methanol in alcoholic beverages

(kb) Punjab Finance Minister Harpal Singh Cheema urged India's central government on May 14 to regulate the use of methanol in alcoholic beverages under the Industries (Development and Regulation) Act. This call came after 23 people died from consuming spurious liquor containing methanol. The toxic substance, often used in alcohol production due to its low cost, can be poisonous and flammable when ingested. [Office of Economic Advisor] [Deccan Herald] [The Times of India]

India: Child protection laws require greater awareness and proactive enforcement

(rt) In a virtual consultation held on May 14, the National Commission for Protection of Child Rights (NCPCR)—a statutory body tasked with ensuring that laws and policies uphold children's rights in India—emphasized the need for greater awareness and proactive administrative action to improve enforcement of child protection laws.

The session focused on strengthening the implementation of the Protection of Children from

Sexual Offences Act, 2012, and the Child and Adolescent Labour Act, 1986. Key concerns included the need for coordinated inter-ministerial responses, fast-track courts for child sexual abuse cases, and uniform medico-legal reporting formats across the country.

The event brought together around 300 participants from central and state Ministries, police departments, State Commissions for Protection of Child Rights, and civil society organizations. [Hindustan Times]

India: Professor arrested over social media post on military operation

(lm) An associate professor at Ashoka University was arrested in New Delhi on May 18 following a complaint filed by a member of the ruling Bharatiya Janata Party (BJP). The professor was charged under sections of the Indian Penal Code for actions that could disturb communal harmony, incite rebellion, and insult religious beliefs. His arrest came after a social media post on May 8 where he commented on the media briefings about India's military operation in Pakistan, Operation Sindoor.

In his post, the professor criticized the presentation of two women officers leading the briefings. He highlighted the hypocrisy of celebrating the women officers while ignoring the persecution of Muslims in India, specifically referencing mob lynchings and property demolitions. His remarks were deemed disparaging to the women officers by the Haryana Women's Commission, which summoned him for questioning.

The professor's supporters, including academics and activists, defended his comments, asserting that he was addressing broader social issues, such as the protection of minority rights and the need for strategic restraint in military operations. [Al Jazeera]

India: Government blocks Chinese, Turkish state media accounts amid disinformation concerns

India has blocked access to several X (formerly Twitter) accounts belonging to Chinese and Turkish state media, including Xinhua, Global Times, and TRTWorld, citing concerns over the spread of disinformation that

accompanied the cross-border strikes and the eventual ceasefire reached with Pakistan on May 10.

The Indian embassy in China specifically criticized Global Times for publishing a claim—sourced to Xinhua—that the Pakistani air force had downed an Indian fighter jet, which Indian authorities denied as false. India's Press Information Bureau has also labeled circulating videos of fallen Indian aircraft as fake.

Since the conflict began on April 22 with a deadly terror attack in Kashmir, the Indian government has directed the platform X to block around 8,000 accounts, including those of Indian independent media outlets and journalists. It remains unclear whether the Chinese and Turkish accounts are part of that list.

India's action comes in the context of Beijing and Ankara's support for Islamabad. Turkey had condemned India's strikes as "provocative," while China reiterated its strong strategic ties with Pakistan and offered to mediate. [Deutsche Welle]

India: Coal imports cut by over 9 percent

(rt) India's coal imports decreased by 9.2 percent during the April 2024 to February 2025 period, falling from 242.6 million tons to 220.3 million tons compared to the same period in the previous fiscal year. This reduction resulted in foreign exchange savings of approximately USD 6.93 billion.

The most significant decline occurred in the Non-Regulated Sector, which refers to coal imports for industries outside government-set pricing regulations, where imports fell by 15.3 percent year-on-year. Despite a 2.87 percent increase in coal-based power generation, imports for blending by thermal power plants decreased by nearly 39 percent, reflecting efforts to reduce reliance on imported coal.

The Indian government has implemented initiatives such as Commercial Coal Mining and Mission Coking Coal to increase domestic coal production and further decrease imports. [ANI News]

India: Nation's largest integrated green energy project to be housed in Andhra Pradesh state

(kb) India's largest single-site integrated renewable energy plant is set to be developed in the southeastern

state of Andhra Pradesh by ReNew, a leading global renewable energy company. [ReNew]

The project follows discussions at the January 2025 World Economic Forum in Davos, where the Integrated Clean Energy Policy (ICE) was introduced by the National Democratic Alliance (NDA), a multi-party alliance led by Prime Minister Modi's Bharatiya Janata Party (BJP). ICE aims to establish Andhra Pradesh as India's clean energy hub, targeting the production of 1.5 million tons of green hydrogen per year and the creation of 25-30 GWh of clean technology manufacturing, including solar panels, wind turbines, batteries, and electrolyzers. The policy also seeks to attract further investments in the sector. [JMK Research]

ReNew's investment will proceed in phases, with the first phase involving USD 800 million for the development of 587 MW of solar, 250 MW of wind, and 415 MW of battery storage units. The project's ultimate goal is to generate 1,800 MW of solar, 1 GW of wind energy, and 2,000 MW of battery storage. The state government also aims to develop 72 GW of renewable energy over the next five years, a key priority supported by the NDA through various incentives to encourage investment and protect investor interests. [The Times of India]

India: 3-nanometer chips to be designed in the country for the first time

(rt) India has inaugurated its first advanced design facilities for 3-nanometer semiconductor chips, marking a milestone in the country's push to join the ranks of global leaders in chip innovation. The new centers, located in Noida and Bengaluru, will design cutting-edge chips domestically for the first time.

India has previously developed 7- and 5-nanometer chips, but the new 3-nanometer initiative is seen as a major technological leap. The announcement was made by the minister of electronics and information technology, who emphasized that the development marks "a new frontier" in India's semiconductor capabilities.

The minister outlined the country's comprehensive semiconductor strategy, which includes design, fabrication, ATMP (assembly, testing, marking, and packaging), as well as the development of supply chains for equipment, chemicals, and gases. He noted strong investor confidence expressed at global forums such as Davos and cited substantial investment

commitments from companies including Applied Materials and Lam Research.

The newly opened Semiconductor Design Centre in Uttar Pradesh is expected to serve as a cornerstone of India's national semiconductor ecosystem. The government aims to leverage local talent across the country to build a robust and self-sufficient high-tech manufacturing sector. [ANI News]

India: Government plans USD 6 billion defense boost after military strikes against Pakistan

(lm) India is preparing to raise its defense budget by INR 500 billion (USD 6 billion) in the wake of recent cross-border hostilities with Pakistan. If approved during the upcoming Winter Session of Parliament, the supplementary allocation would push total defense spending for fiscal year 2025/26 to over INR 7 trillion (USD 84 billion)—the highest in the country's history. This marks a continued increase following a 9.2 percent rise from the previous year and reflects the Modi administration's ongoing emphasis on defense modernization since 2014.

The announcement comes after "Operation Sindoor," India's large-scale military response to the April 22 terror attack in Pahalgam, Indian-administered Kashmir, which left 26 civilians dead. Indian forces conducted air strikes on nine suspected terror camps in Pakistan and Pakistan-administered Kashmir. In response, Islamabad launched missile and drone attacks on Indian military and civilian targets—most of which were intercepted by India's air defense systems. India then retaliated further, reportedly damaging Pakistani radar and air force infrastructure.

The planned funding increase will support research and development, weapons procurement, and the expansion of indigenous systems such as the Akash missile defense platform and the newly tested Bhargavastra anti-drone system. [NDTV]

Maldives: Parliament removes top court justices as constitutional crisis deepens

(lm) On May 14, the Maldives Parliament, dominated by President Mohamed Muizzu's People's National Congress (PNC), voted 68–11 to dismiss Supreme Court justices Dr. Azmiralda Zahir and Mahaz Ali Zahir over

allegations of abuse of power. The move follows months of intensifying concerns over the erosion of judicial independence, politicization of oversight institutions, and growing executive control—developments that collectively point to an unfolding constitutional crisis.

The crisis centers on controversial anti-defection amendments ratified by the PNC-majority Parliament in November 2024, which mandate the automatic removal of lawmakers who resign from, are expelled from, or switch parties, as well as independents who join parties after election. While Speaker Abdul Raheem Abdulla claimed on May 13 that the Constitution does not mandate seat forfeiture for party switching, his statement contradicts the express content of the amendments his own chamber ratified. Legal challenges followed, with a constitutional petition arguing the measures violate the basic structure of the Constitution. [The Sun 1]

On February 26, justices Azmiralda, Mahaz, and Husnu Al-Suood were suspended by the Judicial Service Commission (JSC) less than an hour before the Supreme Court was set to hear a petition on the anti-defection case. That same day, the PNC pushed through a separate amendment reducing the size of the Supreme Court bench from seven to five. Justice Suood resigned in protest; the other two became the subject of closed-door impeachment proceedings initiated by the JSC and expedited by the Judiciary Committee.

The allegations against the justices centered on claims they sought to influence a lower court ruling involving Azmiralda's husband, who was arrested in late 2024 but later released, with the case dropped for lack of evidence. Records show the alleged phone call from the justices occurred after the release, casting doubt on the basis for disciplinary action. Nevertheless, the Judiciary Committee—dominated by the ruling party—endorsed their dismissal without allowing the accused to mount a defense, ignoring warnings from Parliament's Counsel General about procedural violations. [The Sun 2] [The Sun 3]

The removal has paralyzed Supreme Court operations and sparked widespread condemnation. Opposition lawmakers boycotted the process, and protests erupted in Malé calling for Muizzu's resignation. International legal and human rights bodies—including the UN Special Rapporteur on the Independence of Judges and Lawyers—have warned that the dismissals threaten judicial independence and violate fundamental principles of due process. [Al Jazeera] [avas]

Maldives: Parliament approves revised bill to remove Attorney General's Office from civil service

(db/lm) On May 15, the Maldives Parliament passed a revised bill to separate the Attorney General's Office (AGO) from the civil service, granting it greater institutional autonomy. The bill had initially been rejected the day before, when 67 lawmakers voted against it and only one, from the ruling People's National Congress (PNC), supported it. It was then returned to the Judiciary Committee for major revisions. [avas]

The revised version, debated and adopted less than 24 hours later, passed with 66 votes in favor and six abstentions, benefiting from the PNC's parliamentary supermajority. The bill now establishes the AGO as a distinct government institution tasked with fulfilling the attorney general's constitutional duties outside the civil service framework. The move follows a recent structural reform that similarly removed the Foreign Ministry from civil service oversight to establish an independent foreign service.

Under the new legislation, the president will have the authority to appoint and dismiss the deputy attorney general, while the attorney general will be empowered to determine the office's internal structure. AGO employees will be classified under legal and administrative service tracks, with salaries set by the Finance Ministry in coordination with the National Pay Commission. The bill also includes provisions for health insurance and retirement benefits for long-serving staff.

In addition to restructuring, the bill outlines eligibility criteria, responsibilities, and standards for the attorney general and AGO staff, with the stated aim of enhancing the office's independence and capacity to carry out its legal and constitutional mandate. [The Sun]

Maldives: Parliament passes bill setting 1.5-year threshold for council by-elections

(lm) The Maldives Parliament has approved amendments to the Decentralization Act, mandating by-elections for local councils and women's development committees (WDCs) only if more than one and a half years—548 days—remain in a member's

term. Previously, by-elections were required unless only one year or less remained.

The bill, backed by the ruling People's National Congress (PNC), passed with a 55–11 vote. It aims to reduce the financial burden of frequent by-elections, which have been triggered by high resignation rates in local bodies. The changes passed the Decentralization Committee's review in an early-morning session on the same day.

Opposition members from the Maldivian Democratic Party (MDP) criticized the bill, arguing that it undermines local governance and deflects from the real issue of excessive political appointments. PNC MPs countered that most councils can function with minimal members and that immediate by-elections for every vacancy are unnecessary.

The current local council term is set to expire in May 2026. For 2025, MVR 2.15 billion (USD 139.75 million) has been allocated to councils through block grants. [The Sun]

Maldives: Ruling party blocks no-confidence motion against transport minister over rooftop fall case

(lm) On May 15, the Maldives Parliament rejected a no-confidence motion against Transport Minister Mohamed Ameen, using the ruling People's National Congress (PNC)'s supermajority to defeat the motion 54–11. The main opposition Maldivian Democratic Party (MDP) filed the motion following allegations that Ameen interfered in a police investigation into the case of 21-year-old Mariyam Yumnu, who was found seriously injured on the rooftop of a building in Malé in April.

Yumnu had been at a party allegedly involving drugs and alcohol, held at Ameen's family residence, before falling through a skylight at a nearby building. Ameen acknowledged that two of his nephews attended the gathering but denied knowledge of the event or any interference in the case. He admitted to calling the police commissioner during a press briefing but claimed the call was only to waive a warrant requirement to search his residence. The police later reported that CCTV footage from the house was unavailable due to broken cameras.

The MDP motion accused Ameen of abusing his authority and highlighted delays and omissions in the investigation, including the initial failure to name other

persons of interest—many of whom were connected to influential families. The police later confirmed that both Yumnu and one of the other attendees tested positive for narcotics.

The incident is now under review by a five-member presidential commission. [The Sun]

Maldives: Prosecutors consider charges against former Immigration chief in migrant extortion case

(lm) Maldivian police have requested the Prosecutor General's Office (PGO) to file criminal charges against former Immigration Controller General Mohamed Shamaan Waheed and four other Immigration officers for alleged corruption and abuse of authority. The request follows a high-profile investigation into the unlawful detention and extortion of expatriate workers in the capital Malé.

Shamaan, who was appointed to the top post in November 2023 shortly after President Mohamed Muizzu took office, was dismissed in March 2025. He was arrested the next day after arriving for questioning, and later had his appeal against pretrial detention rejected by the Supreme Court. Police also seized MVR 257,475 (USD 16,735), USD 10,000, and other foreign currencies from his residence during a raid.

The allegations center on a March 13 operation in which Immigration officers raided a migrant accommodation building and detained seven expatriates—all with valid documents—one of whom was found with MVR 530,000 (USD 34,450) in cash. That individual was released the same night upon Shamaan's urgent request and escorted to the Immigration office. According to investigators, the cash was returned to the expatriate, then secretly delivered —via a series of coordinated movements involving Immigration vehicles and officers—to Shamaan's residence. CCTV footage reportedly shows the cash-filled bag entering and exiting his home under suspicious circumstances.

The police allege that the officers misused their positions to extort funds from legal expatriate workers. The release of the expatriate and the alleged return of the confiscated money were facilitated by individuals with personal ties to some of the arrested officers.

Shamaan's family has denied all charges, claiming he was framed due to political motives. They allege that

Home Minister Ali Ihusan orchestrated the case in retaliation for Shamaan's earlier warnings to President Muizzu about corruption in the issuance of migrant quotas and work permits. The PGO is expected to decide within 15 days whether to prosecute the five suspects, who remain in police custody. [The Sun]

Maldives: Spending on subsidies down by 21 percent

(lm) Government spending on subsidies in the Maldives has decreased by 21.2 percent, dropping from MVR 1.4 billion (USD 90.7 million) during the same period last year to MVR 1 billion (USD 64.9 million) as of May 8. This reduction is partly attributed to global fuel price fluctuations. The government had budgeted MVR 1.86 billion (USD 120 million) for subsidies in 2025, of which 56 percent has been spent in the first four months of the year.

Meanwhile, the country's total revenue and grants have reached MVR 14.2 billion (USD 920 million), exceeding expectations and contributing to a budget surplus of MVR 1.9 billion (USD 123 million). Tax revenue, primarily driven by Goods and Services Tax (MVR 6.5 billion or USD 425 million) and Corporate Income Tax (MVR 1.2 billion or USD 78 million), accounts for 78 percent of total revenue.

Despite a decline in capital expenditure by 73.2 percent, recurrent spending remains high, with the government spending MVR 11.28 billion (USD 733 million), or 91.7 percent of the total expenditure. [The Sun]

Maldives: President Muizzu reaffirms pledge to set minimum fish purchase rate at USD 1.29

(lm) President Dr. Mohamed Muizzu reaffirmed his commitment to set the minimum fish purchase price at MVR 20 (USD 1.29) per kilogram, addressing local fishermen's primary concern during a meeting at the President's Office on May 19. This pledge was made during his 2023 presidential campaign and will replace the current practice of setting rates based on global prices.

During the meeting, fishermen also requested other measures to support the sector, including facilitating access to fuel at State Trading Organization (STO)

rates, introducing digital weighing scales, expanding fish weighing stations, and installing additional Fish Aggregating Devices (FADs). They also proposed a daily payment system for weighed fish and called for Ramadan bonuses for fishermen.

In response, President Muizzu confirmed that work was underway to implement a daily payment system and digitize the fisheries sector. He also promised to expand financial support for fishermen, including the introduction of bank loans tailored for them. Furthermore, he reiterated plans to expand ice plant facilities as part of ongoing projects.

On the matter of Ramadan bonuses, Muizzu assured that the government would extend the benefit to all eligible workers, including fishermen, with the distribution to be based on the official fishermen's registry. [The Sun] [avas]

Maldives: Imports at USD 304.5 million, export revenue at USD 18.9 million in April

(lm) In April 2025, the Maldives reported a total of MVR 4.7 billion (USD 304.5 million) in imports, while export revenue reached MVR 292 million (USD 18.9 million). This marked a 43 percent increase in exports compared to March, where exports were valued at MVR 204 million (USD 13.2 million).

Key imports included food items (MVR 1.02 billion or USD 66.2 million), fuel (MVR 905 million or USD 58.8 million), and machinery (MVR 718 million or USD 46.6 million), with the United Arab Emirates, India, China, Singapore, and Malaysia being the top exporters to the Maldives.

Exports primarily consisted of frozen and prepared tuna, with Thailand being the largest market, accounting for 64 percent of exports. [The Sun]

Maldives: Youths make up 80 percent of prison population

(lm) 80 percent of the Maldives' prison population consists of individuals under the age of 35, according to the Commissioner of Prisons. He called these young inmates the "future of the Maldives," urging them to focus on rehabilitation and contribute positively to society upon their release.

The majority of prisoners in the Maldives are incarcerated for drug-related offenses, particularly the possession and use of drugs. Other common crimes include theft and robbery, often committed to fund drug habits. The ongoing drug crisis in the Maldives has contributed to several social issues, including rising juvenile crime rates. [The Sun]

Nepal: Federal civil service bill advances after cross-party deal

(lm) A key parliamentary committee has endorsed Nepal's long-delayed Federal Civil Service Bill, marking a major step toward implementing administrative federalism nearly a decade after the 2015 constitution established the country's federal structure. The bill was finalized by the State Affairs and Good Governance Committee of the House of Representatives following an agreement between Prime Minister KP Sharma Oli and Nepali Congress President Sher Bahadur Deuba on two major issues: the retirement age of civil servants and the post-retirement cooling-off period.

Under the bill, the retirement age for civil servants will gradually increase from the current 58 years to 60, implemented over three fiscal years. Additionally, a two-year cooling-off period will apply before retired civil servants can be appointed to constitutional positions—a measure designed to curb political appointments immediately after retirement.

The legislation also lays the administrative groundwork for federalism. Provincial civil services will eventually appoint chief administrative officers for local units, though the federal government will continue deputing officers for up to ten years until provinces are fully operational. Provincial secretaries will fall under provincial jurisdiction, but principal secretaries will remain federally controlled for now.

Structural changes within the bureaucracy include the reinstatement of the additional secretary post—abolished after 1990—with new rank classifications placing them above joint secretaries. Recruitment reforms will phase out open competition for joint secretary positions, capping lateral entry at the under-secretary level.

The bill also confirms entry age limits for civil service at 35 years for men and 39 years for women, lowers the tenure of secretaries to four years (from five), and the chief secretary to two years (from three). Despite calls for reform, the bill retains trade union rights under pressure from civil service-affiliated unions.

The bill will now proceed to the full House of Representatives for final endorsement. [The Kathmandu Post]

Nepal: Land bill reaches parliament amid criticism over similarity to rejected ordinance

(lm) The government has tabled the Bill to Amend Some Nepal Acts Related to Land, 2025 in the House of Representatives, sparking renewed criticism over its similarity to a January ordinance that President Ramchandra Paudel initially withheld over concerns that it favored vested interests.

The new bill retains nearly all the ordinance's provisions. It allows real estate developers to exceed landholding ceilings under official exemptions—provided the land is developed within a fixed timeframe and sold in compliance with existing laws. It also formalizes ownership rights for long-term squatters and landless Dalits, including those living on buffer zone and conservation land. Dalits are a historically marginalized caste group in Nepal who have faced systemic exclusion from land ownership and public services.

Particular opposition has come from the Janata Samajbadi Party-Nepal (JSP-Nepal), a party with strong support among Madhesi and marginalized communities, including Dalits. The JSP-Nepal, which previously blocked the ordinance in the National Assembly, argues the bill amounts to policy-level corruption and is designed to benefit land brokers and real estate interests. The party has vowed to oppose the bill in its current form.

Officials from the Ministry of Land Management maintain that naming specific companies is impractical, citing the dynamic nature of the real estate sector. However, they admit that the content of the bill remains largely unchanged from the ordinance.

The bill arrives just months after a Supreme Court ruling mandated the government to take back unused or misused land from private entities—including a high-profile case involving Giri Bandhu Tea Estate in Jhapa—underscoring constitutional limits on land fragmentation and commercialization. Though some legal experts fear the bill could be misused, others note that companies not registered as real estate developers, such as Giri Bandhu, would not benefit from its provisions. [The Kathmandu Post]

Nepal: House of Representatives passes Water Resources Bill

(rs) On May 19, Nepal's House of Representatives passed the Water Resources Bill, 2081, by a majority vote. Presented by Minister for Energy, Water Resources, and Irrigation, the bill aims to address the use, conservation, and distribution of water resources across Nepal.

Key provisions include river capacity management, water preservation, and entrusting the Water and Energy Commission with the bill's implementation. Following the bill's passage, the Commission will prepare a detailed study report to ensure equitable water distribution across all government levels. [Online Khabar]

Nepal: Prime Minister's reform pledge faces criticism as Good Governance Commission delays

(rs) Nepal's Prime Minister KP Sharma Oli's commitment to improving governance through the creation of a 15-member Good Governance Commission has faced mounting criticism due to a lack of progress. Despite being formed last month, the commission has failed to convene even once, despite being tasked with studying public service delivery, administrative reforms, and good governance.

Experts have criticized the delay, questioning the commission's necessity, given the existing Good Governance Act of 2007, which already mandates oversight committees. Some former officials have suggested creating a Government Reform Committee led by an independent figure rather than a government-appointed body.

The government has also come under fire for not making ministers' property details public, a key transparency measure. Although not legally required, disclosing property has been customary since Nepal's 1990 political change. Legal experts argue that the lack of transparency impedes efforts to combat corruption. [The Kathmandu Post]

Bangladesh: Prime Minister and Foreign Minister support rival factions within

Nepali diaspora organization

(lm) Tensions within the Non-Resident Nepali Association, which represents Nepali expatriates globally, have escalated as Prime Minister KP Sharma Oli and Foreign Minister Arzu Rana Deuba have backed rival factions within the organization. This deepens a leadership dispute that has been ongoing since the controversial election of the incumbent president in October 2023, a result that was rejected by two of his main rivals. These two figures, supported by Deuba's Nepali Congress and the main opposition Maoist Centre, formed an opposing camp.

The political stakes of the dispute are significant. Prime Minister Oli has expressed his full support for the incumbent president, Badri KC, stressing that his term is legitimate until October 2025 and calling for unity within the Nepali diaspora organization. However, this support clashes with that of Foreign Minister Deuba, who is the wife of Sher Bahadur Deuba, the president of the Nepali Congress and a key political figure in Nepal. Deuba, backed by his party's faction, inaugurated the "unity convention" that elected Mahesh Shrestha as the new president, a move criticized by Oli's faction as divisive and improperly executed. [The Kathmandu Post]

Nepal: Supreme Court orders release of royalist party leader as protest investigation continues

(lm) Nepal's Supreme Court has ordered the release of a senior leader of the Rastriya Prajatantra Party (RPP), a right-wing nationalist party that supports the restoration of the monarchy, in connection with a violent protest that took place in Kathmandu on March 28. The protest called for reinstating the monarchy and ended in deadly violence, resulting in two deaths and widespread damage to public and private property.

Rabindra Mishra, the RPP's senior vice-chairman, had been in police custody for over six weeks on charges related to sedition, organized crime, and criminal mischief. He was released on May 17 after the Supreme Court ruled that further detention was unnecessary, as preliminary evidence had already been collected.

Mishra's arrest followed the March protest, which also led to the detention of other political figures, including RPP lawmaker Dhawal Shamsher Rana, who was later released on health grounds. The protest was

reportedly instigated on the ground by controversial businessman Durga Prasai, who has been named as the "field commander" of the demonstration. [The Kathmandu Post 1]

On May 18, the Kathmandu District Court extended Prasai's custody by four more days as police continue to investigate his alleged role in inciting violence. Prasai, who was arrested in India and brought to Nepal in early April, faces multiple charges including attempted murder, homicide, money laundering, and banking offences.[The Kathmandu Post 2]

Nepal: Government appoints new leaders to transitional justice bodies despite victims' objections

(lm) Nepal's government has appointed new leadership to the country's two transitional justice bodies—the Truth and Reconciliation Commission (TRC) and the Commission of Investigation on Enforced Disappeared Persons (CIEDP)—despite strong objections from victims of the 1996–2006 Maoist insurgency and human rights groups, who denounce the process as opaque, exclusionary, and politically motivated.

On May 14, the Cabinet named former high court judge Mahesh Thapa as chairperson of the TRC and former chief secretary Lila Devi Gadtaula as chairperson of the CIEDP. Four additional members were appointed to each commission based on recommendations from a search committee led by a former chief justice. These appointments come nearly two years after the previous commissions became inactive in July 2022, widely criticized for failing to deliver justice in over 66,000 unresolved cases stemming from the 1996–2006 Maoist insurgency. [The Kathmandu Post 1] [The Kathmandu Post 2]

Victims' groups say the selections were made without consultation and break prior commitments from political leaders to involve stakeholders. In protest, they have announced they will not cooperate with the new appointees and may withdraw their cases, warning that continued exclusion could lead them to pursue an independent truth-seeking process. [The Kathmandu Post 3]

Nepal: Anti-graft body charges former minister, officials over USD 23.6 million telecom procurement scam

(lm) Nepal's anti-corruption watchdog has filed a major corruption case against former communications minister Mohan Bahadur Basnet, senior officials of the Nepal Telecommunications Authority (NTA), and two companies, alleging serious irregularities in the procurement of the Telecommunications Traffic Monitoring and Fraud Control System (Teramocs). The Commission for the Investigation of Abuse of Authority (CIAA) is seeking NPR 3.21 billion (USD 23.6 million) in damages and prison sentences for 16 individuals.

According to the charges, Basnet—then communications minister and now a sitting Nepali Congress lawmaker—illegally directed the inclusion of the Teramocs system in the NTA's work program for fiscal year 2017–18, despite it not being proposed by the regulator. The project was advanced without feasibility studies, budget estimates, legal provisions, or Cabinet approval.

Further allegations include manipulation of the bidding process to favor a foreign consulting firm and its local agent, in violation of procurement laws and a Supreme Court directive that required legislation before deploying surveillance systems with access to private data. Payments of over NPR 1.11 billion (USD 8.2 million) were made for hardware components, but core software deliverables were not met. The system remains non-functional due to the absence of a policy framework.

The CIAA has also named several former NTA chairpersons, members, directors, and deputy directors as defendants. Each has been charged with equal financial liability. While several high-level political figures were investigated, the CIAA concluded that no charges would be filed against them.

With the case filed, Basnet has been automatically suspended from the House of Representatives. [The Kathmandu Post 1] [The Kathmandu Post 2]

Nepal: Anti-graft body charges ex-provincial minister and local officials over illegal pond project

(rs) Nepal's anti-corruption watchdog, the Commission for Investigation of Abuse of Authority (CIAA), has filed a corruption case against eight individuals—including former Madhesh Province economic affairs minister Vijay Kumar and the sitting mayor and deputy mayor of Bagmati Municipality—for illegally constructing fish ponds inside a protected forest.

The CIAA alleges the accused misused over NPR 567.1 million (USD 4.15 million) in public funds by excavating forest land in the Murtiya area under the Sagarnath Forest Development Project without legal permits, environmental assessments, or feasibility studies. The project, carried out under the pretense of promoting fish farming, involved illegal extraction of sand, gravel, and water resources from the Bagmati River.

Vijay Kumar is accused of unilaterally authorizing a NPR 300 million (USD 2.2 million) grant without Cabinet approval or legal review. The CIAA claims multiple layers of government colluded to misuse state resources in violation of procurement and environmental laws. [The Kathmandu Post]

Nepal: Local co-operative fraud victims accuse defense lawyers of politicizing case

(lm) Victims of the Suryadarshan Co-operative fraud have condemned efforts to politicize the ongoing case involving Rastriya Swatantra Party (RSP) leader and former home minister Rabi Lamichhane and former senior police officer Chhabilal Joshi. The case, which involves allegations of co-operative fraud, organized crime, and money laundering, is being heard at the High Court Pokhara.

The issue arose from a prior decision by the Kaski District Court that granted bail to Lamichhane, Joshi, and five other individuals. However, the prosecution appealed the decision, seeking remand for all seven suspects for further investigation. The High Court Pokhara began hearing the appeal on May 15 after several delays, with the next hearing scheduled for May 18. Lamichhane has been held in Rupandehi Prison since April 4 under a separate order from the High Court Butwal, while Joshi had been detained earlier.

The exact damages sought in this case amount to NPR 3.21 billion (approximately USD 23.6 million), which is the amount the prosecution is requesting to recover from the accused. [The Kathmandu Post]

Nepal: Business leaders demand urgent reform as private sector confidence erodes

(rs) Nepal's private sector leaders have expressed deepening frustration over the government's failure to

implement long-promised economic reforms, warning that policy inconsistency, high taxation, and bureaucratic inertia are stifling investment and undermining confidence. The critique came during the Kantipur Economic Summit 2025, held in Kathmandu ahead of the national budget announcement on May 29.

Speakers from the telecom, banking, and manufacturing sectors criticized the gap between official rhetoric and actual outcomes. The summit underscored concerns over a hostile investment climate, pointing to punitive tax burdens, excessive regulatory barriers, and limited space for reinvestment. One executive noted that 60 percent of revenue goes to taxes and 20 percent to infrastructure, leaving little room for innovation. Another reported that out of every NPR 100 in sales, NPR 70 is absorbed by taxes, yielding only a two percent profit—conditions seen as discouraging foreign investment. [The Kathmandu Post 1]

Banking sector leaders described retroactive taxation and unpredictable enforcement as further sources of instability. Other concerns included delays in appointing leadership at the country's central bank, Nepal Rastra Bank, which has been vacant since early April as the ruling coalition partners have been unable to reach a consensus on a candidate. [The Kathmandu Post 2]

Meanwhile, digital economy experts emphasized a growing mismatch between graduation rates and workforce readiness. Although over 17,000 graduates enter Nepal's digital sector each year, around 85 percent require extensive retraining. Employers say these inefficiencies hinder the country's ability to capitalize on the global digital shift. [The Kathmandu Post 3]

In response, Finance Minister Bishnu Paudel defended the government's reform record and assured further changes would be included in the upcoming budget. He acknowledged stakeholder concerns and framed current efforts—such as the amendment of over two dozen laws via ordinance—as a first step in a longer reform process. However, he also warned of the unsustainable fiscal burden caused by competitive populism and politicized social security commitments. [The Kathmandu Post 4]

Nepal: Revenue advisory committee proposes sweeping tax reforms ahead of new budget

(lm) Nepal's Revenue Advisory Committee has submitted proposals for fiscal year 2025–26 aimed at expanding the tax base, simplifying processes, and enhancing transparency through digital integration. The recommendations target reforms in internal revenue, customs, and intergovernmental finance.

The report calls for bringing all economic activities under the tax net, extending the electronic service tax to digital transactions, and treating real estate dealings as business income. It also suggests streamlining income tax slabs, introducing e-assessment and faceless audits, and integrating taxpayer data.

To support investment, the committee recommends tax incentives for foreign investors, private equity, and venture capital, while aligning retirement fund systems with institutions like the Social Security Fund.

In customs, it proposes simplifying procedures, adopting global valuation standards, and revising tariffs to support domestic industries. Legal reforms and modern technology for border management are also encouraged. [The Kathmandu Post]

Nepal: Timber worth millions rotting in Madhesh province as red tape stalls auctions

(rs) In Nepal's Madhesh province, approximately 210,000 cubic feet of valuable timber, worth at least NPR 500 million (USD 3.8 million), is rotting due to delays in the auction process. The timber, collected for projects such as the 2019 400 kV transmission line construction and seized from illegal logging, cannot be auctioned without court approval. The delay in auctioning has led to increased timber imports, further hindering Nepal's goal of achieving self-sufficiency in wood products. [The Kathmandu Post]

Pakistan: Baloch nationalists declare independence

(lm) Separatist sentiment in Pakistan's southwestern province of Balochistan has escalated sharply, as Baloch nationalist leaders declared independence from Pakistan, citing decades of political marginalization, human rights abuses, and economic exploitation. The self-declared "Democratic Republic of Balochistan" was announced by prominent activists across social media, accompanied by a proposed

national flag and maps of an independent Baloch state. Protesters chanted slogans asserting “Balochistan is not Pakistan,” while demonstrations reportedly took place in several parts of the province.

The declaration revives historic grievances dating back to 1947, when the princely state of Kalat declared independence following the British withdrawal from India. Kalat was annexed by Pakistan in 1948, a move that many Baloch nationalists continue to reject as illegitimate. Activists argue that Balochistan, despite its abundance of natural resources, remains Pakistan’s most impoverished province and that wealth from gas, minerals, and strategic infrastructure projects has not benefited the local population. [Daily Mirror]

The Pakistani government has responded with strong condemnation. Balochistan’s Chief Minister Sarfraz Bugti blamed the resurgence of separatist activity on "state patronage" from Afghanistan, alleging that insurgents are operating under protection across the border. He dismissed the independence declaration and ongoing violence as neither a national struggle nor a fight for rights, but rather a “futile conflict” harming the Baloch people themselves.

Bugti also pointed to the growing influence of civil society groups like the Baloch Yakjehti Council (BYC), which he accused of legitimizing insurgents by drawing attention to alleged extrajudicial killings and enforced disappearances—claims that Pakistani authorities have consistently denied. The Pakistan Army has previously labeled such civil rights campaigns as “terrorist proxies.”

The Taliban government in Kabul has repeatedly denied accusations of supporting Baloch separatists, insisting that Pakistan’s internal security issues are a domestic matter. However, tensions remain high following a series of deadly attacks, including the hijacking of a train with over 350 passengers earlier this year, which left 31 people dead, and a May 6 bombing that killed seven Pakistani soldiers.

Drawing a parallel with the disbandment of the Kurdistan Workers' Party (PKK) in Türkiye, which nnounced its decision to disband and end its armed struggle against Turkey earlier this month, stating that it had "completed its historical mission", Bugti expressed confidence that Baloch insurgents would eventually reach a similar political dead end. [Arab News]

Pakistan: National Assembly passes nine bills amid opposition tactics and media blackout concerns

(za/lm) Pakistan's parliamentary lower house, the National Assembly, on May 17 passed nine pieces of legislation, despite earlier attempts by the opposition to block the session. The most prominent bill—the Income Tax (Amendment) Bill, 2024—was initially introduced via ordinance and seeks to address implementation issues regarding high tax rates on federal government securities and to rationalize the tax rate on banking sector business income. The ordinance required parliamentary approval to remain in force.

The session followed a procedural setback the previous day, when opposition members from the Pakistan Tehreek-e-Insaf (PTI) of jailed ex-Prime Minister Imran Khan walked out and pointed out a lack of quorum, delaying the bill's passage. The government, however, regrouped and secured enough lawmakers on the treasury benches—a term referring to the seating area of ruling coalition members—to move the legislation forward the next day. [DAWN 1]

Other major legislation included the Civil Servants (Amendment) Bill, 2025, requiring senior civil servants to digitally declare domestic and foreign assets of themselves and their immediate families. The Anti-Dumping Duties (Amendment) Bill, 2025 also passed, giving retrospective effect to duties previously levied on Chinese-funded infrastructure projects in Gwadar—such as the China-backed New Gwadar International Airport and Pak-China Friendship Hospital, both part of the China-Pakistan Economic Corridor (CPEC) initiative.

Additional bills amended the Extradition Act, Naturalisation Act, and Federal Board of Intermediate and Secondary Education Act. Two new private members' bills—one aimed at curbing child marriage within Islamabad, the other reforming trade organization governance—were introduced and passed. A proposed amendment to the Pakistan Citizenship Act was deferred.

The legislative activity occurred amid growing concerns over parliamentary transparency. State-run media and the National Assembly's official livestreams excluded opposition speeches, continuing a broader media blackout that began during recent debates on the Pakistan–India conflict. While the government cited national security concerns, critics noted that ongoing censorship of opposition voices—even during question periods—undermines democratic accountability. [DAWN 2] [Profit by Pakistan Today]

Pakistan: Main opposition party rejects reports of secret negotiations with government

(lm/za) Pakistan Tehreek-e-Insaf (PTI), the main opposition party of jailed former prime minister Imran Khan, has firmly denied reports suggesting its leadership has agreed to resume secret negotiations with the government of Prime Minister Shehbaz Sharif. The rebuttal follows a local news report alleging that Khan had authorized PTI chairman Gohar Ali Khan to hold private talks aimed at achieving "meaningful outcomes." [Arab News 1]

Khan, ousted in April 2022 through a no-confidence vote, has since maintained a combative stance toward Pakistan's powerful military, which PTI accuses of engineering both his removal and the alleged rigging of the February 2024 general elections. While Pakistani authorities reject these claims, they point to PTI-led protests in May 2023 and November 2024—during which several security personnel were killed—as justification for the legal action against Khan and his party. PTI contends that those protests were met with excessive force, resulting in mass arrests and injuries to its supporters.

PTI has consistently refused to engage in dialogue without preconditions, especially after earlier talks collapsed in January 2025. At the time, the party demanded judicial commissions to investigate state violence against demonstrators during the 2023 and 2024 protest waves. The government's refusal to establish such inquiries led PTI to withdraw from further talks.

The denials come amid renewed attention on Khan's imprisonment. In a rare public appearance, Khan's sons, Kasim and Sulaiman, appealed on social media to former U.S. President Donald Trump and other world leaders to help secure their father's release. They described his imprisonment since August 2023 as part of a broader campaign to suppress democracy in Pakistan, stressing the political motivations behind the numerous legal charges he faces. [Arab News 2]

On May 15, the Islamabad High Court reserved its decision on objections related to a petition for Khan's parole. The petition, filed by close ally Khyber Pakhtunkhwa Chief Minister Ali Amin Gandapur, argues that Khan's continued detention and the restrictions on meetings with him amount to "illegal confinement," further fueling the perception of a denial of justice. [DAWN]

Pakistan: Top court resumes hearing in high-profile murder appeal

(za/lm) The Supreme Court of Pakistan resumed hearings on May 19 regarding the appeal of Zahir Jaffer, convicted and sentenced to death for the brutal 2021 murder of a 27-year-old daughter of a former diplomat. The defense raised issues with the timeline of events and additional charges that were added beyond the initial murder accusation. The court indicated that a decision would be made soon, stating that "relief would be given if due."

This case has sparked widespread outrage and is a key point in discussions surrounding violence against women in Pakistan. In 2023, the Islamabad High Court upheld Jaffer's death sentence, which led to his appeal in the Supreme Court.

The defense had earlier requested more time to submit additional documents, resulting in the postponement of the hearing on May 13. [DAWN 1] [DAWN 2] [Arab News]

Pakistan: Ahmadi doctor fatally shot; third killing of community member since April

(za) Pakistani police are intensifying their search for the suspect involved in the fatal shooting of a member of the Ahmadi minority community at a private hospital on May 16. This incident marks the third targeted killing of an Ahmadi individual in Pakistan since April 2025.

The Ahmadi community, which numbers around 500,000 in Pakistan, has long faced persecution, with its members frequently attacked by extremists. The community was declared non-Muslim by Pakistan’s Parliament in 1974, and since then, its places of worship and cemeteries have been desecrated. Supporters of the Tehreek-e-Labbaik Pakistan party have been linked to previous attacks on Ahmadis, often accusing them of blasphemy. [Arab News]

Pakistan: Protests erupt in Gilgit-Baltistan over arrests of regional rights activists

(za) Protests have erupted across Gilgit-Baltistan—a region administered by Pakistan but claimed by India, and lacking full constitutional status—following the arrest of several leaders from the Awami Action Committee (AAC), a coalition of political and religious groups formed in 2014 to advocate for local rights. The AAC has long mobilized against perceived economic and political marginalization in the region.

The arrests, made on May 15, sparked widespread demonstrations demanding the release of AAC members and implementation of a 15-point charter of demands. These include restoring wheat subsidies, lowering electricity tariffs, and granting full district status to areas such as Gupis-Yasin, a remote mountainous area in northern Gilgit-Baltistan known for its underdeveloped infrastructure and limited administrative autonomy. [HUM News] [DAWN]

Pakistan: Third nationwide polio vaccination campaign to immunize 45 million children begins on May 26

(lm) Pakistan is set to launch its third nationwide anti-polio vaccination campaign on May 26, aiming to immunize 45.4 million children under the age of five.

Polio remains endemic in Pakistan and Afghanistan, the last two countries where the disease still exists. Pakistan has reported seven polio cases so far this year, with 74 cases confirmed in 2024. Despite significant progress in the past, including a sharp decline from 20,000 cases annually in the early 1990s to just six in 2023, the fight against the disease continues.

The current campaign is part of Pakistan's ongoing efforts to eradicate polio, following two major vaccination drives in the first half of 2025. Polio eradication efforts have been undermined by misinformation, resistance from some religious groups, and attacks on vaccination teams, but Pakistan remains determined to achieve a polio-free future. [Arab News]

Pakistan: IMF disburses second bailout tranche, first climate loan tranche expected in six months

(lm) Pakistan's financial position has received significant reassurance from the International

Monetary Fund (IMF), which confirmed that the country's loan program is "fully financed" for the upcoming fiscal year. The IMF projects nearly USD 6 billion in external inflows for Pakistan, stemming from fresh disbursements from the IMF, oil imports from Saudi Arabia on deferred payment terms, and funding from China and other international institutions. [Arab News 1]

In a separate development, Pakistan has also received the second tranche of its USD 7 billion Extended Fund Facility (EFF) program, totaling approximately USD 1.02 billion, bringing the total disbursements under the EFF to USD 2 billion. This disbursement came alongside approval for a USD 1.4 billion climate loan under the IMF's Resilience and Sustainability Facility (RSF). The RSF loan aims to support countries vulnerable to climate change, such as Pakistan, which has faced significant environmental challenges like the devastating 2022 floods. [Arab News 2]

The first tranche of the RSF loan is expected to be released in approximately six months, pending a successful second review of the EFF, which is anticipated in September 2025. The RSF loan will be disbursed in phases over 28 months, tied to 13 key performance indicators that focus on improving Pakistan's economic and environmental resilience. [Arab News 3]

The IMF has praised Pakistan's recent economic performance, noting a primary fiscal surplus of 2.0 percent of GDP in the first half of fiscal year 2025 and inflation falling to a record low of 0.3 percent in April. The central bank has responded by cutting interest rates by a cumulative 1,100 basis points since June 2025.

Foreign reserves stood at USD 10.3 billion at the end of April and are projected to rise to USD 13.9 billion by the end of June. The IMF expects this buildup to continue into FY2026, provided Pakistan maintains a moderate current account deficit and improves financial inflows. The RSF loan is considered crucial to helping the country build economic and environmental resilience following climate shocks such as the devastating 2022 floods. [Arab News 2]

Pakistan: Government introduces five-year plan to lower taxes on imports

(za) The Pakistani government has introduced a new five-year plan to lower taxes on imports, particularly on raw materials and partially finished goods that local

industries rely on. As part of the plan, the average import tax will drop from 19 percent to 9.5 percent, and the complicated tariff system will be simplified to just four levels: 0 percent, 5 percent, 10 percent, and 15 percent. Additional taxes like regulatory duties and extra customs duties will be gradually removed over the next three to four years.

Officials believe this plan will significantly boost Pakistan's economy, particularly in industries like automobiles, textiles, steel, chemicals, and plastics. They estimate the reforms could increase the country's exports by around USD 5 billion over five years. [DAWN]

Pakistan: Blast kills three, injures 11 in Balochistan

(lm) At least three people were killed and 11 others injured in a bomb blast in the Killa Abdullah district of southwestern Balochistan on May 18. The explosion, caused by an improvised explosive device (IED) planted on a vehicle, detonated in a market near a security forces' camp in Gulistan town, close to the Pakistan-Afghanistan border.

No group has yet claimed responsibility for the attack, which came just two days after the Pakistani Taliban (TTP) announced responsibility for an attack on a security post in Khuzdar, Balochistan, that killed four paramilitary troops. [Arab News]

Pakistan: Six killed, one injured in violent family feud

(lm) At least six people were killed and a woman injured in a violent family feud in Peshawar, the capital of Khyber Pakhtunkhwa province, on May 19, reportedly triggered by domestic issues. Family feuds are common in Pakistan, particularly in areas where tribal customs and laws prevail, often leading to prolonged and violent disputes. This incident follows a similar case from June of the previous year, where 10 members of a family were killed in a violent attack in Khyber Pakhtunkhwa. [Arab News]

Sri Lanka: Disputes intensify over control of local councils following elections

(lm) Political tensions have escalated in Sri Lanka following the 2025 local government elections, with President Anura Kumara Dissanayake warning that his government may use its two-thirds parliamentary majority to amend laws if attempts are made to disrupt what he considers the National People's Power (NPP)'s electoral mandate. The NPP claims a clear majority in 152 local bodies and plans to establish control in 115 councils on their first sitting day. [Daily Mirror 1]

While NPP leaders have expressed confidence in forming councils—including the Colombo Municipal Council—with support from other parties, opposition blocs have moved swiftly to form joint administrations in “hung” councils, where no party holds a clear majority. Leaders from the Sri Lanka Podujana Peramuna (SLPP), Sri Lanka Freedom Party (SLFP), Tamil Progressive Alliance (TPA), Ceylon Workers’ Congress (CWC), and other opposition parties have met with former President Ranil Wickremesinghe and agreed to coordinate against the NPP. Some have proposed forming “non-party councils” to deny the NPP control in certain areas. [Daily Mirror 2] [Daily Mirror 3] [Daily Mirror 4]

Most recently, The UNP and SJB have issued a joint statement confirming their intention to administer such councils together, along with other opposition parties. [Daily Mirror 5]

The contest has been marked by allegations of political maneuvering and "horse trading." Opposition MPs claim the NPP has approached members of other parties and independents with financial incentives—reportedly as high as LKR 2.5 million (USD 8,500)—to gain support in contested councils. [Daily Mirror 6]

Meanwhile, the Elections Commission has given political parties and independent groups one week to submit nominations for mayors and other key officials in councils where they hold majorities. In councils without a majority, leadership will be decided by vote on June 2, when all local councils officially begin their new term. [Daily Mirror 7]

Sri Lanka: President warns against renewed racism amid war heroes’ commemoration controversy

(lm) President Anura Kumara Dissanayake has warned that racism is once again surfacing in Sri Lanka’s North and South, driven by political actors seeking to gain or retain power. Speaking at the 16th National War

Heroes' Commemoration on May 19, he described the civil war not as a natural tragedy, but as a man-made catastrophe fueled by power struggles. He stressed that true sovereignty requires not only political stability but also economic transformation, the rule of law, and a society free from crime and drugs. [Daily Mirror 1]

The president's remarks came amid controversy over his absence from the official ceremony. Instead, Deputy Defence Minister Aruna Jayasekara represented the government at the event held at the National War Hero Cenotaph – with high-ranking military officials, war hero families, and the public in attendance. [Daily Mirror 2]

The opposition Sri Lanka Podujana Peramuna (SLPP), led by former President Mahinda Rajapaksa, publicly criticized the president's absence, calling it a serious failure in honoring national sacrifice. The SLPP had also requested permission to hold a separate commemoration ceremony featuring Rajapaksa, who served as president during the final phase of Sri Lanka's decades-long civil war and oversaw the military defeat of the Liberation Tigers of Tamil Eelam (LTTE) in 2009. That request was denied by the Ministry of Defence. [Daily Mirror 3]

Sri Lanka: Suspended police chief to testify before misconduct inquiry committee

(lm) Suspended Inspector General of Police (IGP) Deshabandu Tennakoon was scheduled to appear before a parliamentary inquiry committee on May 19 to face 22 charges of misconduct and abuse of office. The committee, chaired by Supreme Court Justice P.P. Surasena, was established following a parliamentary resolution passed in April. The charges against Tennakoon include allegations of obstructing justice, misuse of police resources, and failure to act on intelligence warnings ahead of the 2019 Easter Sunday bombings.

Tennakoon's tenure as IGP has been marred by controversy. In December 2023, the Supreme Court found him guilty of torturing a suspect in 2010, ordering him to pay compensation. Additionally, he faces an arrest warrant issued in February 2025 for his alleged role in an unauthorized police operation that resulted in a fatal shooting. [Daily Mirror]

Sri Lanka: Twelve suspects discharged in Easter Sunday bombing case

(lm) A Sri Lankan court on May 16 discharged twelve individuals previously detained on suspicion of aiding the 2019 Easter Sunday bombings. The attacks, carried out by Islamist extremists on April 21, 2019, targeted churches and hotels across the country, killing over 260 people and injuring hundreds more.

The suspects were arrested by the Terrorism Investigation Division (TID), which later referred the case to the Attorney General. After reviewing the findings, the Attorney General advised that no further legal action be taken. [Daily Mirror]

Sri Lanka: Former provincial chief minister challenges arrest under anti-terror law

(lm) Former Eastern Province Chief Minister Sivanesathurai Chandrakanthan, widely known as Pillayan, has filed a Fundamental Rights petition before Sri Lanka's Supreme Court challenging his arrest and detention under the Prevention of Terrorism Act (PTA). He was arrested by the Criminal Investigation Department (CID) on April 8 in Batticaloa and subsequently detained for 90 days on April 12.

The arrest is linked to the long-standing investigation into the 2006 abduction and disappearance of Professor Sivasubramaniam Ravindranath, then Vice-Chancellor of Eastern University. Pillayan argues that his detention violates his constitutional rights. [Daily Mirror]

Sri Lanka: Court of Appeal to hear petition against Jaffna MP on June 26

(lm) The Court of Appeal has scheduled a hearing for June 26 on a writ petition seeking to disqualify Jaffna District Member of Parliament Dr. Ramanathan Archchuna. The petition alleges that Archchuna is ineligible to serve as an MP because he is a public officer employed by the Ministry of Health, which would constitute a contract with the state and a conflict under Sri Lankan parliamentary qualification rules.

The petitioner is seeking a writ of quo warranto, a legal remedy requiring a person to show what authority

they have for holding a public office. When the case was called on May 14, Archchuna's counsel requested more time to support the application. The Attorney General is also party to the proceedings. [Daily Mirror]

Sri Lanka: Former agriculture minister seeks bail to avoid arrest over controversial fertilizer deal

(db/lm) Sri Lanka's former Agriculture Minister Mahindananda Aluthgamage has been remanded until May 26 over a high-profile corruption case linked to the 2021 import of contaminated organic fertilizer from a Chinese supplier. The Colombo Chief Magistrate's Court issued the remand order after the former minister appeared in court following the issuance of an arrest warrant for failing to respond to a summons from the Commission to Investigate Allegations of Bribery or Corruption (CIABOC).

The case centers on a disputed shipment of fertilizer allegedly contaminated with harmful bacteria and pathogens, which reportedly caused a financial loss of LKR 2 billion (USD 6.9 million) to the Sri Lankan government. Aluthgamage is accused of authorizing the vessel's entry into Sri Lankan waters despite concerns over the shipment's quality. In an attempt to avoid arrest, he had earlier filed an anticipatory bail application, but the court allowed CIABOC to proceed with enforcement before the motion was heard. [Ada Derana] [Newswire]

The case also implicates former Agriculture Ministry Additional Secretary Mahesh Gammanpila, who was remanded in April. [Daily Mirror 1] [Daily Mirror 2] [Daily Mirror 3]

Sri Lanka: Lawmaker remains on bail as court rejects re-remand request in graft case

(lm) A Sri Lankan Member of Parliament accused of misusing public funds during his time as Chief Minister of Uva Province will remain on bail, after the Colombo Chief Magistrate's Court rejected a request by the Commission to Investigate Allegations of Bribery or Corruption (CIABOC) to have him re-remanded.

The legislator, Chamara Sampath Dassanayake, is facing charges over the alleged misappropriation of LKR 1 million (USD 3,400) and had earlier been

released on two personal bails of LKR 1 million each. CIABOC claimed that Dassanayake interfered with the investigation by enlisting former President Ranil Wickremesinghe to hold a press conference that falsely exonerated him. However, the court found no sufficient evidence of interference, and CIABOC acknowledged that the former president is not a witness in the case. Proceedings are ongoing. [Daily Mirror 1] [Daily Mirror 2] [Daily Mirror 3]

Sri Lanka: Local party official granted bail after arrest over 2013 land deed case

(lm) A district-level official from the Mawbima Janata Party—a small opposition party in Sri Lanka advocating for national sovereignty and anti-corruption—was granted bail on May 19 following his arrest by the Commission to Investigate Allegations of Bribery or Corruption (CIABOC). Milan Jayatilleke, the party's Gampaha District Chief Organizer, was released on bail of LKR 1 million (USD 3,400) by the Colombo Chief Magistrate.

Jayatilleke is accused of causing a loss of LKR 373,000 (USD 1,270) to the state in 2013 by authorizing the issuance of land deeds without proper procedure during his tenure as chairman of the relevant Pradeshiya Sabha (local council). [Daily Mirror 1] [Daily Mirror 2]

Sri Lanka: Former land reclamation official granted bail in corruption case

(lm) Prasad Harshan De Silva, former Chairman of the Land Reclamation and Development Corporation, was granted bail on May 15 after being arrested by Sri Lanka's Bribery Commission over alleged misappropriation of LKR 27.6 million (approximately USD 93,800). The charges stem from the 2014 use of public funds for an opening ceremony of a corporation project, which investigators say bypassed standard procurement procedures and lacked an official budget allocation. [Daily Mirror]

Sri Lanka: Former minister and BOI director indicted over misuse of public funds

(lm) Sri Lanka's Commission to Investigate Allegations of Bribery or Corruption (CIABOC) has filed indictments against former Minister Lakshman Yapa Abeywardena and former Director General of the Board of Investment (BOI), Jayanta Edirisinghe. The charges relate to the alleged misuse of BOI funds in 2014, causing a loss of over LKR 1.74 million (USD 5,900) to the state. [Daily Mirror]

Sri Lanka: Former Minister indicted over unlawful appointments and bribery offenses

(sl) Sri Lanka's Commission to Investigate Allegations of Bribery or Corruption (CIABOC) has filed indictments against former Minister Chandrani Bandara. The charges relate to the unlawful appointment of G.M. Chandravans as Project Director of the Ministry of Dry Zone Development without adhering to proper procedures. Bandara is also accused of influencing the appointment of several individuals to various positions in violation of legal protocols. The case includes 11 charges under the Bribery Act. [Ada Derana]

Sri Lanka: Media minister calls on journalists to contribute to long-overdue national media policy

(lm) Sri Lanka's Minister of Health and Mass Media has urged journalists, media associations, and trade unions to actively engage in drafting a long-delayed National Media Policy. At a meeting held on May 14 with key media stakeholders, the minister emphasized the urgency of completing the policy, which has remained stalled under successive governments for decades.

Although a draft has already been prepared, several participants criticized the process for lacking inclusiveness, noting that most major media organizations had not been consulted. Discussions also addressed the proposal to establish a chartered institute to strengthen journalistic professionalism and standards in the country. [Daily Mirror]

Sri Lanka: Bar Association warns against online attacks on judiciary

(lm) The Bar Association of Sri Lanka (BASL) has raised alarm over a surge in online content and social media posts that it says unfairly targets judicial officers and undermines the integrity of the justice system. In a statement issued on May 18, the BASL warned that the circulation of unverified claims and images of judges has led to harmful speculation about ongoing legal matters, potentially eroding public confidence in judicial independence. [Daily Mirror]

Sri Lanka: Chinese oil firm faces local resistance over Hambantota refinery project

(lm/pn) Chinese oil giant Sinopec is reportedly facing resistance from domestic energy firms in Sri Lanka as it attempts to move forward with its USD 3.7 billion refinery project in Hambantota. The opposition stems from concerns that Sinopec's technological advantages would increase competition in a market currently dominated by local players.

The refinery, agreed during President Anura Kumara Dissanayake's recent visit to Beijing, would have a capacity of 200,000 barrels per day. The Memorandum of Understanding (MoU) was signed between Sinopec and Sri Lanka's Ministry of Energy, and comes on top of the company's existing fuel distribution operations in the country.

The project has been delayed due to unresolved issues surrounding land, taxation, and water supply, with critics also voicing concerns over the lack of local benefits from Chinese-funded projects like the Hambantota Port. Proponents, however, argue that such infrastructure projects will take time to mature and generate returns for Sri Lanka. [Daily Mirror]

The refinery places Sinopec in direct competition with India, which recently signed a trilateral MoU with Sri Lanka and the United Arab Emirates to establish a multi-product petroleum pipeline. Despite this, Sri Lanka is advancing its energy cooperation with China, with both countries focusing on petroleum refining and renewable energy development.

The Hambantota refinery is one of Sri Lanka's largest foreign investments and aims to reduce the island's reliance on imported fuel and enhance the port's functionality. Discussions are ongoing regarding specific terms for fuel export volumes and infrastructure arrangements. [Reuters]

As part of its broader energy strategy, Sri Lanka is also pursuing Chinese support in solar, wind energy, and advanced battery storage technology to stabilize its electricity grid. These developments were underscored at Sinopec's "Clean Sri Lanka" Open Day in Colombo, where newly upgraded fuel infrastructure and safety systems were unveiled. The initiative aligns with President Dissanayake's agenda to modernize infrastructure and raise environmental standards. [Xinhua Net]

Sri Lanka: Dispute escalates over alleged losses in state vehicle sales

(lm) Sri Lanka's government faces criticism over its recent state vehicle sales, with an opposition lawmaker planning to file a complaint with the Bribery Commission. He alleges the use of a closed tender process instead of public auctions caused losses of up to LKR 500 million (USD 1.7 million), with only LKR 200 million (USD 680,000) earned from selling 17 vehicles.

The Presidential Secretariat rejected the claim, asserting the May 15 sale followed all legal procedures and was publicly announced. Nine of 26 vehicles were not sold as bids fell below official valuations. The government also accused politically motivated groups of spreading false claims and said complaints have been filed with the Criminal Investigation Department. Daily Mirror 1] [Daily Mirror 2]

Sri Lanka: Decision on Indian grant for northern port to depend on feasibility

(lm) Sri Lanka will determine whether to accept a proposed USD 62 million grant from India for the development of Kankesanthurai (KKS) Port in the country's north solely based on the project's business feasibility. The Sri Lanka Ports Authority is currently conducting a feasibility study, after which a formal decision will be made.

The port, located near the Tamil-dominated Northern Province, holds strategic and commercial importance due to its proximity to southern India. The proposed grant is part of a broader Indian push for connectivity projects with Sri Lanka, which includes memoranda of understanding for cross-border power grid interconnection and a multi-product petroleum pipeline. [Daily Mirror]

Sri Lanka: Underworld figure alleges extortion by former security minister and suspended police chief

(lm) Sri Lanka's Terrorism Investigation Division (TID) has launched an inquiry into allegations made by Nadun Chinthaka Wickremeratne, also known as "Harak Kata," a high-profile underworld figure currently held at the high-security Tangalle detention facility.

Speaking to reporters while being escorted from a court appearance on May 15, Wickremeratne alleged that his prolonged detention stems from his refusal to pay a LKR 300 million (USD 1.02 million) bribe, which he claims was demanded by former Public Security Minister Tiran Alles and suspended Inspector General of Police (IGP) Deshabandu Tennakoon. He further asserted that the cost of his detention is LKR 10 million (USD 34,000) per month. [Daily Mirror 1] [Daily Mirror 2]

Sri Lanka: Investigations launched into death threat against prime minister

(sl) An investigation has been launched into a death threat sent via email to Sri Lanka's Prime Minister. Additionally, authorities are investigating a plot to assassinate the Inspector General of Police, with the contract allegedly awarded to Saman Kumara, also known as I.D.H. Sudha, who is currently serving a prison sentence. Reports of a planned sniper attack on opposition leader Sajith Premadasa have been confirmed as false. [Daily Mirror]

Constitutional Law and –Politics, Human Rights and National Security in Southeast Asia

Brunei: Home Affairs Ministry reaffirms support for business and sustainable growth

(ga) The Ministry of Home Affairs (MoHA) of Brunei has reiterated its commitment to supporting business operations, long-term partnerships, and sustainable growth. This was conveyed by Minister of Home Affairs Ahmaddin Abdul Rahman during a dialogue event with the French Bruneian Business Association (FBBA).

Held at the MoHA's Multi-purpose Hall, the dialogue served as a platform for engagement between the ministry and the business community. The minister outlined policy improvements affecting the business ecosystem, including updated regulations on long-term passes to better support professionals and investors seeking to reside in Brunei.

The ministry also announced the implementation of a new insurance policy aimed at enhancing protection for foreign nationals working in the country, aligning with international standards. In addition, the government is reviewing the categorization of entry permits to streamline processes for business visitors, skilled professionals, and their dependents.

FBBA President Pierre Imhof participated virtually, and the session included a Q&A segment that addressed visa and business regulation concerns. [Borneo Bulletin]

Brunei: Business sentiment slightly declines in March 2025, outlook improves for April

(ga) Brunei's Business Sentiment Index (BSI) for March 2025, published by the Brunei Darussalam Central Bank (BDCB), recorded a headline value of 49.9, indicating slightly lower business confidence compared

to the previous month. However, the one-month-ahead index rose to 50.3, suggesting optimism for April, driven by expectations of higher demand and a return to normal business hours.

The Investment sub-index remained steady at 50.1 for March and in the forward-looking one-month and three-month periods, as businesses focused on inventory restocking, machinery purchases, and site upgrades. Hiring also remained stable, with the Employment sub-index at 50.2 in March and expected to increase slightly to 50.3 in April. Recruitment efforts were driven by current project needs and future expansion plans.

Operational costs were slightly lower in March (49.9), especially in sectors like Oil & Gas, Transport & Communication, and Hotels & Restaurants, but are anticipated to increase modestly in April (50.2) due to Eid al-Fitr-related expenses and manpower expansions.

Sector-specific insights revealed that four of the 11 sectors, led by Wholesale & Retail Trade (50.7), showed optimism, while five sectors, particularly Health & Education and Hotels & Restaurants (both at 49.3), reported pessimism due to seasonal and demand-related challenges. The remaining sectors maintained neutral sentiment.

By business size, micro and medium enterprises recorded slightly positive sentiment, while small and large businesses leaned more cautious. [Brunei Darussalam Central Bank]

Cambodia: Changes in demographic landscape addressed

(gm/dql) Cambodia is intensifying efforts to address its shifting demographic landscape through strategic population planning as the National Assembly hosted a high-level forum on May 12, attended by 180 lawmakers, senior officials, and United Nations Population Fund (UNFPA) experts to discuss Cambodia's five-year strategy on population and development. The discussions focused on youth employment, maternal health, ageing, and gender equality.

A draft technical brief was presented at the event offering data-driven guidance for adapting national policies and investments to demographic changes, aiming to improve healthcare, education, employment,

and social protection. The role of the Special Committee for Population and Development, established in 2021 and comprising representatives from 22 ministries and civil society organizations, was highlighted, along with key achievements.

These include progress toward universal health coverage through a primary healthcare approach benefiting over 327,000 people, high immunization rates, increased tuberculosis case notifications, and a 74 percent decline in malaria cases, with no deaths since 2017. In addition, legislative reforms are ongoing, including the drafting of the Disability Law, Child Protection Law, and the National Policy for Ending AIDS (2023–2028). [Khmer Times]

Cambodia: Environmental journalist arrested

(dql) Cambodian environmental journalist Uk Mao was reportedly arrested on May 15 without a warrant by plainclothes military officers. The arrest came just days before his scheduled court appearance on May 20 over an assault complaint filed by a former police officer who had attacked him in March while he was investigating illegal deforestation. Despite clear video evidence showing the assault, authorities ignored Uk Mao's complaint and advised him to delete the footage.

The arrest marks an escalation in ongoing judicial harassment against Uk Mao, who has faced 14 complaints—mostly tied to his reporting. In August 2024, he was indicted for "incitement to violence" and even "deforestation" after exposing illegal logging by the military-linked mining company Lin Vatey. [RSF]

Cambodia: Action plan against child marriage, teenage pregnancy unveiled

(dql) The Cambodian government has presented a draft action plan as part of its efforts to combat child marriage and teenage pregnancy during a May 17 consultation workshop, organized by the Ministry of Women's Affairs and supported by Plan International Cambodia, the United Nations Children's Fund (UNICEF), and United Nations Population Fund (UNFPA).

The draft "National Action Plan to Prevent Child Early Marriage and Teenage Pregnancy" outlines six strategic

objectives, including legal reform, educational promotion, and economic empowerment. [Khmer Times]

Indonesia: President Prabowo dismisses early calls for possible second presidential term bid

(th) At the 4th National Congress of Tunas Indonesia Raya (Tidar), the youth wing of the right-leaning Gerindra Party, which was held on May 17, President Prabowo Subianto dismissed early calls for a second presidential term. He stated that he will only seek reelection during the 2029 elections, if he believes that his first term has yielded meaningful outcomes, making 2028 a benchmark for his leadership. [Jakarta Globe] [The Straits Times]

Despite his remarks, Tidar leaders, including chairwoman Rahayu Saraswati, expressed her full support for Prabowo should he run again. Saraswati also added that her organization would not select a vice-presidential candidate, and that they would leave the decision up to Prabowo. She further added that Tidar believes that voters will re-elect Prabowo as a reward for his early initiatives, and that the group will work towards another Gerindra, if Prabowo decides to participate in the 2029 Presidential race. [Jakarta Globe]

Analysts believe that the early nomination is a strategic move in order to secure power and outmaneuver possible rivals, including Gibran Rakabuming Raka, Indonesia's current vice-president. Others believe that this early re-nomination could also be a political strategy targeted at showing the current administration's stability and commitment. [Benar News]

Indonesia: Ex-President Jokowi eyes bid for PSI's chairman post against own son

(th) Former President Joko "Jokowi" Widodo unveiled on May 14 that he might bid to become the chairman of the center-left Indonesian Solidarity Party (PSI), which is currently led by Kaesang Pangarep, Jokowi's youngest son.

While Jokowi still has not formally registered for the race, he pointed out that there is still time ahead of the party's upcoming congress, during which the party will

either elect a new chairman or choose to extend Kaesang's chairmanship. [Jakarta Globe 1]

Andy Budiman, PSI's Deputy Chairman Andy also embraced the possibility of Jokowi participating the race, saying that Jokowi is regarded by many party members as a mentor figure within PSI. [VOI]

Last year, Jokowi's old party, the Indonesian Democratic Party of Struggle (PDI-P), which played a big role in bringing him to power, ended ties with him over his support for rival presidential candidate Prabowo Subianto in the 2024 election.

However, it is not just PSI that has opened their doors for Jokowi. The center-right leaning Golkar Party was among the first to display their willingness to accept Jokowi. [Jakarta Globe 2]

Indonesia: Ministry seeks assessment of West Java's regional spatial plans

(th) The Environment Ministry has urged the West Java Provincial Government to reassess its regional spatial plan which concerns the removal of 1.4 million hectares of restricted area. The removal of these areas is believed to increase the risk of flooding in the region.

Minister of Environment Hanif Faisol Nurofiq emphasized that West Java's spatial planning needs must be re-examined, as the resulting loss of restricted zones, many of which function as water catchment areas, is one of the key factors in flooding. [Antara]

According to Hanif, West Java has lost an estimated 1.2 million hectares of protected areas since 2010. These areas initially occupied approximately 1.6 million hectares in 2010. He attributed this substantial loss to drastic changes in West Java's spatial planning. [Tempo]

The Environment Ministry has also called on the West Java Provincial Government to review environmental permits that were granted to several business units who were allegedly worsening flood conditions around the Ciliwung and Bekasi drainage basins. [Antara]

The review is being carried in response to the most recent spate of landslides that affected the City and Regency of both Bekasi and Bogor. In Bogor city, landslides occurred in five sub-districts and 19 villages, which affected 150 people, damaged 12 houses and threatened 17 other houses. In Bogor Regency, 152 people were affected and 43 were displaced, as a

result of landslides that occurred in 11 sub-districts and 24 villages.

According to Governor Dedi Mulyadi on May 3, 2025, future reviews must be ensured to prevent stakeholders from repeating the wrong policies. He also added that any issued permits must be aligned with the principles of environmental management. [Kompas]

Indonesia: Outcry grows over proposal to honor late President Suharto as national hero

(th) A growing wave of international criticism has poured in over the renewed effort to honor late President Suharto as a national hero, with multiple global civic groups saying that the decision could glorify years of human rights abuses and corruption by the former leader. [Asia News Network]

Suharto, nominated for this year's honor, is currently under review by the Social Affairs Ministry's Central Research and Assessment Team. It remains unclear who submitted his nomination for the title (see AiR No. 18, May/2025, 1). [Asia News Network]

More than 30 civic groups and prominent individuals worldwide expressed their strong opposition to the plan. In a joint statement released on May 15 they described the proposal as an audacious disrespect to the civilians, who were victims of Suharto's authoritarian regime, which spanned for 32 years. They also emphasized that awarding Suharto with the title, will greatly undermine Indonesia's commitment to maintain human rights within the international community.

To justify their criticism, the coalition referred to a review that was issued in 2024 by the United Nations Human Rights Committee, which condemned Indonesia for its persistent lack of accountability for past violations of human rights. The report cited Indonesia's failure to provide a clear explanation for the results of the investigations into violations during 1965-1966 and 1997-1998. [Asia News Network]

The coalition also pointed to the 2016 International People's Tribunal in The Hague, which identified that the Indonesian's military, under Suharto's order, played a key role in the anti-communist killings of 500,000 and 3 million members. A failed coup on September 30, 1965, was what eventually led to the anti-communist massacres. The killings were initially

believed to be a communist attempt by the Indonesian Communist Party (PKI) to take over the country. PKI's involvement is being debated. However, military propaganda falsely claimed that the PKI was about to begin a murderous campaign. [Asia News Network] [Holocaust Museum Houston]

After the end of Suharto's regime in 1998, a National Commission for Human Rights, did conduct a probe into that massacre, that provided evidence for military responsibility. However, no major action was taken against the alleged perpetrators. [Holocaust Museum Houston]

In addition to human rights violations, the groups also described Suharto to be one of the most corrupt leaders, citing Transparency International's reports that the former President supposedly embezzled up to USD 35 billion during his regime. They also referred to reports from the World Bank and UN-backed antigraft bodies that supported Suharto's regime as one that was marked by deep nepotism and institutional corruption. [Asia News Network]

Indonesia: Government to revoke oil permits from underperforming contractors

(th) Bahlil Lahadalia, Energy and Mineral Resources Minister, is considering assessing several oil and gas contractors whose projects have not made progress, as the government aims to increase national oil production.

Speaking at the launch of the first production from the Forel and Terubuk oil fields in Natuna, Bahlil noted that several oil contractors who possess operating licenses in key areas are yet to embark on any significant work. Bahlil did not name specific companies, but he confirmed that he has sought approval from the President in order to conduct a formal assessment and reassign unproductive blocks to other firms, that have the capabilities.

The assessment aligns with the President's broader energy security goals, which gives precedence to increasing domestic oil production to reduce dependence on imports and enhance national resilience. Bahlil stated that the Ministry's plans for this sector requires swift implementation, and that in order to do so, any required regulatory measures would be taken, keeping in mind national interests. [Jakarta Globe]

To reduce Indonesia's dependence on energy imports, President Prabowo also unleashed two offshore oil and gas projects on May 16 The two projects are projected to produce 20,000 oil barrels per day.

Prabowo has pledged to improve Indonesia's energy security, while also winding down use of coal power, in order to reach net-zero emissions by 2050. [The Star]

Indonesia: Import regulation revisions slated to be finalized in coming weeks

(th) On May 18, Budi Santoso, Indonesian Trade Minister, announced that revision for Trade Minister Regulation No. 8 of 2024, which regulates import policies and configurations, is slated for completion this week. The amendment aims to simplify import procedures, reduce container pileups at ports, and provide crucial regulatory relief for importers. [Antara] [Jakarta Globe]

Although Budi declined to reveal the exact provisions that are being revised, he elaborated that the revision aligns with the President's instruction to implement deregulation, in order to simplify regulations, enhancing Indonesia's business landscape.

Budi assured that the regulatory amendments would not result in a surge of imported goods, that could possibly disadvantage domestic industries. He added that the revision extends beyond imports and is expected to improve Indonesia's wider trade and investment climate. [Antara]

In response, economic analysts and industry players have been advocating for strong precautions to protect the domestic market from an influx of imported goods. There also has been increasing concern over the issue of possible market oversaturation and the effect on domestic manufacturers. [Jakarta Globe]

Indonesia: Palm oil export strategy to be adjusted in response to India-Pakistan conflict

(th) According to the Ministry of Agriculture, the Indonesian government is looking at possible new markets for palm oil exports to alleviate possible impacts as a result of the India—Pakistan conflicts. Ardi Praptono, Director of Palm Oil and Other Palms of the Ministry of Agriculture stated on May 14 that

Indonesia, one of the world's leading palm oil producers, is currently looking at possible markets within Africa and East Asia. [Antara]

Indonesia: Inter-ministerial agreement signed to ensure legal status for 80,000 village co-ops

(th) The Ministry of Cooperatives and the Law Ministry have signed a memorandum of understanding (MoU) in Jakarta on May 14, to formalize their cooperation, aimed at ensuring the legality of the 80,000 business entities planned under the Red and White Cooperatives Program.

The program is a national initiative launched by President Prabowo Subianto to strengthen Indonesia's rural economy and promote economic independence at the grassroots level. Announced through Presidential Instruction No. 9 of 2025, the program aims to establish 70,000 to 80,000 cooperatives across villages and sub-districts throughout Indonesia by July 2025, with operations commencing in September 2025.

The Ministry of Law has designed an inventive digital system which is expected to expedite the registrations of up to 1,000 cooperatives. [Antara 1]

Together with the Free Nutritious Meals program, a campaign launched by President Prabowo Subianto to target malnutrition in the rural areas of Indonesia, the Red and White Village Cooperatives schemes is expected to improve rural economic growth by six to seven times. [Antara 2] [CNA]

Indonesia: 18 separatists killed during clash with military forces in Papua

(th) The Indonesian Military (TNI) has killed 18 Papuan separatists during an operation on May 14 in the easternmost region of Papua. Three civilians are reported to have been killed during the clash.

According to the military, no soldiers has been killed or injured while Papua separatists comfirmed that three members have been killed. [Reuters] [The Star 1]

During the operation, the military sized dozens of munitions, including an assault rifle, bows and arrows, and an unspecified homemade weapon. The Indonesian military has also deployed military staff in

the target area to look out for any possible movement from the remaining rebels. [The Star 1]

The Papuan Rebels have fought a low-level campaign for independence from Indonesia, ever since the area was taken into Indonesian boundaries in a vote mediated by the United Nations in 1969. [The Star 2] [The Straits Times 1]

The clash comes, after in March, separatists launched an attack in Papua's Yahukimo Regency, which resulted in the death of a female teacher and left six others injured. The West Papua National Liberation Army-Free Papua Movement claimed responsibility for the attack, arguing that the victims were Indonesian intelligence agents, rather than civilians (see AiR No. 12, March/2025, 4).

In early April, a separatist militia associated with the Free Papua Movement (OPM) claimed responsibility for 11 gold miners in the isolated Yahukimo Regency of Papua. The group claimed that the miners were a part of security forces, a claim that was later debunked and labeled as rebel propaganda by the TNI (see AiR No. 15, April/2025, 3).

Two police officers killed by Papuan rebels in ambush

In a latest attack, two Indonesian police officers were allegedly shot by rebels while riding motorcycles in Papua's Puncak Jaya Regency, as stated by authorities on May 16.

Police officials believe a separatist group led by Ternus Enumbi, who is suspected to be affiliated with the Free Papua Movement, is responsible for the attack. [Jakarta Globe]

Laos: National efforts for food self-sufficiency intensified

(dql) The Ministry of Agriculture and Forestry has unveiled plans to boost domestic production of meat, fish, and eggs to 577,000 tons in 2025 to enhance food self-sufficiency and reduce inter-provincial reliance. The target is to ensure every citizen has access to at least 73 kilograms of these essential food items annually.

This follows a year of strong performance in 2024, when total food production reached 786,000 tons—well above the national demand of 531,000 tons.

Despite national surpluses, ten provinces still depend on external supplies. To address these regional disparities, the government is prioritizing improved food distribution and increased egg production, aiming to strengthen local self-reliance and ensure stable food access nationwide. [The Laotian Times]

Laos: Inflation drives labor shifts and economic strain

(dql) A recent survey of the World Bank reveals that inflation in Laos is eroding living standards and reshaping the job market. To cope with rising prices, more people are working, but stagnant wages have pushed many toward self-employment and migration to support their families.

The tenth round of the World Bank's "Rapid Monitoring Phone Surveys", conducted from January to February 2025, shows employment rising steadily over four years—from 88.2 percent in May 2022 to 97.1 percent in January 2025. Notably, the gender employment gap narrowed from 8 percent in December 2022 to 1.9 percent in January 2025, reflecting increased female workforce participation. [World Bank Group]

Despite tight monetary policies reducing inflation from 26.2 percent in mid-2024 to 11.2 percent in March 2025, prices remain high, straining household finances. Many workers have shifted from services to agriculture, from wage jobs to self-employment, or emigrated for better opportunities. Wage growth is steady at 13 percent as of December 2024, while real wages' decline has slowed to 3.9 percent.

To manage high food prices, many families have depleted savings, sold assets, or borrowed, undermining future resilience. A third report cutting spending on health and education, contributing to higher school dropout rates among poorer children—11.4 percent are out of school versus 4.5 percent among wealthier peers. [The Laotian Times]

Malaysia: Anti-Fraud Task Force formed to tackle corruption

(tl) Malaysia has launched the Accounting Fraud Task Force (KKFP), led by the Malaysian Anti-Corruption Commission (MACC), to strengthen asset recovery efforts, especially in complex international corruption cases like 1Malaysia Development Berhad (1MDB). The

task force brings together seven key agencies, including the National Audit Department, Accountant General's Department, Inland Revenue Board, Companies Commission of Malaysia, Universiti Teknologi MARA (UiTM), and the Malaysian Institute of Accountants.

The task force is expected to show results within six months, particularly in high-profile cases like the 1Malaysia Development Berhad (1MDB) case, where asset recovery remains challenging due to limited foreign cooperation. MACC Chief Commissioner Azam Baki highlighted the economic toll of corruption, citing an estimated USD 60.94 billion loss between 2018 and 2023 and a study by independent Malaysian think tank EMIR Research that calculated up to USD 990 billion in losses from 1997 to 2022 due to leakages and misappropriation. [Malay Mail]

The 1MDB corruption case involves the misappropriation of billions of dollars from Malaysia's state investment fund, 1Malaysia Development Berhad (1MDB), allegedly orchestrated by high-level officials including former Prime Minister Najib Razak. The scandal led to multiple international investigations and convictions, with funds laundered through complex global networks to finance luxury assets, real estate, and even Hollywood films.

Malaysia: Barisan Nasional to refine grand coalition plan with partners for Sabah state polls

(ga) The Barisan Nasional (BN) coalition Chairman Ahmad Zahid Hamidi who doubles as President of the United Malays National Organisation (UMNO), the largest BN component party, has announced that the coalition is working to address any differences between BN, the ruling Pakatan Harapan (PH) coalition, and Gabungan Rakyat Sabah (GRS) to ensure effective seat allocation. The GRS is the ruling coalition in Sabah. Led by Chief Minister Hajiji Noor, GRS governs in partnership with Pakatan Harapan (PH) under the banner of the "GRS-PH Plus" coalition.

Ahmad Zahid's announcement follows recent comments by Prime Minister and PH Chairman Anwar Ibrahim, who emphasized the importance of cooperation among PH, BN, and GRS to maintain political stability at both the state and national levels.

Discussions among the Sabah chapters of PH, BN, and GRS are ongoing and are not yet finalized. Previously, PH and BN had confirmed their agreement to

collaborate for the state election, though GRS was not included in that initial arrangement. [Bernama 1]

GRS to decide on PH-BN election cooperation through supreme council

GRS will refer the proposal to collaborate with PH and BN for the upcoming Sabah state election to its Supreme Council for a final decision, said GRS Chairman and Sabah Chief Minister Hajiji Noor. He stated that GRS is open to cooperation, citing that the current state government was formed through a GRS-PH Plus coalition.

During a recent meeting with Anwar in Tawau, Hajiji acknowledged the prime minister's emphasis on the importance of tripartite cooperation to ensure political stability. However, Hajiji stressed the need to consider local aspirations in forging political understanding. Discussions on the collaboration remain ongoing, with Anwar confirming that no final agreement has been reached. [Bernama 2]

Sabah-based parties urge federal-state cooperation to advance 'Sabah First' policy

Meanwhile, the United Progressive Kinabalu Organisation (UPKO) and the United Sabah People's Party (Parti Bersatu Rakyat Sabah, PBRS) emphasized that implementing a 'Sabah First' policy requires effective dialogue and cooperation between federal and state governments. In a joint statement, UPKO Presidents Ewon Benedick and PBRS President Arthur Joseph Kurup (PBRS) stated that local political unity is essential, and that confrontation with the federal government is not the preferred approach.

Both parties, which are part of national coalitions – UPKO is part of PH, PBRS is part of BN – serve as a conduit between Sabah and federal government. They have worked collectively to address Sabah-related issues, including the Malaysia Agreement 1963 (MA63), the international treaty that established theFederation of Malaysia and that contains autonomy provisions and Sabah's rights to natural resources. According to the statement, nine MA63 demands have been fulfilled by the current government, with four others previously addressed by the former administration.

UPKO and PBRS affirmed their commitment to advancing the remaining MA63 demands and incorporating Sabah's development needs into the 13th Malaysia Plan (2026–2030). They also stressed that local aspirations should shape political negotiations in Sabah ahead of the next state election

to ensure political stability and national unity. [Bernama 3]

Malaysia: Sarawak passes bill to strengthen grassroot governance

(tl) The Sarawak legislative assembly has passed the Local Authorities (Amendment) Bill 2025 to enhance grassroots governance and improve public service delivery across the state. The bill amends the Local Authorities Ordinance in response to urban growth and evolving community needs.

Key changes include increasing the number of councillors from 30 to 33 in five major councils, Kuching South, Miri, Sibu, Padawan, and Kota Samarahan, to handle rising workloads and diverse public demands. The amendment to Section 172A also grants the State Cabinet authority to revise ordinance schedules, offering more flexibility in managing local government functions.

Dr. Sim emphasized that the updates will promote inclusive governance and ensure more efficient, locally driven development outcomes. [Malay Mail]

Malaysia: Sarawak plans to support ASEAN energy grid expansion

(tl) Sarawak Premier Abang Johari has urged for the restructuring of the state-owned power generation and supply company, Sarawak Energy Bhd (SEB) to support the state's growing role in regional energy production and cross-border supply. He asked SEB's board to propose a restructuring plan by the year-end, to establish a separate entity to boost energy output for the broader markets.

Abang Johari emphasized that this move supports Sarawak's energy goals of generating 10 gigawatts (GW) by 2030 and 15GW by 2035 and also aligns with Prime Minister Anwar Ibrahim's vision of Sarawak as a hub for the ASEAN energy grid.

Future energy exports are planned to Sabah, the southern Philippines, Brunei, Peninsular Malaysia, and Singapore. [Malay Mail]

Malaysia: Sarawak clarifies stance in dispute over rights in the oil and gas sector

(tl) Sarawak Premier Abang Johari Openg clarified that the state is not aiming to “destroy” or “kill” Petronas – Malaysia’s national oil and gas company, wholly owned by the Malaysian government – but wants to collaborate with the national oil and gas company. This comes amid disputes between the state and federal governments over Sarawak’s rights in the oil and gas sector.

He emphasized that the federal government, particularly Prime Minister Anwar Ibrahim, understands Sarawak’s position, especially regarding Petros – state-owned oil and gas company of Sarawak – becoming the sole gas aggregator in the state, Sarawak.

Recent discussions have focused on formalizing terms to support negotiations between Petronas and Petros, with Sarawak also set to expand its role in liquefied natural gas through a new commercial framework. [Free Malaysia Today]

Malaysia: Economy grows 4.4 percent in Q1 of 2025

(tl) Malaysia’s GDP rose by 4.4 percent in the first quarter of 2025 (Q1), slightly higher than the same period last year. The growth was led by strong performances in the services, manufacturing, and construction sectors. The festive season spending (Chinese New Year and Pre-Hari Raya), and a minimum wage hike made the domestic consumption remain robust.

The labor market showed improvement with the decline of the unemployment rate to 3.1 percent, and inflation remained low at 1.5 percent. Investments also grew nearly 10 percent, boosted by policy initiatives under the Madani government and sustainability-focused national plans like the National Energy Transition Roadmap (NETR).

The government is also seeking more high-quality foreign direct investments (FDI) to boost economic growth while implementing responsive and effective policies for consistent development. Despite global uncertainties, including protectionist trade tensions and the US’s new reciprocal tariffs, Malaysia maintains

its 2025 growth forecast of 4.5 percent to 5.5 percent for now.

The government also plans to bolster domestic direct investments (DDI) through MYR 25 billion (USD 5,8 billion) in commitments from government-linked investors and continue engaging international partners via platforms like ASEAN and Regional Comprehensive Economic Partnership (RCEP). Export diversification efforts are also underway, with growing trade ties to non-traditional markets such as Egypt, Pakistan, and Cambodia. Moreover, the government is fast-tracking the Madani Economy agenda, focusing on fiscal health, social protection, value chain growth, and talent development. [Malay Mail 1]

Labor demand rises

Malaysia recorded a 1.4 percent year-on-year increase in labor demand in the first quarter (Q1) 2025, reaching 9.06 million jobs, according to the Department of Statistics Malaysia (DOSM). Nearly all positions were taken with 97.9 percent and only 2.1 percent remained vacant. [DOSM]

The growth is attributed to improving economic performance, with the services sector contributing the most with 52.8 percent or 4.69 million, followed by the manufacturing and construction sectors which accounted for 26.9 percent and 14.1 percent respectively. For the skill-filled category, semi-skilled roles dominated, accounting for 62.5 percent or 2.23 million jobs and low-skilled workers were for 1.09 million.

Vacancies increased to 194,100, with the manufacturing sector making up over half, particularly in electrical, electronics, petroleum, and chemical sub-sectors. A total of 33,200 new jobs were created, with most being skilled or semi-skilled. The upward trend in employment reflects Malaysia's economic resilience and aligns with the goals of the New Industrial Master Plan 2030 (NIMP 2030) to boost workforce capability and job creation, particularly in manufacturing. [Malay Mail 2]

Malaysia: Expansion of pork imports considered amid supply shortage

(tl) Malaysia's Agriculture Ministry is reviewing a proposal to import pork from Thailand, China, and Brazil in response to shortages caused by African swine fever outbreaks, particularly in Selangor. While imports from Europe, Australia, Canada, the US, and

the UK remain permitted, pork traders are advised to secure supplies from these existing sources immediately.

The Federation of Pork Sellers Associations suggested the expansion after several local farm closures. In the long term, the ministry aims to support the transition to modern pig farming systems and establish farming zones in states like Sarawak and Negeri Sembilan, with the target of reaching 90 percent self-sufficiency in pork production by 2030. [Free Malaysia Today]

Malaysia: Prime Minister unveils nation's first locally built tactical vehicle

(ga) Prime Minister Anwar Ibrahim launched "Ribat," Malaysia's first high mobility light tactical vehicle designed and fully built by Mildef International Technologies Sdn Bhd, at the Langkawi International Maritime and Aerospace Exhibition 2025 (LIMA'25) held at the Mahsuri International Exhibition Centre.

Developed by local engineers using industrial-grade facilities in Seremban and Sepang, Ribat is equipped with a modular ballistic protection system and is intended for patrol, convoy, and special operations missions.

During the launch, Anwar witnessed the signing of two agreements: a memorandum of understanding between Mildef and Indonesia's PT Pindad to facilitate export, technology transfer, and system integration; and a memorandum of agreement between Mildef and the Defence Science and Technology Research Institute under the defence ministry to develop two additional tactical vehicle platforms locally.

Mildef, established in 2005, previously developed the Tarantula armoured vehicle and the Rentaka 4×4. The company's latest project, Ribat, represents continued efforts to strengthen Malaysia's domestic defence capabilities. [Free Malaysia Today]

Malaysia: Defense innovation and regional cooperation showcase at LIMA' 25

(tl) At the opening of the Langkawi International Maritime and Aerospace Exhibition 2025 (LIMA'25), Prime Minister Datuk Seri Anwar Ibrahim emphasized Malaysia's commitment to defence preparedness,

regional stability, and international collaboration amid evolving global security dynamics. He highlighted LIMA's growing success, noting increased participation from international partners and its role in showcasing defence innovation and enhancing strategic alliances.

Anwar highlighted Malaysia's strategic maritime location, bordered by the South China Sea, Indian Ocean, and Strait of Malacca, reinforcing the need for continuous investment in security and technological innovation. He also emphasised ASEAN's central role in regional stability and welcomed participation from major powers including China, India, the U.S., Korea, and European nations, framing their presence as a sign of shared commitment to peace and collaboration.The event featured 860 exhibitors and focused on both military capabilities and industrial partnerships.

Moreover, Anwar stressed that Malaysia continues to engage in regional and multilateral efforts such as joint border committees, the Malacca Strait Patrols, and trilateral security cooperation. Anwar further reiterated Malaysia's support for global peacebuilding through participation in UN peacekeeping missions and initiatives like Women, Peace, and Security. [Malay Mail 1]

In a significant milestone during LIMA'25, Anwar also launched RIBAT, Malaysia's first High Mobility Light Tactical Vehicle (HMLTV), designed and built by local company, Mildef International Technologies Sdn Bhd. Named by the Prime Minister, RIBAT symbolizes national defence readiness and innovation. The launch included the strategic agreements between Mildef, and major Indonesian defence company PT PINDAD, as well as the Defence Science and Technology Research Institute (STRIDE), aiming to boost technology transfer and regional defence cooperation. [Malay Mail 2]

Organised by the Ministry of Defence and Global Exhibitions and Conferences Sdn Bhd, LIMA'25 is themed "Today's Innovation, Tomorrow's Achievements" and will run from May 20–24 in Langkawi, Kedah.

Myanmar: Union Election Commission withholds election date

(hw/anl) The Union Election Commission (UEC) announced on May 16 that it has already designated the election dates but is not willing to disclose them at this stage. The UEC stated that it will only reveal the official campaigning period after completing background checks on parliamentary candidates.

Meanwhile, political parties registered for the election anticipate that the vote will take place on December 14. However, according to Senior General Min Aung Hlaing, the leader of Myanmar's military, the election will be conducted in phases, beginning in late December and continuing into early January next year. [BBC, in Burmese]

Meanwhile, political parties registered under the junta's election body fear a public boycott of the December 2025 general election, as resistance to military rule remains widespread. The junta has admitted that its pre-election census failed to count 19 million of Myanmar's estimated 51 million people.

The Karen National Union, an Ethnic armed organization, warned that the election could spark further conflict, given deep public divisions and ongoing regional instability. The Democratic Party for a New Society, a pro-democracy political party, echoed these concerns, stating that the election would not resolve Myanmar's political crisis.

Of the 77 parties that registered with the junta's election commission, 54 have been approved to contest the polls. These registered parties maintain that the election will restore civilian rule. [Irrawaddy]

Myanmar: Junta expected to form interim government in July

(anl) A source in Naypyidaw reports that junta leader Min Aung Hlaing is expected to form a new interim government in July, ahead of the expiration of the current state of emergency on July 31. The National Defense and Security Council (NDSC), which has ruled Myanmar through six-month emergency extensions, has not clarified whether the state of emergency will be renewed or replaced by a new government.

The source confirmed plans for an interim government but did not provide details on its structure. Analysts suggest that the junta may shift from a military-dominated administration to a more civilian-led structure and that leader Min Aung Hlaing could appoint a new president and prime minister while retaining his role as Commander-in-Chief. [Mizzima]

Myanmar: Adidas supplier hit by mass strike over wage demands

(hw/dql) Around 4,000 workers at the Tsang Yih Shoe Factory in Yangon, a major Adidas supplier, have staged a sit-in strike since May 15 demanding a daily wage increase from MMK 7,600 (less than USD 2) to MMK 12,000 (USD 5.70).

The factory, located in Hlaing Tharyar Township, employs approximately 6,800 workers. Strikers say initial attempts to request assistance through labor leaders were unsuccessful, prompting them to act independently. Management offered to respond within five days, but workers demanded an immediate answer. In response, the company threatened to dismiss them for unauthorized absence.

A representative of the Federation of General Workers Myanmar (FGWM) noted that similar wage demands are expected at other factories, citing a recent strike where demands were met quickly, though several workers and labor leaders were later dismissed.

A survey by the Solidarity Trade Union of Myanmar (STUM) found that workers require MMK 12,000–17,000 per day to meet basic living needs, as living costs have tripled since the coup due to soaring inflation. However, the official minimum wage remains unchanged at MMK 4,800 (USD 2.29) since 2018. Allowances introduced in 2023 and 2024 brought the total pay at Tsang Yih to just MMK 7,200 (USD 3.43) plus a food allowance—still far below workers' demands. [The Irrawaddy] [BBC News, in Burmese]

Myanmar: Junta air strikes target civilians

(nj/nf/anl) Since May 2, *The Irrawaddy* has documented 58 junta-led airstrikes targeting civilian infrastructure in resistance-held areas, including schools, hospitals, and religious sites. These attacks continue despite the regime's declared truce following the March earthquake. The regime has stated that it will continue to take "necessary defensive measures" against resistance groups. Strikes have been reported across Rakhine, Chin, Karen, Shan, Karenni, and Mon states, as well as the Sagaing and Mandalay regions, resulting in at least 86 deaths and over 200 injuries.

On May 13, Tun Ya Wai village in Rathedaung Township, under Arakan Army (AA) control, was bombed. An airstrike also targeted the Bangkok Refugee Camp in La Ei village, Southern Shan State—previously hit in September and November 2024. On May 14 and 15, the town of Kyauktaw in Rakhine, also controlled by the AA, came under attack.

The AA has condemned the strikes as crimes against humanity and plans to submit evidence to relevant international bodies. In northern Shan State, airstrikes have intensified against towns controlled by the Ta'ang National Liberation Army following the group's refusal to cede territory during China-brokered peace talks in April. [The Irrawaddy]

The military denies targeting civilians, instead accusing "terrorists" of launching drone and artillery attacks on towns. It also claims resistance fighters are using civilian sites as cover. [AP News]

NUG condemns deadly airstrike on Depayin school

On May 12, the junta reportedly bombed a school in O Htein Twin village, Depayin Township, on May 12, killing 22 civilians — 20 children and two teachers — and wounding about 50 others. The bombing took place during school hours when about 100 students were attending classes. Despite extensive photographic evidence and eyewitness testimony, the junta denied involvement, saying the reports were "fabricated."

This is the second major airstrike on a school in Depayin within the last few years. In a similar attack in 2022, 13 civilians, including 11 children, were killed.

The Ministry of Education of the National Unity Government (NUG) strongly condemns the attack, calling on the international community to hold the junta to account with targeted sanctions, an arms embargo, and prosecution for crimes against humanity. [Mizzima 1] [Mizzima 2] [Irrawaddy News]

Airstrike in Sagaing's Pale Township

On May 18, local resistance forces reported that a military airstrike killed four civilians, including two school-aged children, and injured several others in Nwe Inn village, Pale Township, Sagaing Region. According to the People's Defence Forces (PDF), the attack occurred when two jet fighters dropped three bombs on the village. Six more residents, including a two-year-old boy, were wounded—several critically.

Despite the attack, no recent clashes had been reported in Pale Township, which is largely under the control of resistance forces. [Mizzima 3]

Myanmar: Ten PDF members killed during Indian raid

(hw) Indian authorities raided a People's Defense Force (PDF) outpost in Tamu District, Sagaing Region, and apprehended ten PDF members on May 13. Three days later, their bodies were returned, according to resistance groups based in Tamu.

These groups stated that the raid occurred on the Myanmar side of the border and claimed it was linked to ongoing efforts to erect fencing along the frontier. They further alleged that the operation was carried out with the complicity of the Myanmar military.

The Indian military reported that the ten PDF members were killed in a shoot-out with Indian armed forces. Local residents reported an increased Indian military presence along the border following the incident.

Zin Mar Aung, Minister of Foreign Affairs of the National Unity Government (NUG), stated on her Facebook page that she is in talks with the Indian government to uncover the truth behind the incident. [BBC News, in Burmese]

Myanmar: Local armed group arrests individuals protesting against mineral mining project

(hw) The New Kayan State Party, a local armed group active in southern Shan State and Kayah State in eastern Myanmar, has arrested four individuals who protested against a metal mining project in southern Shan State. The project is a joint venture between a Chinese firm and Four Star Regional Development Mining, a company owned by Than Soe, chairman of the New Kayan State Party. At least two members of Than Soe's family serve on the company's board.

The project has reportedly caused significant environmental damage. Protests began in early May, led by members of the Pra Daung, a local ethnic group. The arrests have triggered a new wave of demonstrations calling for the immediate release of the detained individuals. The current whereabouts of the detainees are unknown. [DVB, in Burmese]

Myanmar: Junta abandons Chinese pipeline station after resistance attacks in Mandalay

(anl) On May 15, Myanmar's junta abandoned an off-take station for the Chinese oil and gas pipelines in

Mandalay Region following eight coordinated attacks by resistance groups. According to local sources, resistance fighters targeted junta guards across Natogyi, Taung Tha, Myingyan, and Ngazun townships.

Residents reported that around 80 junta troops at the off-take station east of Natogyi were attacked, resulting in several soldiers killed and one detained. One resistance fighter was also reported killed.

Resistance forces withdrew after the regime deployed a Chinese-made Y12 airplane and a fighter jet to defend the area. However, by Friday, the junta had fully abandoned the guard post when resistance forces returned. [Irrawaddy]

Myanmar: Two rare earth mines uncovered in UWSA controlled area

(hw) Shan Human Rights Foundation (SHRF) reported that they have discovered two rare earth mines in an area controlled by United Wa State Army (UWSA) and Myanmar military in Mong Hsat Township in eastern Shan State. The mines were discovered through satellite images. The mines are only 25 kilometers from Thailand's Chiang Mai Province. According to SHRF, extraction at the first mine began mid-2023 while the second mine began to operate in min-2024. SHRF also noted the similarities between the two mines and other rare earth mines in Kachin State, in northern Myanmar. The latters are under the control of Kachin Independence Army (KIA) and estimated to worth millions of USD. Pollutants from the projects were disposed at Namhkom River, causing health problems to people in Thailand. It is reported that elephants in Thailand began to show skin problems after bathing in Namkhok River. [Shan News, in Burmese]

Myanmar: KIA shot down two helicopters in Bamao

(hw) Kachin Independence Army (KIA) was able to shot down two helicopters delivering reinforcement to the military base in Bamao, according to Colonel Naw Bu, KIA's spokesperson. While one helicopter crashed in a forest 15 miles outside of Shwe Ku, the other was able to land at a military airfield in Myitkyina, the capital of Kachin State. Since April 25, KIA and allies have been trying to take over important military establishments in Bamao and the military has been countering the assault with aerial bombardments, using Y12 fighters.

However, the offensive on entire Bamao started months ago, in December 2024. Currently, no fewer than five military outposts are under KIA's control. [BBC News, in Burmese]

Philippines: Marcos–Duterte split shapes new Senate ahead of vice president's impeachment trial

(lm) The results of the May 2025 senatorial elections have produced a politically fragmented 12-member bloc that will join the 12 holdovers from the 19th Congress to form the Senate for the 20th Congress—setting the stage for the upcoming impeachment trial of Vice President Sara Duterte. The proceedings, scheduled to begin on July 30, are expected to become a defining moment in Philippine politics and could critically impact Duterte's anticipated presidential bid in 2028. To avoid removal from office, the vice president must secure at least nine votes for acquittal.

Of the twelve newly elected senators, five are aligned with President Ferdinand Marcos Jr.'s coalition, Alyansa para sa Bagong Pilipinas: Pia Cayetano, Camille Villar, Lito Lapid, Ping Lacson, and Imee Marcos. Notably, both Marcos and Villar were later dropped from the Duterte-aligned Partido Demokratiko Pilipino-Laban slate—Marcos having publicly distanced herself from her brother, the president. Meanwhile, three senators —Bong Go, a longtime personal aide and close political ally of former president Rodrigo Duterte who topped the race with over one million votes; former police chief Ronald "Bato" dela Rosa; and Rodante Marcoleta —won their seats with backing from the Duterte camp.

The remaining four Senate seats were secured by figures less firmly tied to either bloc. Bam Aquino, who placed second overall, and Kiko Pangilinan staged surprising comebacks after previous electoral defeats in 2019 and 2022. Their victories signal a modest resurgence for the Liberal Party, a centrist opposition party historically associated with democratic reform and the post-authoritarian era. They are joined by Erwin Tulfo, a former social welfare secretary and popular broadcast journalist, and Tito Sotto, a longtime senator and television personality who previously served as Senate president.

The new Senate composition also underscores the continued influence of political dynasties. Pia Cayetano will serve alongside her brother Alan Peter Cayetano; Camille Villar joins her brother Mark Villar; and Erwin Tulfo joins his brother Raffy Tulfo in the upper

chamber. A third Tulfo sibling, Ben, failed to win a seat. [Rappler 1] [The Inquirer.net]

That trial—triggered by the House of Representatives' approval of Articles of Impeachment against Vice President Duterte—will focus on grave charges, including culpable violation of the Constitution, graft, misuse of PHP 612.5 million (approximately USD 10.4 million) in confidential funds, and conspiracy to destabilize the government and assassinate President Marcos Jr. Duterte has denied all allegations and petitioned the Supreme Court to stop the proceedings.

Senate President Francis "Chiz" Escudero confirmed that the Senate will not alter its impeachment rules mid-process, despite receiving proposals for changes. He emphasized that the chamber will only convene as an impeachment court once the Articles of Impeachment are formally presented on June 2. The trial is scheduled to begin on July 30, under the framework of the existing rules. [The Inquirer.net]

In public remarks on May 17, Duterte said she welcomes the proceedings, stating, "I truly want a trial because I want a bloodbath." While her legal team continues to pursue remedies to prevent the trial, Duterte has declared herself at peace with whatever verdict is reached. [Rappler 2]

Philippines: Two prominent figures join prosecution panel for Vice President Duterte impeachment trial

(dnb/lm) Former senator Leila de Lima and human rights lawyer Chel Diokno—who previously served as a prosecutor in the 2001 impeachment trial of then-President Joseph Estrada—have been appointed to the House of Representatives' 11-member prosecution panel for the upcoming Senate impeachment trial of Vice President Sara Duterte. Their appointments, announced on May 14, follow the failure of two originally elected panel members to secure reelection to Congress.

The impeachment trial centers on charges of corruption, misuse of PHP 612.5 million (approximately USD 10.4 million) in confidential funds, conspiracy to assassinate President Ferdinand Marcos Jr., and involvement in extrajudicial killings. Duterte has denied the charges and petitioned the Supreme Court to halt the proceedings.

De Lima emphasized that the trial is not about "political rivalry or personalities" but about honoring

public trust. Her own political trajectory adds weight to the proceedings: under the Duterte presidency, she was jailed for nearly seven years on drug-related charges largely seen as politically motivated. She was acquitted in two of three cases, and released in 2023 after a key witness recanted. [ABS-CBN] [GMA News Online] [The Inquirer.net 1] [Manila Standard] [Rappler 1]

However, on May 14, the Court of Appeals reversed one of her acquittals, citing insufficient explanation by the original trial court regarding the retraction's impact. Her legal team plans to appeal to the Supreme Court, invoking protections against double jeopardy. For now, the acquittal remains in effect, and she will assume her role in the 20th Congress as first nominee of the Mamamayang Liberal party-list, affiliated with the Liberal Party. [Rappler 2] [The Inquirer.net 2]

Philippines: House speakership reflects broader power struggle between Marcos and Duterte dynasties

(lm) At least four lawmakers have emerged as contenders for the House speakership ahead of the 20th Congress, in a battle that could reshape President Ferdinand Marcos Jr.'s legislative agenda.

Leading the list is billionaire and returning Bacolod Representative Alfredo Abelardo Benitez, reportedly favored by First Lady Liza Araneta-Marcos to restore order in the House. Also floated are Ilocos Norte 2nd District Representative Angelo Marcos Barba, cousin of the president; Navotas Representative Tobias Tiangco, who has expressed conditional openness to the role; and Ilocos Norte 1st District Representative Sandro Marcos, the president's son, currently serving as senior deputy majority leader.

Vice President Duterte said her brother, re-elected Davao City 1st District Representative Paolo Duterte, is also "seriously considering" joining the race, though he has not confirmed his intentions. Duterte suggested he could aim for minority leadership if unsuccessful.

Speaker Ferdinand Martin Romualdez, a key Marcos ally and leader of the ruling Lakas–Christian Muslim Democrats (Lakas-CMD), remains in post and retains public backing from coalition leaders. Lakas-CMD holds 104 seats, with additional support from the Nationalist People's Coalition (32), Nacionalista Party (22), National Unity Party (32), and Partido Federal ng Pilipinas (28), according to a tally by Representative Joey Salceda.

Liberal Party lawmakers number just six. [The Manila Times]

Philippines: ICC weighs delay in witness disclosures while Duterte challenges judges over jurisdiction

(lm) The International Criminal Court (ICC) is considering a request by its Office of the Prosecutor to delay key pre-trial deadlines in the case against former Philippine president Rodrigo Duterte, who is facing charges of crimes against humanity for his role in the country's violent anti-drug campaign. The request, filed on May 14 by Prosecutor Karim A.A. Khan, cites urgent concerns for witness safety and procedural fairness, particularly regarding several unnamed witnesses cited in Duterte's arrest warrant.

Khan is asking the Pre-Trial Chamber to extend the deadline for disclosing materials related to these witnesses to July 1, and to push the deadline for filing non-disclosure applications under Rule 81(4) to June 20. The prosecution argues that immediate disclosure would pose "an objective risk" to the witnesses' well-being and noted that protective measures are underway but not yet fully in place. Although the defense had earlier not objected to a preliminary extension, the chamber has yet to rule on the new request. [The Manila Times 1]

Duterte, currently detained in The Hague, is the first former Southeast Asian head of state to be arrested by the ICC. The court has indicated that over 8,500 pages of documentary evidence, along with video footage, will be submitted against him during confirmation proceedings, now scheduled to begin on September 23.

In a parallel development, Duterte's defense attorney Nicholas Kaufman has filed a motion to disqualify two judges—María del Socorro Flores Liera and Reine Adélaïde Sophie Alapini-Gansou—from jurisdiction-related decisions in the case. ICC President Tomoko Akane has instructed both judges to submit their written observations by May 22, in line with the court's procedural rules. The prosecution is also required to respond by the same date. [The Manila Times 2]

Philippines: Court orders arrest of ex-President Duterte's spokesperson for human trafficking

(lm) A Philippines' court has issued arrest warrants for Harry Roque, who served as the presidential spokesperson for former President Rodrigo Duterte during two separate terms, and businesswoman Cassandra Ong, and 47 others on charges of qualified human trafficking. The case arises from a raided Philippine offshore gaming operator (POGO) facility in Porac, alleged to have trafficked workers in a large-scale scam operation.

Roque, who previously admitted to acting as legal counsel for the real estate firm that leased the property to the POGO company, is currently in The Hague, Netherlands, seeking asylum. The Department of Justice is preparing to request hold departure orders and may seek Interpol assistance for Roque's return. [Rappler] [The Manila Times]

Philippines: EU Election Observation Mission highlights deficiencies in recent elections

(dnb)(The EU Election Observation Mission's preliminary statement on the recent Philippine mid-term elections identified systemic deficiencies that affected voters' trust in democracy. The mission pointed to issues such as a dispersed legal framework and questionable regulatory interventions by the Commission on Elections (COMELEC), alongside widespread violence, vote-buying, and red-tagging.

The mission also noted limited access to polling stations, as EU observers were denied access despite an agreement allowing them unrestricted access. This restriction reduced the observer mission's scope and size, affecting the ability to observe the voting process thoroughly. The final report with recommendations is expected in two months. [European Union Election Observation Mission Philippines 2025] [Philstar]

Philippines: Election commission urged to suspend proclamation of ex-President Duterte aligned party-list

(lm/dnb) An election lawyer has called on the Commission on Elections (Comelec) to suspend the proclamation of the Duterte Youth party-list over a long-pending legal challenge to its registration. The 2019 petition alleges that the group, which claims to represent Filipino youth interests, failed to meet basic legal requirements for accreditation, including

mandated public notice and hearings under the Constitution and the Party-List System Act.

Duterte Youth, a right-wing nationalist group aligned with former president Rodrigo Duterte, first gained a congressional seat in 2019 and has since remained controversial due to its leadership's strong partisan affiliations and perceived misrepresentation of youth sectors. The group received 5.59 percent of votes in the May 2025 elections—well above the two percent threshold required for a guaranteed seat. [Rappler]

On May 19, the Comelec announced that two party lists would be suspended out of which one won three seats and had a pending case since 2019, while the other won one seat, but no further information was given. However, this narrows down the yet unnamed parties to Akbayan, Duterte Youth, and Tingog all of them having won three seats, but it is Duterte Youth that fits the Comelec's description best with a pending case since September 3, 2019, and three seats in the recent midterm elections. The Duterte Youth party-listed said in a statement that they would challenge the Comelec's decision before the Supreme Court, if necessary. [Inquirer] [Rappler 2]

Philippines: Supreme Court voids mining ban in Occidental Mindoro

(jm) The Supreme Court of the Philippines recently declared void the 25-year mining moratorium imposed by the local government of Occidental Mindoro, a province located on the western side of Mindoro Island, known for its rich natural resources, including minerals. The decision, promulgated on January 14 but only released on May 14, affirmed a 2018 ruling by the Regional Trial Court (RTC) of Mamburao that nullified the ban on large-scale mining activities.

The Court ruled that while local governments can restrict specific mining projects, they cannot impose blanket bans on large-scale mining within their jurisdiction, as such ordinances must align with national laws. The ruling also acknowledged that mining activities impact the environment, but emphasized that contractors must follow environmental safeguards set by the Department of Environment and Natural Resources (DENR). [Rappler]

Philippines: Record 3 million cyberattacks targeted election commission during mid-

term elections

(dnb) The Commission on Elections (Comelec) in the Philippines faced over 3 million cyberattacks between May 11 and May 14, aimed at disrupting the elections by injecting malicious information. The attacks, categorized as distributed denial-of-service (DDoS), sought to overwhelm Comelec's network with high traffic. [The Manila Times]

Philippines: Security measures strengthened amid rising crimes against South Koreans

(jm) The Philippines is taking steps to improve security for South Koreans in response to rising crimes targeting them.

Following a recent fatal shooting of a South Korean national in Angeles City, discussions between the Philippines' Presidential Anti-Organized Crime Commission, the Korean Consulate, and the United Korean Community Association have led to proposals for enhanced tourist security in key areas like Manila, Cebu, and Angeles City.

The South Korean Embassy has called for international police cooperation and stronger local security measures under the bilateral Memorandum of Understanding on Tourism Cooperation. With 34,000 South Korean nationals living in the Philippines, the country continues to prioritize safety as it seeks to boost tourism numbers after a decline in early 2025. [The Korea Times] [Philippines News Agency]

Singapore: Ministers' legal win in defamation case shadowed by optics of scandal-linked photo

(lm) A political controversy involving three senior Singaporean officials and their appearance in photos with a man later convicted in a billion-dollar money laundering case has taken a new turn. The officials—Health Minister Ong Ye Kung, Transport Minister Chee Hong Tat, and labour chief Ng Chee Meng—accused a social media user of defamation for claiming they had knowingly condoned the individual's criminal activities. The user deleted the posts, acknowledged the allegations were baseless, and offered to perform 300 hours of community service in lieu of damages, citing financial hardship.

The photos in question—taken before Su Haijin's 2024 conviction—resurfaced online this month and showed the officials at separate dinners attended by Su, a member of the transnational Fujian gang and a central figure in Singapore's record-breaking SGD 3 billion (USD 2.2 billion) money laundering scandal. While the officials denied knowing Su or his background at the time, the incident quickly escalated after they initiated legal proceedings to protect their reputations. [Channel NewsAsia 1] [Channel NewsAsia 2] [The Straits Times]

Ng Chee Meng has since announced that he will not pursue further legal action. At the same time, in an apparent acknowledgement of the reputational fallout triggered by the photo's circulation, Ng had previously asked Prime Minister Lawrence Wong not to appoint him to a Cabinet post in the upcoming reshuffle—breaking with the long-standing convention of integrating labour leadership into government. His decision comes amid renewed attention to earlier criticisms during his time as education minister and increasing unease over perceived proximity to scandal [see AiR No. 19, May/2025, 2].

Singapore: Taskforce on economic resilience may see changes after Cabinet reshuffle

(nl) Deputy Prime Minister Gan Kim Yong has indicated that changes to the composition of the Singapore Economic Resilience Taskforce are likely following the upcoming Cabinet reshuffle, likely before the Shangri-La Dialogue on May 30. The taskforce, established in response to the global tariff crisis, comprises ministers with portfolio-specific roles and representatives from business and labor sectors.

The taskforce was launched after U.S. President Donald Trump imposed a baseline 10 percent tariff on all imports, prompting Singapore to prepare contingency measures. The latest development saw the United States and China agree to a 90-day mutual reduction of tariffs, creating temporary space for negotiations. However, DPM Gan emphasized the uncertainty beyond this window, stressing the need for continued vigilance and readiness. [The Straits Times]

Singapore: Exports surge 12.4 percent in April, led by electronics

(lm) Singapore's non-oil domestic exports (NODX) rose by 12.4 percent year-on-year in April 2025, significantly exceeding analyst expectations and offering a temporary boost amid growing global trade volatility. The increase, which outpaced the 4.3 percent forecast in a Reuters poll, follows a 5.4 percent rise in March and reflects strong growth in both electronics and non-electronics exports.

Electronics exports surged 23.5 percent from the previous year, nearly doubling March's growth rate. Key contributors included personal computers, integrated circuits, and disk media. Non-electronics exports rose by 9.3 percent, also accelerating from March's 3.7 percent increase.

Among Singapore's top trading partners, exports to Indonesia saw a dramatic 111.2 percent year-on-year rise, while exports to the United States grew 1.2 percent. However, shipments to China and Malaysia fell by 17 percent and 1 percent respectively, indicating uneven performance across markets. Exports to other key Asian economies—including Taiwan, South Korea, Hong Kong, Japan, and Thailand—also registered year-on-year gains.

Analysts suggest the surge may reflect front-loading of shipments ahead of potential tariff hikes, especially given temporary exemptions for some Singaporean electronics under U.S. measures. The ongoing 90-day tariff suspension between the United States and China offers a limited reprieve, but policy uncertainty remains high, making forward planning difficult for exporters. [Channel NewsAsia]

Singapore: Synthetic rubber firm opens world's largest USD 350 million plant

(rt) Singapore-based synthetic rubber latex manufacturer Cariflex has officially inaugurated the world's largest polyisoprene rubber facility, following an investment of over USD 350 million. The company is a subsidiary of South Korea's DL Chemical, part of the DL Group.

Singapore's specialty chemicals sector has doubled in value over the past decade to nearly SGD 5 billion (USD 3.84 billion), now accounting for 20 percent of the nation's energy and chemicals output. The government sees further growth potential in this segment due to rising demand for more sustainable and advanced materials. [Business Times]

Singapore: Construction sector hit by US tariffs

(nl) Singapore's construction industry is facing challenges from ongoing US tariffs on steel and aluminum, despite the May 12 US-China trade truce. The tariffs have caused fluctuations in material prices, especially aluminum, which surged from USD 2,449.90 per ton in September 2024 to USD 2,658.30 per ton in March 2025. While there was a slight drop in April, volatility continues to create uncertainty in procurement and budgeting for local businesses.

The 25 percent sector-specific tariffs on steel and aluminum, along with 10 percent universal tariffs, have disrupted global supply chains, limiting material availability. Industry experts warn that a 5 to 10 percent increase in material costs could significantly raise project budgets, especially for large-scale projects. [The Straits Times]

Singapore: Work begins on new airport terminal

(nl) Singapore broke ground on Changi Airport's Terminal 5 on May 14, with Prime Minister Lawrence Wong officiating the ceremony. Scheduled to open in the mid-2030s, the new terminal is part of a broader effort to secure Singapore's long-term competitiveness as a global air hub and support sectors such as tourism, logistics, and aerospace.

Changi Airport is Singapore's main international gateway and one of the world's busiest airports. Terminal 5 is a key component of the Changi East development, first announced in 2013. The government has committed SGD 11 billion (USD 8.1 billion) to the Changi Airport Development Fund, including a recent top-up of SGD 5 billion (USD 3.7 billion) announced in Budget 2025. [Channel NewsAsia] [The Straits Times 1] [The Straits Times 2]

Singapore: Outgoing Defence Minister Ng Eng Hen discusses defense and geopolitics

(nl) As he concludes a 14-year tenure, Singapore's Defence Minister Ng Eng Hen outlined key shifts in defense policy, focusing on digital transformation, Total Defence, and geopolitical risks. He highlighted the need to counter non-traditional threats, including cyberattacks. Under his leadership, the Digital and

Intelligence Service was set up in 2022 to strengthen cyber defense and digitalization across the military.

In 2019, digital defense was added as the sixth pillar of Total Defence—a national strategy involving both military and civilian sectors. Ng mentioned that inter-agency exercises now simulate disruptions like cyber breaches, utility outages, and supply shocks to enhance national resilience.

Ng also emphasized improvements in the SAF safety culture, where commanders are held accountable for lapses. Drawing from his past role in the Ministry of Manpower, Ng called for safety to be prioritized alongside performance, with AI increasingly used to identify and mitigate risks.

On foreign policy, Ng stated that small states like Singapore cannot balance great powers but can offer credible, independent views. He warned that trade disruptions pose significant risks and emphasized that Singapore engages candidly with both the U.S. and China—supporting U.S. presence in Asia while addressing regional concerns over China's growing influence, noting that conflict would have deeply damaging consequences for the region. [The Straits Times] [Channel NewsAsia]

Singapore: Details of next-generation navy combat vessels unveiled

(lm) Singapore has publicly revealed the design and specifications of its new Multirole Combat Vessels (MRCVs) for the first time at the IMDEX Asia 2025 naval exhibition. The six-ship class, developed by Saab and Odense Maritime Technology and built by ST Engineering, will replace the Republic of Singapore Navy's (RSN) aging Victory-class missile corvettes and serve as motherships for unmanned systems across air, sea, and underwater domains.

The first keel was laid in October 2024, with the launch expected later in 2025 and operational service beginning in 2028. The vessels reflect the RSN's growing reliance on modular, automated platforms with integrated command centers to support leaner crews. The MRCV project marks a core pillar of Singapore's broader naval modernization and underscores its leading role in naval autonomy and digital warfare. [Naval News]

Thailand: Senate vote-rigging probe deepens

(lm) Thailand's investigation into alleged vote-rigging during the 2024 Senate election has taken a politically charged turn after the Constitutional Court on May 15 suspended Justice Minister Tawee Sodsong from overseeing the Department of Special Investigation (DSI). The decision followed a petition by 92 senators who accused Tawee and Deputy Prime Minister Phumtham Wechayachai – both senior members of the ruling Pheu Thai Party – of interfering with the constitutionally independent Election Commission (EC). While the court found no basis to suspend Phumtham, it ruled that Tawee's supervisory role over the DSI raised sufficient legal concerns to justify a temporary suspension. [Bangkok Post 1] [Bangkok Post 2]

The DSI, tasked with handling high-profile cases, has been investigating a network of financial irregularities linked to the Senate election. It flagged over THB 500 million (USD 15 million) in suspicious transactions, particularly focusing on the Bhumjaithai Party—Pheu Thai's coalition partner. This includes examining its strongholds, notably in Buri Ram, where money-laundering activities related to electoral misconduct have been uncovered. As of now, six out of 53 senators under scrutiny have been formally summoned, with charges expected under Sections 5 and 9 of the Anti-Money Laundering Act. Around 1,200 individuals are under investigation. [Bangkok Post 3]

The Senate election's complex structure, involving voting at district, provincial, and national levels across multiple occupational groups, has added procedural ambiguity. Initially, the EC welcomed the DSI's involvement due to the scale of the alleged wrongdoing, although some critics see this as politically motivated.

Phumtham, who also serves as Defense Minister, has expressed his readiness to oversee the DSI if appointed by Prime Minister Paetongtarn Shinawatra. He has denied any attempts to politicize the case or engage in "lawfare" against the Bhumjaithai Party, led by Interior Minister and Deputy Prime Minister Anutin Charnvirakul. [Bangkok Post 4]

The EC has reiterated that its investigation remains on track, with findings expected by July 10. It is set to summon key Bhumjaithai figures, including Deputy Commerce Minister Napintorn Srisanpang and former MP Supachai Phosu, over allegations of vote manipulation. Over 140 individuals, including 55 senators, have already been called for questioning,

with some possibly facing charges of vote rigging. [Bangkok Post 5]

If charges are pursued, senators implicated in the case would face immediate suspension. Convictions could result in up to 10 years in prison, fines of up to THB 200,000 (USD 5,800), and a 20-year ban from holding public office. [Bangkok Post 6]

Both Pheu Thai and Bhumjaithai have been accused of using state institutions—the DSI, EC, and Constitutional Court—for political advantage. In response to concerns over the legitimacy of the election process, Senator Nantana Nantavaropas plans to submit a petition to the Constitutional Court, seeking the temporary suspension of the Senate's authority to approve appointments to independent state agencies. At least 20 other senators support the petition, fearing conflicts of interest and a lack of transparency. [Thai Enquirer][Bangkok Post 7]

In a broader context, Tida Tawornseth, the former president of the United Front for Democracy against Dictatorship (UDD)—a political movement originally formed in opposition to the 2006 military coup that ousted then-Prime Minister Thaksin Shinawatra—warned that Thailand could face another political crisis. Tawornseth expressed concerns that unresolved allegations of vote-rigging could lead to a military coup if not thoroughly investigated. She also urged for national reconciliation to avoid further instability, emphasizing that the fragile political landscape could be pushed to the brink by unresolved electoral issues. [Bangkok Post 8]

Thailand: Kla Dharma Party gains influence as coalition dynamics shift

(lm) Political observers are closely monitoring the Kla Dharma Party, a relatively small but increasingly influential member of Thailand's ruling coalition, as it apparently has intensified efforts to attract MPs from rival parties, having welcomed several high-profile defectors in recent weeks, including two former Pheu Thai MPs.

Kla Dharma is led on paper by Agriculture Minister Narumon Pinyosinwat but is widely viewed as the political vehicle of Thamanat Prompow, a former key figure in the opposition Palang Pracharath Party (PPRP). Thamanat, who played a central role as political fixer for the military junta that came to power in the 2014 coup, previously served as Agriculture Minister in the second Prayut cabinet before being expelled from

the PPRP amid internal disputes. He later brought a faction of MPs into Kla Dharma – just at the time when the party rebranded in 2024.

The party's current strategy includes offering material incentives, such as monthly stipends and luxury vehicles, to encourage defections. While Kla Dharma denies these claims, the party acknowledges its recruitment efforts are geared towards expanding its influence ahead of the next general election, with the goal of securing at least 30 seats and playing a kingmaker role in government formation.

The party's rise occurs amid two key political developments: visible tensions between the two dominant ruling coalition parties, Pheu Thai and Bhumjaithai, and the weakening of the so-called "uncle" parties—primarily the PPRP and the United Thai Nation Party—which have traditionally absorbed the military-aligned vote. In the latest parliamentary elections, it was Bhumjaithai that successfully attracted much of the vote previously cast for PPRP, but this party is now experiencing strains with Pheu Thai, exacerbating the ongoing internal friction within the coalition.

However, analysts caution that Kla Dharma's ambitions might face structural limitations. While the party seeks to position itself as a bridge for Pheu Thai if its alliance with Bhumjaithai falters, it remains uncertain whether Kla Dharma can challenge Bhumjaithai for top-tier cabinet portfolios, particularly the Interior Ministry, currently held by Bhumjaithai leader Anutin Charnvirakul. [Bangkok Post 1] [Bangkok Post 2]

Anutin, in response to fears that Kla Dharma's growing influence could undermine Bhumjaithai's position in the House, reassured that his party remains open to working with any party, including the opposition, if it benefits the public. Anutin also affirmed that the government remains stable, with over 320 MPs in the coalition, and that the inclusion of Kla Dharma MPs strengthens it further. [Bangkok Post 3]

Thailand: Minister review's ex-prime minister's case as hospital submits new information

(lm) The chief of Thailand's Police General Hospital (PGH) has submitted new information to Public Health Minister Somsak Thepsutin in an attempt to challenge the recommendations made by the Medical Council of Thailand (MCT) regarding former Prime Minister Thaksin Shinawatra's treatment. The MCT, the national

body overseeing medical ethics, had previously recommended the suspension of two doctors and a formal warning for a third, accusing them of falsely declaring Thaksin's health as "critical," which facilitated his six-month stay in a luxury VVIP room at the hospital– well beyond the legally permitted 120 days for incarcerated individuals. [Bangkok Post 1] [Bangkok Post 2]

Minister Somsak, a senior member of the ruling Pheu Thai Party which Thaksin is widely seen as de facto leader of, is now reviewing both the MCT's findings and the new evidence submitted by PGH.

The minister has 15 days to decide whether to accept or reject the recommendations, with a two-thirds majority in the 72-member MCT required to override his decision if he disagrees [see AiR No. 19, May/2025, 2]. This review process has become a point of political sensitivity, given the political stature of Thaksin and the potential implications for the ruling party. [Bangkok Post 3]

Thaksin, who returned to Thailand in August 2023 after 15 years in self-imposed exile, was transferred to PGH from prison after reporting chest pain and hypertension. His extended stay, despite the legal limit, has sparked public debate, particularly regarding his high-end accommodations.

In parallel with the medical review, a legal process is set to begin on June 13 when the Supreme Court's Criminal Division for Holders of Political Positions will investigate whether Thaksin's sentence was properly enforced. Thaksin's daughter, current Prime Minister Paetongtarn Shinawatra, is expected to testify. [AiR No. 19, May/2025, 2]

Thailand: Senate panel demands referendum on casino bill due to constitutional concerns

(lm) A Senate special committee examining the proposed casino-entertainment complex bill on May 15 called for a referendum on the controversial project, raising concerns that the draft bill could violate the constitution if passed into law.

Prime Minister Paetongtarn Shinawatra was invited to clarify the government's position but was unavailable due to an official visit to Vietnam. Her appearance has been rescheduled for June 5. Deputy Finance Minister Julapun Amornvivat, who was tasked to attend in her stead, was also abroad.

During the committee session, adviser Chirmsak Pinthong raised several concerns, including what he described as excessive powers granted to a policy board chaired by the prime minister—referred to as a "casino cabinet"—and the lack of a clear minimum revenue target, with projected state revenue vaguely capped at THB 5 billion (approximately USD 136 million). He also criticized the absence of a public bidding process, environmental assessments, and public hearings.

Particular attention was drawn to a potential casino site at Klong Toey Port in Bangkok. Committee members warned that if just 10 percent of the area is allocated, investors could gain access to land worth an estimated THB 100 billion (approximately USD 2.72 billion), while paying annual concessions of only THB 1.1 billion (approximately USD 29.9 million). Other sites under discussion include locations in Chiang Mai and Chon Buri.

Several senators expressed concern that the 30-year concession period could saddle future generations with financial and regulatory burdens if the project underperforms. Some committee members alleged that the bill may disproportionately benefit foreign investors. [Bangkok Post 1]

Amid these concerns, senior government officials revealed that the government has been actively engaging with major foreign investors interested in the entertainment complex project, which includes casinos. [Bangkok Post 2]

Thailand: Opposition monitors USD 132 million airport upgrades as terminal nears partial opening

(lm) The opposition People's Party has pledged continued oversight of the THB 4.4 billion (USD 132 million) development at Trang airport, a key regional hub in southern Thailand intended to boost domestic and future international connectivity. A partial opening of the new terminal for domestic flights is expected in June, with full operations, including international service, targeted for October.

During a recent inspection, the House committee on budget oversight reviewed delays and spending across the four main projects. The THB 1.06 billion (USD 31.8 million) passenger terminal had stalled after the original contractor abandoned the job; a new contractor was brought in under a THB 34 million (USD

1 million) agreement, and the original contractor's THB 53 million (USD 1.6 million) deposit was forfeited.

Other components include completed runway reinforcement (Project 1), a runway extension (Project 3) now 37 percent finished, and land expropriation (Project 4) currently 51 percent complete but requiring an additional THB 600 million (USD 18 million) beyond its initial budget. [Bangkok Post]

Thailand: Prominent abbot arrested in temple embezzlement scandal tied to online gambling

(bk) Thai authorities have arrested the former abbot of Wat Rai Khing, a highly respected temple in Nakhon Pathom province, over the alleged embezzlement of approximately THB 300 million (USD 8.5–9 million) in temple funds to fuel a years-long online gambling addiction.

The abbot was detained on May 15 after evidence revealed that he had systematically misappropriated donations between 2020 and 2024. According to investigators, he instructed his aide to withdraw THB 1–2 million (USD 30,000–60,000) at a time from multiple temple accounts, transferring the money to personal accounts and then on to a gambling broker. When funds ran low, he reportedly borrowed from fellow senior monks, triggering suspicion. [Bangkok Post 1]

After eight months of covert surveillance by an undercover officer from the Crime Suppression Division, the police confirmed the scale of the embezzlement. The abbot turned himself in on May 16, was formally defrocked, and has since been remanded in custody. A 28-year-old female accomplice, linked to an online gambling syndicate, was also arrested. Authorities believe her companies processed over THB 800 million (USD 23 million) in illicit transactions in recent months. [Bangkok Post 2] [Bangkok Post 3]

Several close associates, including an assistant abbot and a former naval officer, have also been questioned about temple assets registered in their names, though no additional charges have yet been filed. [The Nation] [Thai PBS World]

In response to the scandal, Prime Minister's Office Minister Chousak Sirinil has instructed the National Office of Buddhism (NOB) to collaborate with the Thai Sangha Supreme Council, the highest governing body of the Thai Buddhist clergy, to develop anti-fraud

measures and prevent similar incidents at other temples. The NOB has also been tasked with reviewing the financial affairs of other Buddhist temples. [Bangkok Post 4]

Thailand: US academic remains in limbo as police delay formal dismissal of royal insult case

(lm) Paul Chambers, an American political scientist specializing in Thai civil-military relations, remains in legal and professional limbo in Thailand. Although prosecutors have recommended dropping the royal defamation (lèse-majesté) and computer crime charges against him, the police have yet to formally dismiss the case, leaving open the possibility of further legal action.

Chambers was arrested in April 2025 after the Thai military filed a complaint regarding a promotional blurb for an academic webinar in which he participated. The blurb, posted by a Singapore-based research institute, was translated into Thai and alleged to contain content insulting the monarchy. Chambers denies authoring or publishing the blurb.

Following his arrest, Chambers faced significant personal and professional consequences. His work visa was revoked, his passport confiscated, and he was dismissed from his position at Naresuan University's Faculty of Social Sciences. Chambers has appealed both the visa revocation and his dismissal from the university. [Bangkok Post]

Thailand: Man jailed for Facebook comment under lèse-majesté as Supreme Court confirms sentence

(bk) The Supreme Court of Thailand recently upheld a one year and six months prison sentence for a 28-year-old man on charges of royal defamation under Section 112 of the Criminal Code and violation of the Computer Crimes Act. The case stemmed from a comment he posted on a photo of King Vajiralongkorn in the Royalist Marketplace Facebook group, a platform known for discussions on monarchy reform.

According to Thai Lawyers for Human Rights, the defendant was coerced into signing a confession during his arrest in May 2022. Police allegedly told him that his sentence would be reduced if he admitted guilt

and promised to omit part of his message. He was interrogated without legal counsel and later taken to the Technology Crime Suppression Division headquarters in Bangkok for further questioning.

On November 24, 2022, the court found him guilty of seriously harming the King's reputation and sentenced him to four years in prison. The sentence was reduced to two years due to his guilty plea. On December 6, 2023, the Appeals Court upheld the conviction but reduced the sentence further to one year and six months without suspension. [Prachatai English]

Thailand: Urgent call for government intervention to combat child sexual abuse material

(acs) Amid a rising number of child sexual abuse material (CSAM) cases, an academic has called for stronger government intervention to tackle the growing issue of child exploitation in Thailand. The recent discovery of a family in Phetchabun Province, where several children were filmed for CSAM, has raised alarm. Five children from the family have since been removed from their home and placed under state care.

The academic points to economic hardship as a potential driver behind such crimes, suggesting that some families may resort to exploiting their children in exchange for money. However, she emphasized that any form of child sexual exploitation is a criminal offense.

Highlighting the urgent need for action, the academic warned that without new regulations and proactive intervention, the number of such cases is likely to rise. She urged the government to develop legal mechanisms that align with international standards to effectively prevent child exploitation. [Bangkok Post]

Thailand: Major energy firms post strong Q1 profits despite global slowdown

(lm) Two major Thai energy companies reported robust first-quarter earnings for 2025, outperforming expectations despite global economic uncertainty and geopolitical tensions. Bangchak Corporation Plc (BCP) posted a net profit of THB 2.11 billion (USD 58.2 million), while Electricity Generating Plc (Egco) recorded a net profit exceeding THB 3.5 billion (USD 96.6

million), marking a 115 percent increase year-on-year. [Bangkok Post]

Thailand: Government weighs emergency borrowing as growth forecast is significantly lowered

(lm) Thailand has significantly lowered its economic growth forecast for 2025, now projecting a range of 1.3 percent to 2.3 percent, down from the previous estimate of 2.3 percent to 3.3 percent.

This revision comes as the country grapples with the impact of a global trade war, a sluggish recovery from the pandemic, and rising household and corporate debt. The National Economic and Social Development Council (NESDC) has cited these factors, including the looming threat of a 36 percent tariff from the United States on Thai goods, as major contributors to the slower-than-expected economic performance. Exports are now expected to grow by just 1.8 percent, down from earlier predictions of 3.5 percent, and private consumption is projected to grow only 2.4 percent, compared to 3.3 percent in earlier forecasts. [Bangkok Post]

The government is considering new stimulus measures to mitigate the economic slowdown and keep the economy from falling below the 2 percent growth target for the year. As part of efforts to counter this economic downturn, the government was expected to finalize a new round of economic stimulus measures at a May 19 meeting of the Economic Stimulus Policy Committee, chaired by Prime Minister Paetongtarn Shinawatra.

A major policy shift occurred ahead of the meeting with the indefinite postponement of Phase 3 of the government's digital wallet handout scheme, a core initiative of the ruling Pheu Thai Party, which has for long been associated with populist spending. The program had aimed to provide THB 10,000 (USD 275) to 2.7 million people aged 16 to 20, with a projected cost of THB 184 billion (USD 5.52 billion). However, only THB 157 billion (USD 4.71 billion) was available, and critics had from the beginning of Phase 1 questioned its limited impact on domestic economic output. [Bangkok Post 1] [The Nation] [The Thaiger]

Finance Ministry officials confirmed that the THB 157 billion will now be redirected toward four-to-five-month stimulus programs targeting employment and domestic demand. Additional fiscal resources include THB 50 billion (USD 1.4 billion) from the emergency

contingency fund and another THB 50 billion (USD 1.4 billion) in borrowing space permitted under existing fiscal regulations. A separate THB 15 billion (USD 451 million) soft loan program will also be extended through 2027 to support businesses in Thailand's conflict-affected southern provinces. [Thai Enquirer]

Still, Finance Minister Pichai Chunhavajira has signaled that a more substantial package—potentially totaling THB 500 billion (USD 14.1 billion)—may be required if the economy deteriorates further. Such borrowing would require an emergency decree, permitted under Section 172 of Thailand's Constitution, the 2005 Public Debt Management Act, and the 2018 State Financial and Fiscal Discipline Act. These provisions restrict emergency borrowing to situations of national crisis and require legal specificity regarding purpose, implementation period, and designated authorities.

Historically, Thailand has issued seven emergency borrowing decrees between 1998 and 2021, totaling THB 3.83 trillion (USD 108 billion) in response to the Asian financial crisis, natural disasters, and the COVID-19 pandemic. The most recent was during the pandemic, authorizing a total of THB 1.5 trillion in borrowing and prompting the government to raise the public debt ceiling from 60 percent to 70 percent of GDP. [Bangkok Post 2]

As of February 2025, Thailand's public debt stands at 64.2 percent of GDP, within the current limit. However, interest payments now consume 9.59 percent of government revenue, nearing the Public Debt Management Office's 10 percent ceiling, with projections suggesting further strain. Persistently low GDP growth—below 3 percent annually since 2018—has hampered revenue collection and increased pressure on debt servicing. [Bangkok Post 1]

Thailand: Credit stagnation looms amid external risks and monetary policy easing

(lm) Amid growing external risks, particularly from potential U.S. tariffs, Thailand's central bank and commercial banks are adjusting their monetary and lending strategies. The Bank of Thailand (BoT) recently reduced the policy rate by 75 basis points, bringing the rate to 1.75 percent since October 2024. However, the BoT has indicated a cautious approach to further rate cuts, prioritizing the preservation of monetary policy flexibility in light of external economic challenges.

Commercial banks in Thailand, including the six systemically important financial institutions, followed

the BoT's lead by lowering their prime lending and deposit rates by 0.05 to 0.15 percentage points. This reduction brings lending rates to between 6.75 percent and 7.40 percent per annum, offering limited short-term relief to businesses and households, particularly in mortgage and secured loans. These rate cuts are projected to save borrowers approximately THB 4.4–4.9 billion (USD 125–139 million) from May to December 2025. However, despite these measures, credit demand remains weak. [Bangkok Post 1]

Businesses continue to hesitate on new investments, uncertain about the future economic climate and wary of the U.S. tariffs, which are expected to impact Thai exports for up to two years. As a result, the Thai Industries Sentiment Index (TISI) dropped to 89.9 points in April 2025, marking its lowest level since October 2024. The decline in sentiment was attributed to multiple factors, including the U.S. tariff policies, the Songkran holiday, and external events affecting key sectors. With this weak sentiment, commercial banks, eager to expand their loan portfolios, face a credit freeze as businesses refrain from borrowing. [Bangkok Post 2] [Bangkok Post 3]

The BoT, while maintaining an accommodative monetary policy, has signaled that further rate cuts are unlikely to significantly stimulate credit access or investment. At a May 14 briefing, BoT officials emphasized the need for flexibility in policy, especially as Thailand remains exposed to potential 36 percent U.S. tariffs due to its USD 46 billion trade surplus with Washington.

Though a further 25 basis point rate cut remains possible this year—potentially bringing the benchmark rate down to 1.5 percent—the BoT stressed the importance of preserving space for future crisis responses. The central bank has also noted that inflation is expected to stay below the one-to-three percent target through 2026, while the Thai baht continues to experience volatility that complicates the recovery of exports. [Bangkok Post 4]

In response to the challenging economic conditions, Finance Minister Pichai Chunhavajira has urged state-owned banks to accelerate their support for exporters and small and medium-sized enterprises (SMEs), particularly in sectors such as tourism, which are facing significant challenges from the U.S. tariffs. State-owned banks, including Government Savings Bank (GSB) and Bank for Agriculture and Agricultural Cooperatives (BAAC), have been tasked with providing targeted loans. For example, GSB plans to offer a THB 100 billion (USD 2.8 billion) soft loan to exporters to help mitigate the impact of the tariffs. [Bangkok Post 5]

Thailand: Tax authorities target cash-based businesses and explore new revenue measures

(lm) Thailand's Revenue Department has announced plans to tighten tax enforcement, with particular focus on four business categories: restaurants, nightlife venues, cash-based trading operations, and pharmacies. The move follows long-overdue survey requirements and aims to ensure compliance amid signs that tax revenues may fall short of the fiscal year 2025 target.

For the fiscal year ending September 30, the department was tasked with collecting THB 2.37 trillion (USD 65.5 billion), or about 82 percent of total government revenue. As of April, it had collected THB 1.14 trillion (USD 31.5 billion), surpassing interim targets but facing potential shortfalls due to economic pressures. The Fiscal Policy Office estimates a shortfall of THB 36 billion (USD 995 million).

Contributing factors include lower petroleum tax receipts due to firms offsetting profits with past losses and tax planning by banks, which—despite reporting strong earnings—have similarly reduced their tax burden through accumulated loss deductions.

To compensate, the department is studying additional revenue-generating measures, including the potential imposition of a VAT on small businesses earning less than THB 1.8 million (USD 49,700) annually. Officials estimate a revised flat-rate VAT system for this group could generate around THB 6 billion (USD 166 million) per year. The department is also considering taxes on outbound travelers and a possible VAT rate hike, though such proposals remain politically sensitive. [Bangkok Post 1]

At the same time, the department is revising its regulations for foreign income remittance. New measures are set to exempt foreign income from tax if remitted in the year it was earned or the following year, aiming to encourage Thai nationals to repatriate funds for domestic investment. Under the previous rules, remitted foreign income could be taxed unless it was earned before 2024, in which case no tax applied. The upcoming changes will also align with Thailand's residency-based taxation system, which taxes individuals residing in the country for 180 days or more. [Bangkok Post 2]

Thailand: Consumer confidence drops for third straight month

(lm) Thailand's consumer confidence index dropped for the third consecutive month in April, falling to 55.4 from 56.7 in March, its lowest level in seven months. The decline reflects growing concerns over the potential impact of U.S. reciprocal tariffs, sluggish domestic economic conditions, declining agricultural prices, and ongoing political instability.

Purchasing power remains stagnant, and consumers are increasingly hesitant to spend, particularly on major purchases such as homes, vehicles, and travel. The prospect of a 36 percent U.S. tariff—if a reduction cannot be negotiated before the moratorium expires in July—has heightened economic anxiety. Although a temporary universal 10 percent tariff remains in place, failure to secure an agreement could reduce Thailand's growth by up to 1 percentage point this year. [Bangkok Post 1] [Bangkok Post 2]

In response, the Thai Finance Ministry is expanding two key debt relief measures. The "You Fight, We Help" initiative will now allow debtors who have defaulted for just one day to apply, compared to the previous 30-day requirement. The program will also cover home loans, car loans, motorcycle loans, and SME loans, with significant reductions in installments over three years and deferred interest payments.

Additionally, the "Pay, Close, End" measure will be expanded to cover more bad debts, allowing debtors to settle their accounts by paying just 10 percent of the outstanding debt.

This expanded debt relief initiative will run until June 30, 2025, with the possibility of extension, and the revised criteria are expected to be presented to the Cabinet for approval by June 2025. [The Thaiger]

Thailand: New incentives approved to support SMEs amid global competition

(lm) Thailand's Board of Investment (BoI), a government agency responsible for promoting investment and economic development, has approved a series of new measures to support small and medium-sized enterprises (SMEs), which are facing increased competition and the impact of US trade policies, including President Donald Trump's tariffs.

One key change is an increase in corporate income tax (CIT) benefits for BoI-promoted SMEs, with a new five-year CIT exemption covering up to 100 percent of investments to improve business capabilities, up from the previous three-year exemption covering only 50 percent.

The BoI has also approved improved tax benefits for tourism businesses in second-tier provinces. This aligns with the government's policy to upgrade tourism infrastructure and distribute economic benefits more evenly across the country. Additionally, seven new projects, including five data center initiatives and two wind power generation projects, have been granted investment promotion benefits. [Bangkok Post]

Thailand: Calls for tourism reform as foreign arrivals continue to decline

(lm) Thailand is facing mounting pressure to reform its tourism sector amid a continued decline in foreign arrivals. As of mid-May, international tourist numbers have contracted by one percent compared to the previous year, with East Asian markets—typically contributing 60 percent of visitors—seeing some of the steepest declines. Arrivals from China, Hong Kong, and South Korea have fallen sharply, while Vietnam also posted a significant drop. Myanmar was the only country in the region to record an increase.

Total daily arrivals have dropped to under 60,000—down from a pre-pandemic average of 100,000. The MICE (meetings, incentives, conferences, and exhibitions) segment has also seen a double-digit decline in both visitors and revenue in the first quarter of 2025.

Observers have called for a shift from a demand-driven model to a supply-driven approach focused on quality tourism. Key proposals include diversifying destinations beyond overcrowded hotspots, targeting high-spending segments such as wellness and business-leisure travelers, and improving safety and service standards.

Thailand's position in the World Economic Forum's Travel & Tourism Development Index dropped 12 places in 2024—the largest decline in Southeast Asia. Analysts warn that without structural reform, Thailand risks falling behind regional peers in the post-pandemic tourism recovery. [Bangkok Post]

Thailand: Tunnel delay adds to setbacks in Sino-Thai high-speed rail project

(lm) Thailand's State Railway has approved a six-month extension for the civil engineering contract on the Muak Lek–Lam Takhong tunnel, a key segment of the Bangkok–Nong Khai high-speed rail project jointly developed with China. The extension moves the completion deadline from June to December 2025 and follows delays in land expropriation that stalled access to two construction segments. The contractor will not receive additional compensation.

The tunnel, valued at THB 4.28 billion (USD 128.4 million), is 91 percent complete and spans 12.3 kilometers, including an 8-kilometer tunnel and additional ground and elevated rail sections. The broader rail project is already five years behind schedule.

Meanwhile, the State Railway board approved submission of a draft royal decree to designate land expropriation zones for the second phase of the project, from Nakhon Ratchasima to Nong Khai. This section will require the expropriation of around 1,345 rai (approximately 2.15 square kilometers) and nearly 1,500 structures across four northeastern provinces. The land acquisition budget is THB 12.42 billion (USD 373 million). Bidding preparations are currently underway. [Bangkok Post]

Thailand: Cabinet approves new rules easing path for local brewers

(lm) Thailand's cabinet on May 13 approved in principle a new draft regulation that lowers legal and financial barriers for small- and medium-scale alcoholic beverage producers, marking a step toward greater liberalization of the local craft brewing industry. The revised ministerial regulation—proposed by the Ministry of Finance's Excise Department—permits keg distribution of craft beer nationwide and reduces investment and licensing requirements for producers, including small distilleries in rural areas.

Key changes include legal recognition of "fresh beer breweries," simplified licensing procedures for medium-sized producers, and the removal of a THB 10 million (USD 290,000) minimum investment threshold. Small distilleries will also be allowed to operate near public water sources, provided environmental safeguards are met. The move aligns with government efforts to stimulate local enterprise, diversify rural

incomes, and promote the use of domestic agricultural products in beverage production.

While industry stakeholders largely welcomed the changes, some noted that small producers still face structural disadvantages, particularly due to Thailand's complex alcohol tax structure, which combines ad valorem and volume-based rates. Critics pointed out that craft brewers often pay disproportionately high taxes compared to large manufacturers who benefit from economies of scale and broader retail access. The new rules, they said, may improve competition and consumer choice but will not drastically alter the dominance of large-scale brewers.

Others criticized the new regulation as insufficient and delayed. He argued that it fails to align with the spirit of Thailand's new Liquor Act passed in January, which sought to open up the market more comprehensively. Among his key criticisms were the continued prohibition on bottled distribution for small brewers and the lack of a unified licensing regime for all types of alcoholic beverages. He also called for further liberalization measures, such as lifting advertising restrictions and sales-hour limitations. [Bangkok Post]

Thailand: Army ranger and volunteer injured in roadside bombing in southernmost province

(lm) Thailand's southern provinces have been rocked by violence in recent days, with two separate attacks raising concerns about the ongoing unrest in the region.

An army ranger and a ranger volunteer were injured on May 13 when a roadside bomb detonated in Pattani's Mayo district, targeting a six-wheel military truck traveling along the Narathiwat–Pattani Road. The explosive, estimated at 10 kilograms, was hidden in roadside vegetation and detonated as the truck, carrying four personnel from the 44th Ranger Regiment, passed by. [Bangkok Post 1]

Just a few days later, on May 17, a husband and wife were shot dead outside their home in Yala's Raman district. Authorities are investigating whether the killings stemmed from a personal dispute or are connected to the broader insurgency in the region. Yala, along with two other provinces in southern Thailand, has long been the epicenter of an insurgency linked to ethno-religious tensions and demands for greater autonomy from separatist groups. [Bangkok Post 2]

Thailand: House Committee probes allegations of soldiers forced to work as Grab drivers

(bk) A deputy battalion commander from Wing 23 in Udon Thani is under scrutiny for allegedly ordering conscripted soldiers to work as Grab drivers for his personal gain. This prompted the House Committee on National Security, Border Affairs, National Strategy, and Country Reform to investigate the matter, emphasizing that military personnel must focus on official duties and that any side jobs must be voluntary and outside duty hours.

Rangsiman Rome, list MP from the People's Party and chair of the committee, condemned the abuse of authority, noting that forcing subordinates to work and hand over earnings is unacceptable in any organization, including the military. He stressed that conscripts should not be assigned tasks beyond their defined military roles unless they volunteer during off-duty time. If such orders are given for personal benefit, they warrant serious disciplinary action.

The committee plans to coordinate with the Armed Forces Committee, which may have clearer jurisdiction over the case. Initial discussions will take place with Wiroj Lakkhanaadisorn, chair of that committee and fellow People's Party list MP. The Army Commander-in-Chief's response is also being closely monitored. [Thai Enquirer]

Timor-Leste: Public-private company formed to develop gas pipeline

(lm) Timor-Leste has established a new public-private company to develop a natural gas pipeline linking the Bayu Undan field in the Timor Sea to the southern coastal town of Natarbora. The agreement, signed on May 13 by the Ministry of Petroleum and Mineral Resources, national oil company TIMOR GAP, and Switzerland-based StreamTec Solution AG, allocates a 70 percent ownership share to TIMOR GAP and 30 percent to StreamTec.

The initiative also positions the new company to potentially participate in the Greater Sunrise gas development, a major offshore resource straddling the maritime boundary between Timor-Leste and Australia that has long been delayed due to disagreements over processing routes and revenue sharing. Participation

would depend on the outcome of ongoing negotiations between the two governments and the Sunrise Joint Venture.

Officials emphasized that declining output at Bayu Undan and the reassessment of export routes to Australia have made a national pipeline increasingly urgent—both to extend the commercial viability of remaining reserves and to support future development of the Chuditch field. [Government of Timor-Leste]

Vietnam: Top leaders outline four-pillar reform agenda to realize high-income status by 2045

(lm/hn) On May 18, in parallel with Vietnam's ongoing 9th parliamentary session, three of the four country's top leaders—Party General Secretary To Lam, Prime Minister Pham Minh Chinh, and National Assembly Chairman Tran Thanh Man—convened at a high-level conference to present and discuss Vietnam's comprehensive four-pillar reform agenda. This agenda, aimed at achieving high-income status by 2045, integrates two newer resolutions adopted by the Party's Politburo—Resolution No. 66 on legal system reform (late April) and Resolution No. 68 on private sector development (early May)—alongside previously disseminated Resolution No. 57 on science, technology, and innovation (March 6) and Resolution No. 59 on international integration (March 15).

In his opening remarks, General Secretary To Lam highlighted the achievements of nearly 40 years of Doi moi (Renewal), Vietnam's economic and political reform process that began in 1986, which shifted the country from a centrally planned economy to a socialist-oriented market economy. He highlighted the four resolutions as pivotal in Vietnam's ongoing transformation, with a new development mindset that moves from "management" to "service," "protection" to "creative competition," "passive" to "proactive integration," and from "fragmented reform" to "comprehensive, coordinated breakthroughs." [Viet Nam News 1]

On the sidelines of the conference, Prime Minister Pham Minh Chinh held an unscheduled, direct dialogue with private sector leaders. Prime Minister Chinh emphasized that Resolution 68 marks a strategic shift, recognizing the private sector as a key driver of Vietnam's growth. While acknowledging the sector's contributions, he pointed out that small and medium-sized enterprises (SMEs) still face challenges related to land access, finance, and resources. He reiterated that

Resolution No. 68 includes provisions to support SME growth, such as allocating land for smaller enterprises in industrial parks and introducing new policies to ease credit access. [Viet Nam News 2] [Viet Nam News 3]

A day prior to the conference, on May 17, the National Assembly adopted a companion resolution to operationalize the Politburo's reforms with immediate effect. It introduces corporate income tax exemptions for small and medium enterprises (SMEs) for three years from registration, and for innovation-related startups for two years, followed by a 50 percent reduction for four additional years. It limits business inspections to once annually unless clear violations are found, and includes interest subsidies of two percent annually for loans tied to green, circular economy, or ESG-compliant investments. The resolution also mandates free access to digital platforms and accounting software for household businesses, with implementation starting January 1, 2026. [Viet Nam News 4] [Vietnamfinance, in Vietnamese] [Baochinhphu, in Vietnamese]

Vietnam: Lawmakers debate constitutional amendments and local government reform

(lm) During its ongoing 9th session, Vietnam's National Assembly (NA) on May 14 held discussions on significant constitutional amendments and proposed revisions to the Law on the Organization of Local Government, as part of the country's broader political and governance reforms. The session focused on decentralization, delegation of power, and the restructuring of local administrative units.

The proposed amendments to the 2013 Constitution include key changes to clarify the role of the Vietnam Fatherland Front, a national umbrella organization for mass socio-political groups, and modernize its functions and structure under Article 9. Amendments to Article 10 would also expand the Vietnam General Confederation of Labour's mandate, empowering it to represent workers both domestically and internationally. Furthermore, changes to Article 110 would reflect a shift in Vietnam's administrative structure, abolishing district-level units and streamlining the system into provinces, centrally-run cities, subordinate administrative units, and special economic zones, with classification and management left to legislative determination. [Viet Nam News]

Alongside constitutional amendments, lawmakers discussed the draft revised Law on Organisation of

Local Government, which focuses on decentralization within the two-level local administration structure. The proposal aims to empower local governments by reducing the number of provinces and communes, shifting more decision-making power to local authorities while maintaining macroeconomic control at the national level. The need for clearer language in the draft law regarding the roles and powers of provincial-level People's Committees was raised, as ambiguity in these areas could lead to inconsistent implementation.

Lawmakers also discussed the importance of synchronizing the new law with other related legal provisions and emphasized expanding fiscal authority for local governments, especially at the commune level. The proposed reforms reflect Vietnam's ongoing efforts to streamline governance, increase local autonomy, and better align administrative structures with evolving political and economic needs. [VietnamPlus]

Vietnam: National Assembly debates judicial reforms and oversight mechanisms

(lm) During its ongoing 9th session, which began earlier this month May and will continue until the end of June, Vietnam's National Assembly (NA) is focusing on significant judicial reforms. One of the key proposals involves restructuring the court system into a three-level model. This reform aims to replace the High-level People's Court and district-level courts with a new Regional People's Court, specialized courts within these regions, and the Supreme People's Court. The restructuring is part of broader efforts to modernize the judicial system, including reforms to the appointment of judges and updates to the Law on Organisation of People's Courts. [Viet Nam News 1]

In addition to the court restructuring, the NA is also considering a constitutional amendment that would limit the interpellation powers of People's Councils. People's Councils, which are local legislative bodies, currently have the ability to question judicial officials, such as chief judges and chief procurators. However, due to the transition from regional to district-level courts and procuracies, which no longer align with administrative boundaries, the proposal seeks to limit this direct questioning power. The second round of discussions on this proposal is scheduled for June 16. [Viet Nam News 2]

Vietnam: Tycoon on death row offers property empire to repay billions in bank fraud case

(cmc) Vietnamese real estate magnate Truong My Lan, convicted of embezzling USD 27 billion from Saigon Commercial Bank (SCB), is seeking to avoid the death penalty by offering to turn her vast property holdings into a “golden goose” to repay the state. Lan lost her appeal against the death sentence in December 2024, but the court left open the possibility of sparing her life if she can repay at least three-quarters of the stolen amount.

In a letter from jail to a state-appointed committee overseeing her seized assets, Lan argued that her 726 properties, primarily real estate in major urban centers like Ho Chi Minh City, had been severely undervalued at just USD 9.7 billion. She claimed that under updated land valuation guidelines, many assets may be worth three to five times more. She also stated that an additional 440 unassessed assets could yield another USD 7.7 billion in value for the state.

Lan offered to assist in managing the assets, citing her 30 years of experience in real estate and legal acumen. Her plea comes as the government seeks to recoup losses and address widespread public outrage. Tens of thousands of ordinary investors lost money in the SCB scandal, prompting rare public protests.

Separately, in a related USD 17 billion money laundering case, Lan’s sentence was reduced to 30 years during an April 2025 appeal, after she repaid a quarter of the USD 1.2 billion stolen from bond investors. [South China Morning Post] [Channel NewsAsia]

Vietnam: Appeal trial opens for two former National Assembly deputies convicted of corruption

(lm) Vietnam’s High People’s Court in Hanoi on May 15 began appeal proceedings for two former members of the National Assembly convicted earlier this year on charges of extortion and abuse of power. Both defendants, along with a former official from the presidential office, challenged the January verdicts. One requested a reduced sentence, while the others pleaded not guilty.

The case involves allegations that the lawmakers used their official influence to protect illegal sand mining

operations and to secure project approvals in exchange for cash, land, and other benefits. One defendant was sentenced to 13 years, while the other received seven years. Both argue their actions were consistent with normal parliamentary duties, such as forwarding citizen petitions and communicating with local authorities. [Viet Nam News]

Vietnam: High-ranking health officials prosecuted in massive counterfeit supplement scandal

(hn) Vietnam's Ministry of Public Security has prosecuted several high-ranking health officials, including the former director of the Food Safety Authority, for accepting bribes in a large-scale counterfeit dietary supplement scheme. The officials allegedly approved product registrations and overlooked violations in exchange for kickbacks, allowing fake supplements—often mislabeled as imports from the U.S. or Europe and containing substandard ingredients—to circulate widely.

Authorities seized around 100 tons of counterfeit products, many targeting vulnerable consumers such as the elderly and children. The network, active since 2016, used front companies, dual accounting systems, and attempted to destroy evidence once the investigation began. [Vnexpress, in Vietnamese] [Viet Nam News]

Vietnam: Over 200 workers stranded after being rescued from Myanmar scam centers

(lm) Over 200 Vietnamese workers remain stranded at a camp near the Thai-Myanmar border after being rescued from scam centers in Myanmar, where they were trafficked and forced into cybercrime operations. These workers were among more than 8,000 individuals freed by the Karen National Army (KNA), an ethnic armed group operating in Myanmar's Karen state, in February 2025. However, they have been unable to afford the fees demanded by the Vietnamese embassy for repatriation, with the cost of a plane ticket home ranging from VND 10 million (USD 385) to VND 13 million (USD 500). [Radio Free Asia]

Vietnam: Network of overseas nuclear energy experts makes debut

(lm) On May 19, the network of overseas Vietnamese nuclear energy experts, VietNuc, was officially launched. VietNuc brings together nearly 100 scientists and experts from top institutions such as the International Atomic Energy Agency (IAEA), EDF, and Framatome.

Vietnam's engagement with nuclear energy dates back to 1958, when it became one of the first nations under the Atoms for Peace program to order a small research reactor. However, in November 2016, Vietnam decided to abandon nuclear power plans, citing economic concerns due to the availability of cheaper energy sources. Despite this, in 2022, Industry and Trade Minister Nguyen Hong Dien emphasized that nuclear energy is an “inevitable trend” for the country, as it seeks to achieve carbon neutrality by 2050. In November 2024, Vietnamese lawmakers approved plans to resume the Ninh Thuan nuclear power project, with an expected completion date of 2030. [Viet Nam News]

Vietnam: Central bank proposes new credit institution law to strengthen financial oversight

(cmc) The State Bank of Vietnam (SBV) has released a draft amendment to the Law on Credit Institutions, aiming to tighten oversight and promote stability in the country’s financial system. The move comes as Resolution No. 42, which previously provided a framework for resolving bad debts, is set to expire. The draft introduces updated mechanisms to handle emerging risks in the banking sector in light of recent high-profile fraud cases.

Among the most notable proposals is a mechanism for early intervention when banks show signs of instability. The SBV would be empowered to apply corrective measures to struggling institutions before they pose systemic risks. The draft also sets stricter rules on transparency, cross-ownership, and corporate governance to prevent abuse and hidden control structures.

The central bank is currently gathering feedback from legal experts, financial institutions, and the public. Once revised, the proposed law is expected to be submitted to the National Assembly for debate and approval during its next legislative session. The reform

is seen as part of broader efforts to reinforce Vietnam's banking system and safeguard economic growth. [Viet Nam News]

Vietnam: Rising trade defence measures challenge exporters

(lm) Vietnamese enterprises are facing an increasing number of trade defence measures globally. As of April 2025, Vietnam is under 284 trade remedy investigations, including anti-dumping, anti-circumvention, and safeguard cases. The frequency and complexity of these measures are rising as countries seek to protect their domestic industries, with new regulations making investigations more stringent and imposing higher tariffs.

Key export sectors facing heightened risks include wood products, steel, construction materials, mechanical goods, and non-ferrous metals. Major export markets like the United States, the EU, South Korea, and Canada are among the countries intensifying trade defence actions. For example, Canada launched anti-dumping investigations on Vietnamese steel in May, while Egypt initiated an investigation into truck and bus tires. In April, South Korea imposed duties on Vietnamese stainless steel products.

The US alone has launched 22 anti-circumvention cases against Vietnamese exports. With 54.6 percent of the investigations being anti-dumping cases, these measures are placing significant pressure on Vietnamese exporters to respond quickly and avoid penalties. [Viet Nam News]

Vietnam: Industrial production rises 8.4 percent in early 2025, driven by manufacturing rebound

(lm) Vietnam's index of industrial production (IIP) grew by 8.4 percent year-on-year in the first four months of 2025, marking the second-highest increase since 2021. The growth was largely driven by a 10.1 percent rise in the manufacturing and processing sector, which alone contributed 8.5 percentage points to the overall IIP.

Other contributing sectors included electricity production and distribution, which rose 5.1 percent, and water supply and waste management, which increased by 10.2 percent. In contrast, the mining

sector declined by 4.5 percent, dragging down overall growth by 0.7 percentage points.

At the provincial level, Phu Tho led the country with a 46.1 percent IIP increase, fueled by strong gains in manufacturing. Hoa Binh followed with a 27.3 percent rise, bolstered by the nation's highest growth in electricity output. Bac Giang and Nam Dinh also posted notable increases of 26.7 percent and 24.4 percent, respectively.

In central Vietnam, Quang Ngai recorded 21.5 percent growth, driven in part by a 168.2 percent surge in mining output linked to infrastructure demand from major projects, including expressways and economic zone development. [Viet Nam News]

Vietnam: USD 61 billion private proposal submitted for North–South high-speed railway

(lm) A private investor has proposed a USD 61.35 billion plan to develop Vietnam's North–South high-speed railway, pledging to begin construction before December 2025 and commence operations by December 2030. The proposal was submitted by VinSpeed Joint Stock Company, a newly established subsidiary within the business ecosystem of billionaire Pham Nhat Vuong, known for ventures in real estate, electric vehicles, and technology.

The project is considered a strategic national infrastructure initiative. VinSpeed plans to finance 20 percent of the total investment—approximately USD 12.27 billion—from its own capital, and is requesting the remaining amount as a zero-interest government loan over 35 years. The proposed amount excludes site clearance and resettlement costs. [Viet Nam News]

Vietnam: Prime Minister seeks USD 11 billion in World Bank loans for infrastructure and climate projects

(hn) Prime Minister Phạm Minh Chính has asked the World Bank to expedite USD 11 billion in loans over the next five years to support Vietnam's major development priorities, including transport infrastructure, energy transition, and climate adaptation. The request was made during a meeting with World Bank Country Director Mariam J. Sherman on May 15 in Hanoi.

The top funding priority is the USD 67 billion North–South high-speed railway, expected to break ground in 2026. Other proposed projects include three key transport corridors in the Mekong Delta, a one-million-hectare low-emission rice cultivation program, large-scale renewable energy initiatives, and sustainable fisheries development.

Chính also called for concessional lending terms, streamlined loan procedures, and technical support to help Vietnam overcome regulatory bottlenecks. He proposed establishing a strategic partnership mechanism with the World Bank to coordinate national infrastructure planning and improve the efficiency of project implementation. [Viet Nam News]

Vietnam: Legislator reviews draft law on participation in UN peacekeeping operations

(lm/hn) Vietnam's parliament, the National Assembly (NA), last week reviewed a draft Law on Participation in United Nations (UN) Peacekeeping Operations during its ongoing 9th session. Minister of National Defence Phan Van Giang presented the report, stating that the draft law including four chapters and 26 articles, aims to institutionalize the Party's guidelines, the Constitution, and international treaties regarding Vietnam's participation in UN peacekeeping missions. It also seeks to align with the Party's defence policies and the UN Charter while strengthening Vietnam's legal framework in this area. [Viet Nam News] [VietnamPlus]

International Relations, Geopolitics and Security in Asia

China imposes anti-dumping duties on plastic imports from US, EU, Japan, and Taiwan

(na) China's Ministry of Commerce has announced it will levy anti-dumping duties of up to 74.9 percent on imports of polyoxymethylene (POM) copolymers from the United States, the European Union (EU), Japan, and Taiwan on May 19. The measure, which will remain in place for five years, follows an investigation launched in May 2024 that found evidence of dumping practices causing "substantial damage" to China's domestic polyformaldehyde copolymer industry. [Ministry of Commerce, China, in Chinese] [Xinhua]

The highest duties of 74.9 percent will be imposed on US imports, while European products will face 34.5 percent tariffs. Japanese shipments will be subject to a 35.5 percent duty, apart from Asahi Kasei Corp, which received a lower company-specific rate of 24.5 percent. Taiwanese imports will generally face a 32.6 percent duty, though Formosa Plastics and Polyplastics Taiwan were granted reduced rates of 4 percent and 3.8 percent respectively. [Reuters]

This decision comes shortly after the US and China agreed to a 90-day trade truce on May 12 (see AiR No. 19, May/2025, 2), with both sides pledging to reduce certain reciprocal tariffs. The anti-dumping probe was initially launched in May 2024 amid escalating trade tensions, particularly after the US proposed higher tariffs on Chinese electric vehicles, batteries, and other products, while the EU initiated multiple anti-subsidy investigations into Chinese industries. At that time, a Chinese state media-affiliated social media channel warned that Beijing had "sufficient countermeasures" against the "double-standards" of the EU probes. [Reuters] [SCMP]

POM copolymers are engineering plastics that partially replace metals such as copper and zinc, they are often used in automotive parts, electronics, industrial machinery, sports equipment, and medical devices.

According to customs data from 2024, the EU, Taiwan, Japan, and the US were the third through sixth largest sources of China's POM imports, imported polymers made up close to 45 percent of China's total POM needs in 2022. [SCMP] [Xinhua]

European Union signals no interest in reviving investment deal with China

(na) The European Union (EU) has "no intention" of reviving the stalled Comprehensive Agreement on Investment (CAI) with China, according to a senior EU diplomat. On May 15, the head of trade for the EU's delegation in Beijing Marjut Hannonen stated that the bloc instead wants to focus on addressing existing issues, particularly China's industrial overcapacity. [SCMP]

The investment agreement has been frozen since 2021 when the European Parliament halted ratification following mutual sanctions over alleged human rights abuses in Xinjiang, which China denies. China recently lifted sanctions on five European Parliament members, sparking speculation about China's desire to revive the deal. However, Hannonen emphasized that the EU prefers to concentrate on current challenges, stating the CAI is "there somewhere in the closet." [SCMP]

Hannonen described China's industrial overcapacity as a "huge" and "growing" problem that China is not addressing. She claimed that China is “doubling down on more manufacturing capacity”, which will only exacerbate the overcapacity issue. The EU has repeatedly raised concerns that Chinese overcapacity allows companies to sell products cheaply in Europe, concerns that led to tariffs on Chinese electric vehicles in 2024. [SCMP]

These statements come amid global trade tensions. In early May, Chinese President Xi Jinping called for expanding "mutual openness" with the EU and proper handling of "frictions and differences." Both sides have explored alternatives to tariffs, including setting minimum prices for Chinese electric vehicles. However, the EU's firm stance suggests the relationship remains focused on managing specific trade concerns rather than pursuing broader economic integration. [Reuters 1] [Reuters 2]

European Bank for Reconstruction and Development projects 6.3 percent growth

for Mongolia in 2025

(fs) The European Bank for Reconstruction and Development (EBRD) has revised its economic growth projection for Mongolia, forecasting a 6.3 percent expansion in 2025 and 6 percent in 2026. This is a slight decrease from earlier projections for both years, which were revised due to uncertainties stemming from U.S. trade policies. [EBRD 1]

The main drivers of growth in 2025 are expected to be increased consumer spending driven by real wage growth, investments in infrastructure mega-projects, and a revival of the agricultural sector. However, the global downturn in commodity prices is cited as a primary reason for the downward revision.

Unlike other Central Asian nations that are highly dependent on mining exports, Mongolia's economy remains significantly tied to China, with 62 percent of its GDP derived from exports to China. The EBRD emphasized that Mongolia's heavy reliance on a single trading partner and limited commodity exports contribute to the volatility in its export dynamics, urging the country to increase foreign exchange reserves to buffer against external shocks. [Bloomberg TV]

EBRD secures USD 145 million financing package for Khan Bank

In a separate development, the EBRD as arranged a financing package of up to USD 145 million for Khan Bank, Mongolia's largest lender, marking the EBRD's largest bilateral transaction with a Mongolian financial institution.

The funds will facilitate the adoption of climate adaptation technologies and enhance resource efficiency, with a focus on creating growth opportunities for women-led small and medium-sized enterprises.

The financing includes a USD 75 million senior loan under the EBRD's Green Economy Financing Facility, supported by the Green Climate Fund and Japan. An additional USD 70 million will be provided under the EBRD's Central Asian Women in Business programme, aimed at boosting women's entrepreneurship.

The EBRD has invested nearly USD 2.9 billion in Mongolia through 154 projects. [EBRD 2]

South Korea hosts engineering training for U.N. peacekeeping troops

(kp) The South Korean Army has completed its first-ever domestic training program for troops from five United Nations peacekeeping contributor nations, aimed at boosting their engineering capabilities as part of a broader partnership with the U.N.

Launched on April 7, the six-week course was conducted at the 1115th Engineer Corps in Daejeon, about 140 kilometers south of Seoul, and is set to conclude on Friday. The initiative is part of the United Nations Triangular Partnership Program, which fosters collaboration between the U.N., supporting countries, and troop contributing nations.

A total of 28 soldiers from Cambodia, Indonesia, Mongolia, the Philippines, and Thailand participated in the program. The training focused on the operation and maintenance of heavy engineering equipment such as excavators, loaders, and graders—skills vital for infrastructure and logistics support in U.N. peacekeeping missions.

South Korea has previously contributed both equipment and training to Cambodian troops as part of its commitment to the U.N. program. Building on this initiative, the South Korean Army also plans to hold another engineering training session in Cambodia later this year for additional peacekeeping forces. [Yonhap News Agency]

Russia accuses the West of attempting to divide India, China, and Russia relations

(lm) Russian Foreign Minister Sergey Lavrov has accused the West of trying to fracture the relationship between India, Russia, and China. According to Lavrov, the West is pursuing a strategy aimed at creating a divide between India and China, particularly by shifting the focus of the Asia-Pacific region towards an "Indo-Pacific" framework, which he claims has been designed to counter China. He described this as part of a broader "divide-and-rule" policy intended to pit the two countries against each other.

Lavrov's remarks came amid growing Russia-China ties, which have strengthened since the onset of the Russia-Ukraine conflict. In May 2025, Chinese President Xi Jinping and Russian President Vladimir Putin met, where Xi reiterated China’s support for Russia against what he termed "unilateralism and hegemonic

bullying" by the West. This meeting underscored the deepening trust and cooperation between the two nations, particularly in opposition to Western criticism of Russia's actions in Ukraine.

Meanwhile, Russia-US relations have seen significant improvement, especially following US President Donald Trump's administration. A key moment occurred in March 2025 when Trump and Putin held a phone call to discuss a 30-day ceasefire in Ukraine. US Secretary of State Marco Rubio suggested that further progress in peace talks would require direct dialogue between Trump and Putin. [India Narrative]

India and Pakistan use ceasefire to intensify diplomatic campaigns over military escalation

(rt/lm) In the shadow of a ceasefire announced on May 10, after a deadly terrorist attack in Indian-administered Kashmir and subsequent military escalation, India and Pakistan have ramped up their diplomatic campaigns. The ceasefire came after days of intense cross-border military strikes, which resulted in around 70 fatalities. With the ceasefire holding, both countries are now focusing on diplomatic channels, seeking to influence international opinion while maintaining their respective narratives.

India, for its part, has informed the Financial Action Task Force (FATF)—an international watchdog that sets global standards for combating money laundering and terrorism financing—of new evidence on terror infrastructure in Pakistan, aimed at holding Islamabad accountable for its alleged support of militant activities, particularly following the April 22 attack. [The Hindu]

India also briefed the United Nations Security Council's (UNSC) 1267 Sanctions Committee about The Resistance Front (TRF), a group New Delhi says is responsible for the attack, which is linked to Pakistan-based Lashkar-e-Taiba (LeT). The Indian government intends to push for TRF's designation as a global terrorist group to increase pressure on Pakistan. [Hindustan Times 1] [Hindustan Times 2] [Deccan Herald]

On the other hand, Pakistan is preparing to send a high-level diplomatic delegation to key world capitals, including London, Washington, Paris, and Brussels, to counter what it sees as "Indian propaganda" and emphasize its efforts to maintain peace and stability in the region. Pakistan's Prime Minister Shehbaz Sharif

has tasked former Foreign Minister Bilawal Bhutto-Zardari with leading the delegation. The delegation will also focus on addressing the Kashmir dispute—which remains a core issue in India-Pakistan relations—by presenting Pakistan's position on the matter, including its stance on India's control over the region and the ongoing human rights concerns. [Arab News]

India's relations with Turkey and Azerbaijan strained over support for Pakistan

(lm/rt) India's diplomatic and economic relations with Turkey and Azerbaijan have come under significant strain following New Delhi's recent military operations against terrorist infrastructure in Pakistan. Both Ankara and Baku issued public statements supporting Islamabad, triggering a wave of backlash in India that is now unfolding across multiple sectors—including aviation, trade, and education.

In one of the most consequential moves, India revoked the security clearance of Turkish ground-handling firm Celebi Airport Services India on May 15, citing national security concerns. Celebi, which operates at several major airports including Delhi, Mumbai, and Bengaluru, was promptly replaced by alternate Indian service providers. The decision followed protests led by Shiv Sena, a Hindu nationalist party and ally of Prime Minister Narendra Modi's government, which had demanded the termination of Celebi's contracts at Mumbai airport. [Reuters 1]

Simultaneously, Air India has lobbied the government to block its competitor IndiGo's leasing arrangement with Turkish Airlines, under which two aircraft with Turkish crew operate on long-haul routes to Istanbul. Air India argued the deal harms India's aviation sector, disproportionately benefits Turkey, and raises national security concerns in light of Ankara's alignment with Islamabad. The arrangement, renewed every six months, is currently valid until May 31. [Reuters 2]

India's diplomatic rift with Turkey has also extended into education. Jawaharlal Nehru University (JNU), one of India's premier public universities, has suspended its memorandum of understanding with Turkey's Inonu University, citing national security considerations. [Hindustan Times] [The Times of India]

Maldivian opposition raises concerns over Supreme Court justices' dismissal internationally

(db) The Maldivian Democratic Party (MDP), the Maldives' main opposition party, has raised concerns over the controversial dismissal of two Supreme Court justices with both the European Parliament and the British Parliament. The justices have been accused of attempting to influence the Criminal Court to release one of the justice's husbands. However, both justices have denied the allegations, arguing that their due process rights were violated during the investigation.

On May 14, a delegation from the MDP, led by party president Abdulla Shahid, met with the head of the European Parliament's Delegation for Relations with South Asia to express concerns about the actions of the Maldivian government. The MDP sees the dismissal as part of a broader effort by President Mohamed Muizzu's administration to undermine judicial independence and exert control over the judiciary.

As part of their international advocacy, the MDP delegation has also engaged with members of the British Parliament and the Secretary-General of the Commonwealth. In these discussions, MDP officials accused the Muizzu government of stifling independent commissions, undermining the judiciary, and violating the Maldives' constitution. [Raaje] [X]

In response, Foreign Minister Dr. Abdulla Khaleel reassured the international community that the Muizzu administration remains committed to upholding judicial independence. He firmly denied claims of interference, clarifying that the dismissal of the justices followed proper due process through the Judicial Service Commission (JSC). [The Sun]

Nepal hosts international climate summit with limited global presence

(lm/rs) Nepal hosted the Sagarmatha Sambaad climate summit in Kathmandu from May 16 to 18, under the theme "Climate Change: Mountains and the Future of Humanity." Despite inviting over 350 global leaders, the summit saw no heads of state in attendance. Senior officials from India and China participated, and the UN Secretary-General addressed the event virtually, raising questions about Nepal's diplomatic influence.

Prime Minister KP Sharma Oli inaugurated the summit and pledged Nepal's commitment to achieving net-zero emissions by 2045, five years ahead of the global target. Foreign Minister Arzu Rana Deuba and Environment Minister Ain Bahadur Shahi Thakuri called for increased climate finance and global justice, underscoring Nepal's low emissions (0.57 tons per capita) and 46 percent forest cover.

Nepal reiterated its call for a robust Loss and Damage Fund and predictable climate financing to assist vulnerable nations. Experts urged stronger cross-border collaboration to protect glaciers and limit warming to 1.5°C. [The Kathmandu Post 1] [The Kathmandu Post 2] [The Kathmandu Post 3]

Brunei takes part in UN peacekeeping ministerial meeting

(dql) Brunei Darussalam took part in the 2025 United Nations Peacekeeping Ministerial, held from May 13 to 14 in Berlin, Germany. The delegation was led by Major General (Rtd) Datuk Paduka Seri Awang Halbi Mohd Yussof, Minister at the Prime Minister's Office and Minister of Defence II. [Ministry of Defense, Brunei]

The ministerial, part of a high-level peacekeeping dialogue series launched in 2014, gathered representatives from 133 UN member states, including 54 ministers and 15 deputy ministers, to discuss future trajectories of peacekeeping, with a focus on strengthening mandates, addressing capability gaps, integrating technology, and improving operational safety and effectiveness. [Federal Foreign Office, Germany]

During the event, Brunei's Defence Minister II held discussions with several key counterparts, including Germany's newly sworn in Defense Minister Johann Wadephul and Chinese Defense Minister Dong Jun. [The Star]

Indonesia urges concrete support for Palestine at Organization of Islamic Cooperation conference

(mo) From May 12 to 15, Jakarta hosted the 19th Parliamentary Union of OIC Member States (PUIC) Conference. The event marked the PUIC's 25th anniversary and brought together 450 delegates from its 38 member and observer countries. Established in

1999, the PUIC serves as the inter-parliamentary body of the Organization of Islamic Cooperation (OIC), promoting legislative cooperation among Muslim-majority states.

President Prabowo Subianto opened the session with a strong call for concrete action to support Palestine, urging Muslim nations to move beyond symbolic resolutions to engage actively in the ongoing Gaza crisis. He reaffirmed Indonesia's commitment to defending Palestinian rights and emphasized PUIC's role as a platform for global Islamic solidarity.

The Jakarta Declaration, announced at the close of the conference, demanded an immediate end to Israeli military attacks, supported Palestinian statehood, and condemned ongoing violations of international law. The declaration called on PUIC parliaments to advocate for sanctions on Israel and back the UN-led international peace process in Palestine. [PUIC]

The PUIC also addressed global challenges beyond Palestine. Delegates committed to tackling Islamophobia, strengthening cybersecurity, and enhancing cooperation on digital governance, education, and economic resilience across the Islamic world. Women's participation in public decision-making was another key focus. Indonesian delegates highlighted slow global progress and urged member states to promote gender equity and inclusive governance.

The conference recommended inter-parliamentary dialogue with non-OIC parliaments and proposed institutional reforms within the PUIC. It called for stronger parliamentary oversight, transparency, and responsive legislation to address rising public demands.

Through the Jakarta Declaration, Indonesia positioned itself as a leading voice in Islamic diplomacy, pushing for a proactive and unified response to global and regional challenges. [Antara] [Secretariat of the Cabinet of the Republic of Indonesia]

Laos hosts ASEAN climate change conference

(dql) Laos hosted the 5th ASEAN Climate Change Partnership Conference (ACCPC) in Vang Vieng on May 14, aiming to strengthen ASEAN's collective leadership ahead of COP30 in November under the United Nations Framework Convention on Climate Change (UNFCCC). The conference, attended by ASEAN

member states, sectoral bodies, dialogue partners, and development agencies, focused on the Paris Agreement's three pillars: mitigation, adaptation, and finance, while deepening regional cooperation and partnerships for accelerated climate action.

Discussions addressed key regional efforts, including advancing Nationally Determined Contributions (NDCs) 3.0, enhancing access to the Loss and Damage Fund – the financial mechanism established to support vulnerable countries that are already experiencing the adverse impacts of climate change – and securing finance for climate and nature-based solutions (NbS).

In addition, the conference discussed ways to align ASEAN priorities with COP30 goals, particularly nature's role in climate resilience and biodiversity. [The Laotian Times 1]

In an earlier move, Laos announced on May 9 the development of a new greenhouse gas emissions inventory for the energy sector, with projections to 2035, to guide emission reduction priorities. This initiative marks the start of updating Laos's climate targets under the Paris Agreement.

Starting in 2025, Laos will review a lessons-learned report to evaluate past climate actions and improve future strategies. The country is also preparing an updated energy-sector climate plan, NDC 3.0, outlining specific emission reduction goals and clean energy measures. This plan will form a key part of Laos's national climate pledge and be submitted ahead of COP30 in Brazil in November. [The Laotian Times 2]

Prime Minister Anwar backs revival of ASEAN regional monetary fund

(tl) Prime Minister Anwar Ibrahim revealed that ASEAN is actively exploring steps to revive the idea of an Asian Monetary Fund as a financial safeguard against global economic uncertainties. In an interview, he cited regional initiatives such as the Chiang Mai Initiative and growing use of local currencies in trade, particularly among Thailand, Indonesia, China, and Malaysia, as examples of strengthening regional financial autonomy.

Anwar emphasized that while the US dollar still dominates global trade, increasing use of local currency can help ASEAN countries mitigate financial risks. He also noted that Malaysia will host several major economic summits this year, including one with the Gulf Cooperation Council (GCC), the Annual Heads

of Government meeting and another with China, focusing on ASEAN's economic matters.

Anwar reaffirmed Malaysia's commitment to multilateralism and highlighted the significance of being accepted as a BRICS partner country earlier this year, which aligns with ASEAN's broader aim of avoiding dependence on unilateral powers. [Malay Mail]

Philippines takes over World Health Assembly presidency

(dnb) The Philippines has assumed the presidency of the World Health Assembly (WHA) for the first time in its history, marking a significant step for the country in global health diplomacy. The WHA, the decision-making body of the World Health Organization, convenes annually to discuss public health goals. From May 19 to May 27, WHA 78 is being held in Switzerland, with important agenda items, including the adoption of the Pandemic Agreement aimed at addressing future global health crises. [GMA News Online] [The Inquirer.net] [The Manila Times]

Thai Prime Minister Paetongtarn on visit to UK and Monaco for market expansion

(lm) Thailand's Prime Minister Paetongtarn Shinawatra is currently on a two-country tour from May 20 to 24, 2025, visiting the UK and Monaco to explore opportunities for market expansion in food, sports, and tourism.

In the UK, she will launch the "Thai SELECT" logo for authentic Thai cuisine, meet food importers to promote Thai agricultural exports, and engage with the Muay Thai community. She will also present certificates to Thai restaurants that meet certification standards.

In Monaco, she will meet with Formula One executives to discuss the possibility of hosting a Formula 1 Grand Prix in Thailand and attend the Monaco Grand Prix. [Bangkok Post]

India imposes export curbs on Bangladeshi goods to North-East in reciprocal response to trade restrictions

(lm/kb) India has imposed new restrictions on Bangladeshi exports to its northeastern states, barring key products—such as garments, processed food, plastics, furniture, and cotton yarn—from entering via land ports in Assam, Meghalaya, Tripura, Mizoram, and northern West Bengal. The decision, announced without prior notice by India's Directorate General of Foreign Trade, now permits these goods to enter only through the Kolkata and Nhava Sheva seaports. Essential items like LPG, edible oil, frozen fish, and goods transiting to Nepal and Bhutan remain exempt.

Delhi cited the move as a reciprocal step to restore trade parity, referencing long-standing concerns about non-tariff barriers imposed by Dhaka on Indian goods. The restrictions also come amid rising diplomatic unease following controversial remarks by Bangladesh's interim leader in Beijing, who referred to Northeast India as "landlocked" and described Bangladesh as the region's "only guardian of the ocean"—a characterization that reportedly unsettled Indian officials. [The Indian Express]

The abrupt ban has thrown Bangladeshi exporters into disarray. Hundreds of trucks were turned away or left stranded at major land ports such as Benapole, Burimari, Banglabandha, and Akhaura. Exporters say rerouting via sea ports is more expensive and time-consuming, risking order cancellations and eroding competitiveness—especially for small- and medium-sized exporters reliant on land-based trade routes. The fallout extends beyond exporters, affecting hundreds of workers involved in transport, cargo handling, and port operations. [The Daily Star 1]

Trade representatives warn that the disruption could undermine Bangladesh's growing export presence in the Indian market. Between July and April of the current fiscal year, garment exports to India totaled USD 563.81 million—an 18.85 percent rise year-on-year—while total exports reached USD 1.56 billion. [The Daily Star 2]

Despite these challenges, Bangladesh's Commerce Adviser reassured the public that bilateral trade with India would continue, noting that any issues arising from the restrictions would be addressed through dialogue between the two governments. He emphasized that while some trade disruptions are normal, especially related to transshipment limits and agricultural bans, the focus would remain on diversifying Bangladesh's export base and improving competitiveness. [Dhaka Tribune] [Daily Sun]

India criticizes Bangladesh's ban on former ruling party; interim government rejects interference

(lm) India has expressed concern over Bangladesh's recent decision to ban the Awami League (AL), the party of former Prime Minister Sheikh Hasina. Hasina, who ruled Bangladesh for 15 years until being ousted during the 2024 mass uprising, fled to India and has remained there since. New Delhi called the ban a "concerning development" imposed "without due process," warning that it reflects a shrinking political space and urging free, fair, and inclusive elections in Bangladesh.

The interim government of Bangladesh rejected India's criticism, asserting that the ban was necessary to protect national security, uphold the safety of activists involved in the July uprising, and prevent interference in ongoing war crimes trials. Officials from the interim government accused the AL of undermining sovereignty and dismantling democratic institutions during its rule and insisted that elections remain a domestic matter, subject to the "sovereign will" of the Bangladeshi people. [The Daily Star]

Bangladesh protests as India pushes hundreds across border

(lm) Bangladesh has formally protested to India following a series of alleged forced returns in which India's Border Security Force (BSF) reportedly pushed back more than 300 people—mainly Bangladeshi nationals but also including Rohingya refugees—across remote and informal border points between May 7 and May 18. The incidents, which span areas in Thakurgaon, Panchagarh, and other border districts, have triggered heightened tensions over what Dhaka sees as violations of established bilateral repatriation protocols. [The Daily Star 1]

According to reports from the Border Guard Bangladesh (BGB), at least 28 individuals—mostly women and children—were detained by BGB patrols on May 18 alone, after being pushed across the border by BSF forces. The individuals had reportedly been working in India for years and were detained by Indian police before being handed over to the BSF. The BSF has denied any involvement in the pushbacks during flag meetings with Bangladeshi counterparts. [The Daily Star 2]

The broader wave of returns, however, has raised more serious allegations. Between May 7 and May 9, several individuals were reportedly forcibly removed from Indian states such as Gujarat, some by military aircraft, and released into Bangladeshi territory. Testimonies collected by the Bangladesh Coast Guard describe cases of physical abuse, religious slurs, family separations, and denial of due process. Some of the returnees claim to have longstanding ties to India, including Indian family members or long-term residence. [The Daily Star 3]

Bangladesh's Border Guard has since heightened patrols, while Dhaka reiterated that it would only accept confirmed Bangladeshi citizens through formal repatriation procedures, and stressed that any Rohingya found in India should be returned to Myanmar—not Bangladesh. [The Daily Star 4]

Bangladesh, Japan hold foreign office consultations

(lm) Bangladesh and Japan held Foreign Office Consultations (FOC) on May 16 in Tokyo, discussing a wide range of issues to strengthen bilateral relations. These discussions included enhancing Japanese investment in Bangladesh, deepening economic and defense cooperation, and addressing regional stability. Key topics also covered the ongoing Rohingya crisis, developments in Myanmar, and infrastructure partnerships, with a focus on Japan's Indo-Pacific strategy.

The consultations set the stage for Bangladesh's Chief Adviser Muhammad Yunus' upcoming visit to Japan later this month. Yunus will attend the Nikkei 30th Future of Asia event on May 29-30, where he is expected to meet with Japanese Prime Minister Shigeru Ishiba. [The Daily Star] [United News of Bangladesh]

Bangladesh's interim leader to visit UK for talks on laundered money, trade, and Rohingya crisis

(lm) Chief Adviser Muhammad Yunus of Bangladesh will visit the UK from June 9-13 for high-level discussions with King Charles and Prime Minister Keir Starmer. Yunus will be accompanied by senior officials from Bangladesh's central bank and the Anti-Corruption Commission to address financial

misconduct, with particular attention to the UK as a major destination for illicit funds from Bangladesh.

In addition, Yunus will also seek to strengthen the relationship with the Bangladesh-origin diaspora in the UK, which numbers over 600,000. Moreover, the visit will address the challenges posed by the decline in funding for the Rohingya crisis, with the UK playing a crucial role in supporting the refugees. [The Daily Star]

Bangladesh, Kuwait explore joint energy projects including oil refinery investment

(lm) Bangladesh and Kuwait are intensifying discussions on energy cooperation, with a focus on a potential joint crude oil refinery project. The initiative gained momentum following a meeting in Kuwait City between Bangladesh's Ambassador, Major General Syed Tareq Hussain, and Kuwaiti Oil Minister Tareq Al-Roumi on May 14.

Earlier this year, Chief Adviser Muhammad Yunus invited Kuwait to invest in a joint venture to establish a crude oil refinery in Bangladesh, during talks with the newly appointed Kuwaiti ambassador in Dhaka. [Dhaka Tribune]

Brunei-China defense working committee meeting held

(dql) Brunei and China held the 2nd Joint Defence Working Committee (JDWC) meeting on May 14 in Beijing to reaffirm their commitment to strengthening bilateral defense ties, after reviewing ongoing cooperation and exploring future collaboration opportunities.

The two sides agreed on deepening communication and coordination on policy and planning among the international military cooperation departments of the two militaries and promoting exchanges and cooperation in various fields.

Established in 2023, the JDWC serves as a platform for dialogue and cooperation on defense matters, following the 2003 Memorandum of Understanding on Defence Cooperation between Brunei and China. [Ministry of Defense, Brunei] [Ministry of Defense, China] [Asean All]

Brunei, Timor-Leste deepen defence ties during official visit

(ga) Brunei hosted an official visit by Timor-Leste's Chief of Defence Force Lieutenant General Domingos Raul from 12 to 15 May 2025. On 13 May, Brunei's Sultan Hassanal Bolkiah received Domingos Raul in audience at Nurul Iman Palace, accompanied by Timor-Leste's Ambassador to Brunei Abel Guterres.

The visit underscores the bilateral relations between two countries, established formally on 20 May 2002. Cooperation in defence remains modest but active, supported through multilateral platforms such as ASEAN and the United Nations. [Ministry of Defence Brunei Darussalam]

On the same day, Brunei's Ministry of Defence formally welcomed Domingos Raul at Bolkiah Garrison. He was received by the Commander of the Royal Brunei Armed Forces (RBAF) Major General Muhammad Haszaimi Bol Hassan.

Both defence leaders expressed commitment to expanding cooperation through joint training, sharing of expertise, and personnel exchanges. The visit also includes planned engagements with key RBAF units such as the Training Institute, Defence Academy, and Royal Brunei Navy, alongside cultural and historical site visits. [Borneo Bulletin]

Indonesian President's state visit to Brunei strengthens strategic ties, receives nation's highest honor

(ga) President of Indonesia Prabowo Subianto conducted an official state visit to Brunei Darussalam on May 14. He was received at the Nurul Iman Palace in Bandar Seri Begawan by Sultan Hassanal Bolkiah of Brunei. During the visit, both leaders held a bilateral meeting to reaffirm their commitment to enhancing cooperation across strategic sectors such as economy, defense, education, migrant protection, and socio-cultural exchange. They also emphasized joint efforts in addressing regional and global challenges, including food security and ASEAN cooperation.

The visit marked a continuation of the over 40 years of diplomatic relations between Indonesia and Brunei. President Prabowo was accompanied by several high-ranking officials, including the Coordinating Minister for the Economy, the Coordinating Minister for

Community Empowerment, and the Minister of Foreign Affairs.

In recognition of his contributions to bilateral relations, President Prabowo received Brunei's highest state honor, the "*Darjah Kerabat Laila Utama Yang Amat Dihormati*" (DK). He became the fourth Indonesian president to receive the award, following Presidents Soeharto (1988), Susilo Bambang Yudhoyono (2006), and Joko Widodo (2015). The honor was conferred directly by Sultan Hassanal Bolkiah in a ceremony at the palace.

The state visit concluded with a state banquet and underscored the deep-rooted historical, cultural, and religious connections between the two nations, laying the groundwork for expanded collaboration under the ASEAN framework and the ASEAN Community Vision 2045. [Metro TV] [The Star] [Cabinet Secretary of Indonesia 1] [Cabinet Secretary of Indonesia 2]

UK modernizes Brunei helicopter fleet

(dql) The British defense ministry has received the first of six H145 helicopters, the Jupiter HC2, to support British forces in Brunei and Cyprus. Procured in 2024 from Airbus Helicopters UK in Oxford, the new light utility aircraft will replace the aging Puma HC2s, which began decommissioning in March after over 50 years of service.

The H145s will be operated by the British Army Air Corps' 667 Squadron in Brunei and the Royal Air Force's 84 Squadron in Cyprus. Their missions include austere environment training and aerial firefighting. The first Jupiter HC2 is currently undergoing flight trials and evaluations at Boscombe Down in Amesbury, a military airfield and test site of the defense ministry.

The H145 is a versatile utility helicopter measuring 14 meters in length with an 11-meter rotor diameter. It can carry up to 10 personnel or a payload of 1,900 kilograms. Powered by two 894-horsepower engines, it reaches speeds of 240 km/h, has a range of 680 kilometers, and operates at altitudes up to 6,100 meters. The platform can be armed with machine guns, rockets, missiles, and support weapons. [The Defense Post] [Forces News]

Cambodia and China launch largest joint military exercise to date

(gm) Cambodia and China commenced their largest-ever "Golden Dragon" joint military exercise on May 15, involving land, sea, and air operations for 1,300 Cambodian and 900 Chinese personnel. The drills will run until May 28 and feature advanced Chinese hardware, including warships, helicopters, reconnaissance drones, and robot battle dogs. [Ministry of Defense, China] [Ministry of Defense, Cambodia, in Cambodian]

Aimed to strengthen bilateral military cooperation and regional peacekeeping capabilities, focusing on counterterrorism and humanitarian relief, the drills include land and air operations in Kampong Chhnang province and naval exercises in Preah Sihanouk province.

The Golden Dragon drills began in 2016 and have expanded significantly, with Cambodia canceling the US-led "Angkor Sentinel" exercises in 2017.

The latest drills follow a state visit by Chinese President Xi Jinping in April and highlight Cambodia's deepening military ties with Beijing. Amidst ongoing US concerns over China's influence in the Gulf of Thailand, particularly following Beijing's funding of the Ream Naval Base expansion, Cambodia has denied any agreement allowing exclusive Chinese military access, stating that warships from all countries are welcome under established conditions. [Channel News Asia] [The Independent]

Vietnam has expressed concerns in response to the ongoing drills and about the nature of the Cambodia-China military cooperation. Vietnam's Ministry of Foreign Affairs emphasized that international cooperation should support regional peace and stability, in accordance with international law and the United Nations Charter.

In response, Cambodian officials, including General Vong Pisen, Commander-in-Chief of the Royal Cambodian Armed Forces, emphasized that the exercises focus on counter-terrorism and humanitarian relief and are not directed at any third party. [Khmer Times]

Cambodia reaffirm commitment to deepening security cooperation with Laos, Vietnam

(dql) Cambodian Prime Minister Hun Manet met with Vietnam's Minister of Public Security, Senior Lt. Gen. Luong Tam Quang, at the Peace Palace in Phnom Penh

on May 16. The visit marked the 80th anniversary of the Cambodian National Police. [Government, Cambodia]

Hun Manet welcomed the deepening cooperation between the Cambodian Ministry of Interior and the Vietnamese Ministry of Public Security, while Luong reaffirmed Vietnam's commitment to strengthening bilateral security cooperation to promote stability and benefit both nations. [Office of the Council of Ministers, Cambodia] [Khmer Times 1]

Similarly, Cambodia and Laos have reaffirmed their commitment to strengthening bilateral cooperation in combating transnational crimes, particularly human trafficking and drug smuggling along their shared border. The pledge was made during a high-level meeting in Phnom Penh on May 15 between Cambodian Deputy Prime Minister and Minister of Interior Sar Sokha and Lao Deputy Prime Minister and Minister of Public Security Colonel General Vilay Lakhamfong, who was visiting Cambodia for the 80th anniversary of the Cambodian National Police. [Ministry of Interior, Cambodia, in Cambodian]

Both leaders underscored the importance of continued collaboration between their law enforcement agencies to maintain border security and public order. They agreed to intensify joint operations, share intelligence, and enhance capacity-building to address cross-border crimes. [Khmer Times 2]

Cambodia and Thailand enhance cross-border security cooperation

(gm) Cambodia and Thailand agreed to implement five priority action areas to boost joint anti-narcotics efforts during the 15th Bilateral Meeting on Drug Control Cooperation held on May 14 in Krabi, Thailand.

The action plan includes cooperation on the inspection of drugs and precursor chemicals, drug analysis documentation, education and prevention of drug abuse, treatment and rehabilitation, and capacity building for enforcement personnel. Both sides have emphasized mutual commitment to addressing cross-border drug issues and strengthening regional mechanisms for drug suppression. [The Phnom Penh Post 1]

In a separate meeting, military officials from the two countries held talks on May 17 to resolve a border patrol dispute in the Nam Yuen district, Ubon Ratchathani province. The Cambodian Ministry of

Defense confirmed that discussions were initiated after reports of Cambodian troops allegedly encroaching on Thai territory. Both sides agreed to cease trench-digging activities and withdraw their forces from the disputed area to prevent further escalation, and have scheduled regular, unarmed meetings to coordinate joint patrol operations and maintain border stability.

The talks were facilitated by the Suranaree Task Force, one of seven border defense units under the Royal Thai Army, and were part of a broader effort to manage border issues through the General Border Committee (GBC), a bilateral mechanism, established between Thailand and its neighboring countries—primarily Cambodia and Myanmar.

Earlier in May, the GBC convened to discuss de-escalation measures, whereafter both nations agreed to withdraw troops from the Ta Muen Thom temple area in Surin province, reaffirming their commitment to maintaining a five-kilometer buffer zone in disputed regions. [Khmer Times] [The Nation Thailand] [Phnom Penh Post 2]

Cambodia and France to finalize Double Taxation Agreement (DTA) negotiations

(sal) Cambodia and France have reaffirmed their shared commitment to promptly finalizing a Double Taxation Avoidance Agreement (DTA) aimed at boosting bilateral trade and investment.

During the third round of DTA negotiations held on May 12–13, Seng Cheasith, Director of Legislation, Tax Policy, and International Tax Cooperation at Cambodia's General Department of Taxation (GDT), highlighted the progress made in prior discussions and reiterated Cambodia's strong dedication to bringing the negotiations to a swift conclusion.

The two sides conducted in-depth discussions to address all outstanding provisions that remained unresolved from the second round and reached consensus on all remaining issues, effectively concluding the negotiations at the technical level. [Khmer Times]

Cambodia and UK explore ways to enhance collaboration in education sector

(sal) Hang Chuon Naron, Cambodia's Deputy Prime Minister and Minister of Education, met with UK Minister for Early Childhood Education Stephen Morgan during the 2025 World Digital Education Conference in China. [UK in Cambodia, X]

The two sides discussed strengthening educational cooperation, focusing on higher education, vocational training, scholarships, academic exchanges, and the possible establishment of British universities in Cambodia. They also emphasized integrating English curricula like the Cambridge program, developing general education, and attracting investment.

Key topics included the use of AI and digital technology in education and building capacity among teachers and students. Both countries agreed to promote knowledge sharing and policy collaboration to advance bilateral education ties. [Khmer Times]

South Australia seeks to strengthen cooperation with Cambodia

(gm) South Australia's Governor, Frances Adamson, met with Prime Minister Hun Manet during her official visit to Cambodia to discuss expanding cooperation in education, agriculture, clean energy, and vocational training. [Office of the Council of Ministers, Cambodia]

Adamson highlighted the role of South Australia in supporting Cambodia's human capital development, particularly in education, noting the presence of around 4,000 Cambodians living and studying in her state. Hun Manet, for his part underscored Cambodia's priority to strengthen human capital—focusing on public well-being, technical and vocational training, and job creation.

The discussions also focused on further strengthening ties in trade, investment, and cultural exchange. [Khmer Times 1]

In a separate meeting with Adamson, Cambodian Minister of Water Resources and Meteorology, Thor Chetha, discussed cooperation on sustainable, efficient, and climate-resilient water management. He highlighted Cambodia's reliance on the Mekong River and Tonle Sap Lake, underscoring the importance of regional cooperation and the need for clear national water management policies to address seasonal variability, ensure adequate supply across sectors, and support economic development. [Khmer Times 2]

China confirms jail sentence against Japanese for spying

(dz) China has confirmed that a Japanese national was taken into custody in December 2021 and has been sentenced on May 19 to 12 years' imprisonment for espionage by a Shanghai court. This is the first public comment on the matter since Japanese media broke the story. [Ministry of Foreign Affairs, China]

Japanese media have identified the defendant as Masaru Okada, a Japanese consul general in his 50s who was detained in December 2021, formally arrested in June 2022, and indicted in August 2023. He is at least the 17th Japanese citizen detained on national security grounds since 2015. Five remain in custody, including an employee of pharmaceutical company Astellas Pharma who was arrested in Beijing last March. [The Japan Times] [Japan Today]

This development is seen as linked to China's revision to the Anti-Espionage Law (see AiR No. 18, May/2023, 1), in force since July 2023. It broadens the definition of "state secrets" and encourages tip-offs from the public. Following the law, Chinese authorities have been increasingly vocal about the threat of foreign spies. [The Diplomat]

Japan has demanded consular access and transparency in national-security trials, which are typically closed to the public. [South China Morning Post]

China objects to US rule against Huawei's advanced computer chips amid trade truce

(na) China has criticized a new US rule that bans the use of Huawei's Ascend advanced computer chips globally, calling it harmful to cooperative relations between the two countries. The objection comes despite the recent 90-day trade truce agreed upon in Geneva on May 12, which reduced some tariffs between the countries. The Chinese Commerce Ministry condemned the ban, accusing the US of "abusing export control measures," and calling on the US to "immediately correct its wrongdoings," regarding the chip restrictions. [State Council, China]

The US Commerce Department's Bureau of Industry and Security announced earlier last week that Huawei's Ascend semiconductors fall under US export controls because they allegedly use American

technology. The bureau warned that these chips were likely made in violation of US export rules, and that companies using these Chinese advanced computing chips could face penalties. Huawei's Ascend chip is crucial to China's strategy to build its own advanced semiconductor and artificial intelligence capabilities. [AP News]

While China has moved forward with lifting some retaliatory measures it had imposed in response to US tariffs, including removing a ban on exports of rare earth minerals to the United States, tensions over technology persist. On May 16, US lawmakers John Moolenaar and Raja Krishnamoorthi sent a letter to senior Trump administration officials warning that Huawei's HarmonyOS operating system could be used by China for spying and urging the government to work with allies to prevent its global spread. The US lawmakers claim that HarmonyOS, which runs on smartphones, tablets, computers, vehicles, and smart devices, could potentially contain hidden backdoors that collect user data through future software updates. [Nikkei Asia]

US reduces de minimis tariffs on Chinese imports

(na) The US has cut tariffs on low-value shipments from China following the recent trade talks between the two countries. According to a White House executive order on May 12, the "de minimis" tariff for postal shipments was reduced to 54 percent from 120 percent for items valued up to USD 800, with a USD 100 flat fee alternative. For commercial carriers like UPS and FedEx, which handle most shipments from platforms like Shein and Temu, the rate has dropped to 30 percent from 145 percent. [The White House, USA] [Reuters 1]

Following these reductions, container transport bookings from China to the US surged. Vizion, a container-tracking software provider, reported that average weekly bookings for last week jumped 277 percent compared to the previous week. German shipping company Hapag-Lloyd confirmed this trend, reporting a 50 percent week-on-week increase in China-US traffic following the tariff pause. [Dimsum Daily]

Despite the broader tariff reductions, the suspension of duty-free access for low-value shipments continues to impact air freight capacity. Between May 2 and May 13, operators flew 26 percent less freight capacity from China and Hong Kong to the US compared to 2024.

Chinese e-commerce retailers are adapting by increasingly shipping products in bulk via sea rather than making individual air shipments. Chinese e-commerce consultancy Brands Factory stated that despite reduced tariffs the “Golden Age” of small package delivery between the US and China has ended. [Reuters 1] [Reuters 2]

The trade disruptions are having wider regional implications in Asia, with South Korea experiencing a 22 percent drop in US-bound cargo capacity. Meanwhile, Southeast Asian countries could benefit from these shifts, with some carriers already rerouting trade to the US through Mexico and Latin America. Singapore Airlines noted that changes in trade flows might create new opportunities for the region. [Reuters 2]

US Treasury imposes sanctions on network shipping Iranian oil to China

(na) The United States has sanctioned more than 20 companies allegedly involved in shipping Iranian oil to China, targeting a network that the US Treasury claims helped Iran's Armed Forces General Staff and its front company, Sepehr Energy, deliver billions of dollars' worth of oil. The sanctions, announced on May 13, come days after the fourth round of nuclear talks between Iran and the US. "The United States will continue targeting this primary source of revenue, so long as the regime continues its support for terrorism and proliferation of deadly weapons," Treasury Secretary Scott Bessent stated. [Department of the Treasury, USA]

Among the sanctioned entities were CCIC Singapore PTE, which allegedly provided inspection services and falsified documents, and several Hong Kong-based companies. The US Treasury Department claims these companies brokered Iranian oil shipments to China's independent "teapot" refineries through an elaborate system that concealed the oil's origins. The sanctions block all US-linked assets of the designated entities and prohibit American businesses from transacting with them.

The Treasury Department further alleges these oil sales funded Iranian ballistic missiles, drones, and Houthi attacks in the Red Sea. The sanctions were imposed under counterterrorism authorities, which analysts suggest could signal increased pressure on Chinese banks. [Reuters] [SCMP]

New US ambassador David Perdue arrives in China

(lm/dql) David Perdue, the newly appointed U.S. ambassador to China, arrived in Beijing on May 15, just days after the U.S. and China agreed to a temporary break in their ongoing tariff war. Perdue, has had a long career in business, including roles as the head of Asia operations for Sara Lee Corp., an international consumer goods company, in Hong Kong, president of Reebok, and CEO of Dollar General, a major discount retail chain. A Republican, he served as a senator from Georgia from 2015 to 2021 and ran for governor in 2022 but lost in the Republican primary. [Associated Press]

Together with Republican Senator Steve Daines, Perdue led congressional delegations to China in 2018 and 2019, meeting then-Premier Li Keqiang and Liu He, China's chief negotiator for the U.S.-China Phase One trade deal under President Trump.

Chinese officials view Perdue as more pragmatic and focused on economic issues than his predecessor Nicholas Burns, who emphasized ideological concerns such as human rights. [Reuters]

China emerges as top consumer of Canada's new Pacific oil

(dz) A year after Ottawa approved the CAD 34 billion (USD 24.4 billion) Trans Mountain Pipeline Expansion (TMX), the project has opened new export routes for Canadian oil to the U.S. West Coast and Asian markets. Since becoming fully operational in June, Chinese refiners have imported an average of 207,000 barrels per day—30 times their previous volume—surpassing the 173,000 bpd sent to the U.S. West Coast.

This shift in Canada's oil exports reflects changing geopolitical dynamics. Trade tensions during Donald Trump's presidency prompted Ottawa to seek alternatives to the U.S. market. Chinese independent refiners, wary of relying heavily on sanctioned Russian and Venezuelan oil, are turning to Canadian crude, attracted by TMX's relatively low tolls designed to recoup construction costs. The logistics also favor China, with Alberta heavy crude reaching Qingdao in about ten days, making West Coast shipping more appealing than routes to the U.S.

Canada's crude exports to non-U.S. destinations rose by 60 percent last year, reaching a record 183,000 bpd.

While China led this growth, other Asian buyers included South Korea, Japan, India, Brunei, and Taiwan. Trans Mountain Corp expects pipeline utilization to reach 84 percent this year and 92 percent by 2027 and is considering a loop expansion that could add up to 300,000 bpd—most of which analysts expect Asia to absorb.

For Canada, reducing dependence on the U.S. mitigates future trade risks, while for China, TMX offers a politically safer heavy oil source amid global market uncertainties. [Reuters] [Pipeline Technology Journal]

Danish foreign minister visits China

(na) Danish Foreign Minister Lars Løkke Rasmussen officially visited China from May 17-20, marking 75 years of bilateral relations. The trip occurred days after former Taiwan President Tsai Ing-wen's controversial visit to Copenhagen, where she met Danish lawmakers and criticized China's "expansionist ambitions" during a speech at the Copenhagen Democracy Summit. [Ministry of Foreign Affairs, China 1] [Reuters]

On May 19, Rasmussen met with Chinese Foreign Minister Wang Yi in Beijing, where both sides reaffirmed their commitment to enhance political trust and deepen cooperation. Wang specifically addressed US threats to control Greenland, stating that "China fully respects Denmark's sovereignty and territorial integrity" and expressed hope that Denmark would support China's position on matters related to its sovereignty. The statement comes as the US administration has repeatedly expressed interest in securing control of Greenland for strategic purposes. [Ministry of Foreign Affairs, China 2, in Chinese] [Reuters]

During the meeting, Rasmussen reaffirmed Denmark's commitment to the one-China policy and expressed willingness to expand cooperation in areas such as investment, green transition, and cultural exchanges, according to Chines state media. The ministers also discussed international issues including the Ukraine crisis, with Rasmussen reportedly having a "frank talk" with Wang on the matter. [China Daily 1]

Prior to Rasmussen’s visit, Chinese President Xi Jinping issued a rare letter to the Danish Chamber of Commerce in China expressing appreciation for their contributions to bilateral relations and encouraging Danish companies to serve as a "bridge between China and Denmark, and between China and Europe." China is Denmark's fourth-largest trading partner, with

bilateral trade reaching USD 15.7 billion in 2024, a 17 percent increase from 2023. [Ministry of Foreign Affairs, China 3] [Reuters] [SCMP]

Prior to his departure, Rasmussen had emphasized Denmark's commitment to its one-China policy while acknowledging differences with Beijing, stating "Our one-China policy remains firm, while it is clear that we do not see everything the same way, and on some points China poses a challenge." [Ministry of Foreign Affairs, Denmark, in Danish]

The visit takes place as China and the EU this year mark five decades of partnership that has seen bilateral trade grow from USD 2.4 billion annually 50 years ago to USD 786 billion in 2024. [China Daily 2] [Reuters]

China, France fail to reach agreement on Cognac tariffs

(dz) The recent Franco-Chinese Economic and Financial Dialogue in Paris ended without the breakthrough French negotiators had hoped for. Economy Minister Éric Lombard acknowledged that “economic dialogue has not yet provided a definitive resolution” to China’s threat to impose a 34 percent duty on French Spirits from 5 July – a retaliation for the EU’s planned anti-subsidy levy on Chinese electric vehicles.

“The door remains open,” Lombard added after meeting visiting Vice-Premier He Lifeng, but time is running short with cognac producers already making mitigation measures in the form of early redundancy plans. The significance of this tariff is reflected in the fact that the product line shipped EUR 1.4 billion (USD 1.57 billion) in sales to China last year. [Euractiv] [Reuters]

Germany’s new chancellor to pursue ‘strategic de-risking’ from China

(dz/dql) Germany’s new Chancellor Friedrich Merz used his first policy address to the German parliament on May 14 to state that ties with China to be “shaped by systemic rivalry and power politics” and must be recalibrated through “strategic de-risking.” Citing China’s “growing closeness” to Russia, Merz vowed to press China “to make its contribution toward ending the war in Ukraine” and embed Berlin’s China playbook in a wider Indo-Pacific strategy that seeks a “stable,

free and secure Indo-Pacific," that is great strategic importance for Germany and the European Union.

Merz highlighted that Germany would keep decreasing dependencies in critical minerals, batteries and medical goods, echoing the EU's goal of cutting China's share in key inputs. While acknowledging that China would remain an important partner to address global challenges, he stressed the importance of securing level-playing-field trade rules with Germany demanding for respect and reciprocity in industrial and trade policy, an oblique warning as Brussels probes Chinese electric-vehicle subsidies.

Merz's tougher tone also lands as European Commission President Ursula von der Leyen has signaled readiness to "deepen" trade with China, reflecting the EU's softened stance amid US tariffs that has forced Brussels to sharply cut its economic growth forecast for the eurozone for 2025 from 1.3 percent to 0.9 percent. [South China Morning Post] [POLITICO]

Phone call between foreign ministers

Echoing Merz's call on China to contribute to ending Russia's war in Ukraine and his unease with increasingly close Sino-Russian relations, German Foreign Minister Johann David Wadephul urged China to take greater responsibility for global peace during a phone call with Chinese Foreign Minister Wang Yi on May 19. The conversation focused on Russia's war in Ukraine amid growing Western concerns over Beijing's close ties with Moscow since the 2022 invasion, with Wadephul calling on China to exert its influence to achieve a ceasefire and bring the Ukraine crisis to an early end.

In response, Wang reaffirmed China's commitment to helping reach "a fair, lasting and binding peace agreement through direct dialogue." [Ministry of Foreign Affairs, China]

In addition, Wang warned against policies that could damage bilateral cooperation, warning against "de-risking" rhetoric that undermines normal bilateral cooperation and voicing hope for resolving the EU-China trade dispute over tariffs on Chinese electric vehicles—a move Germany has opposed to protect its car industry. [Dimsum Daily] [Hong Kong Free Press]

China, Hungary deepen economic ties with 36 investment agreements

(dql/lm) China and Hungary have deepened their economic ties, after 36 investment projects worth over USD 3.8 billion were signed at the Guangdong-Hong Kong-Macao Greater Bay Area and Hungary Economic and Trade Cooperation Conference, held on May 16 in Budapest. This includes plans of Chinese electric vehicle giant BYD to establish a European centre in Hungary, as announced by CEO and President Wang Chuanfu on May 15 at a news conference with Hungarian Prime Minister Viktor Orban in Budapest. [PR Newswire] [Reuters]

This comes as Hungary has made it clear that decoupling from China is a "red line" in its relations with the United States, despite pressure from Washington to choose sides. Senior Hungarian officials in Brussels reiterated the country's commitment to maintaining strong trade relations with China, emphasizing the significant Chinese investments in Hungary and its intention to continue benefiting from these economic ties.

China has been Hungary's top source of foreign direct investment (FDI) for two consecutive years, accounting for 51 peercent of Hungary's FDI in 2024. Guangdong's investment in Hungary rose by 113 percent this year, with companies like Huawei, ZTE, and BYD creating over 10,000 local jobs.

In 2023, Hungary received nearly 44 percent of Chinese capital invested in Europe, surpassing Germany, France, and Britain as the leading destination for Chinese funds. Major Chinese companies, including CATL (a global leader in battery production for electric vehicles) and BYD (the world's largest manufacturer of electric vehicles), have made significant investments, with CATL building a EUR 7.3 billion (USD 7.8 billion) plant and BYD establishing an electric vehicle manufacturing facility, both set to begin production this year. [South China Morning Post]

Colombia joins China's Belt and Road Initiative

(na) Colombia has officially become part of China's Belt and Road Initiative following the signing of a cooperation agreement on May 14 during Columbia President Gustavo Petro's visit to Beijing. Petro traveled to China to attend the fourth ministerial meeting of the China-CELAC Forum, where he and Chinese President Xi Jinping witnessed the formal signing of the agreement outlining the collaboration on the Silk Road Economic Belt and the 21st-Century Maritime Silk Road projects. With this agreement,

Colombia joins over 20 other Latin American nations that have already partnered with China's global development program. [Reuters] [Ministry of National Defense, China]

Xi emphasized the importance of viewing Colombian relations through a strategic lens, particularly as the countries celebrate 45 years of diplomatic ties in 2025. He advocated for stronger mutual trust, better strategic dialogue, and maintaining clear direction in bilateral relations. He also indicated China's readiness to purchase more Colombian products and encourage Chinese companies to participate in infrastructure projects throughout Colombia. [Ministry of National Defense, China]

Colombia's Foreign Minister Laura Sarabia characterized the country's Belt and Road Initiative membership as its most significant international move in decades, suggesting it could boost economic cooperation and tourism development. China now stands as Colombia's second most important trading partner, behind only the US, and has recently overtaken the US as the primary source of Colombian imports. This agreement comes as China continues to increase its engagement with Latin America, evidenced by numerous regional leaders' recent visit to Beijing for the China-CELAC Forum. [Reuters]

Colombia's entry into the Belt and Road Initiative represents another step in China's growing presence in Latin America, a strategically significant region for the US. China will also launch a visa-free entry trial policy on June 1 for nationals from Brazil, Argentina, Chile, Peru and Uruguay in an effort to expand its influence in the region. This expansion continues despite setbacks such as Panama's February withdrawal from the Belt and Road Initiative, which China attributed to US pressure. Petro, who assumed office in August 2022, previously visited China in October 2023, when the nations elevated their relationship to a strategic partnership. [AP News] [Reuters]

Chinese Foreign Minister Wang Yi holds bilateral meetings with Latin American counterparts

(dql) In a series of bilateral meetings held on May 14 in Beijing, Chinese Foreign Minister Wang Yi met respectively with Honduras' Foreign Minister Eduardo Enrique Reina García; Bolivian Foreign Minister Celinda Sosa Lunda; Mexican Foreign Minister Juan Ramon de la Fuente.

The meeting followed the China–Community of Latin American and Caribbean States Forum on May 13 where Beijing announced a USD 9.2 billion credit line for Latin American and Caribbean countries—exclusively in Chinese yuan (see AiR No. 19, May/2025, 2).

Honduras

In his talks with Reina, Wang emphasized China's willingness to share governance experience and provide assistance to improve livelihoods and capacity building in Honduras.

Reina, for his part, reaffirmed Honduras' commitment to multilateralism, sovereignty, and non-interference, and underscored that establishing diplomatic ties with China was a sound political decision, pledging to continue to uphold the one-China principle. [Ministry of Foreign Affairs, China 1]

China and Honduras formally established diplomatic relations in March 2023, following Honduras's decision to sever ties with Taiwan.

Bolivia

During his meeting with Lunda, Wang emphasized the importance of maintaining stable and supportive relations, advancing high-quality Belt and Road cooperation, and expediting negotiations on an investment protection treaty to support the modernization of both countries.

Lunda reaffirmed Bolivia's adherence to the one-China principle, its commitment to multilateralism and self-determination, and its interest in BRICS cooperation to amplify the voice of the Global South. Sosa highlighted China as a key strategic partner and looked forward to expanding bilateral cooperation under the Belt and Road Initiative to accelerate Bolivia's development. [Ministry of Foreign Affairs, China 2]

Mexico

Speaking with Fuente, Wang called for expanding market access for Mexican products and encouraging Chinese investment in Mexico. Wang also stressed the importance of deepening people-to-people exchanges and cultural cooperation between the two ancient civilizations.

Fuente stated that Mexico is ready to work with China to uphold the multilateral system and a rules-based international order, reaffirming Mexico's adherence to by the one-China principle. He called for enhanced

cooperation in multiple areas including connectivity, science and technology, agriculture, tourism, and aviation to further strengthen the comprehensive strategic partnership. [Ministry of Foreign Affairs, China 3]

India rejects China's latest renaming of locations in Indian state claimed by Beijing

(lm) India has strongly rejected China's latest move to rename 27 locations within the Indian state of Arunachal Pradesh, calling the action "vain and preposterous." The Chinese Ministry of Civil Affairs released a new list of "standard" place names last week, referring to Arunachal Pradesh as "Zangnan," which Beijing claims as part of the Tibet Autonomous Region. The renamed sites include 15 mountains, five settlements, four mountain passes, two rivers, and a lake—each listed in Chinese characters, Tibetan, and pinyin, with coordinates and high-resolution mapping.

This marks the fifth such renaming since 2017, with previous lists issued in 2021, 2023, and 2024. In response, New Delhi reiterated that Arunachal Pradesh "was, is, and will always remain" an integral part of India, rejecting China's claim over territory south of the Line of Actual Control (LAC). That informal boundary broadly follows the McMahon Line, a frontier proposed during British colonial rule in 1914 that demarcated the boundary between British India and Tibet—but which China has never recognized.

The move casts a shadow over recent diplomatic efforts aimed at improving China–India relations following the deadly 2020 Galwan Valley clash, including plans to ease visa restrictions, resume direct flights, and reopen pilgrimage routes to Mount Kailash and Lake Mansarovar. [South China Morning Post]

India-Pakistan extend ceasefire but shift hostilities to diplomatic and rhetorical confrontation

(lm) The U.S.-brokered military ceasefire between India and Pakistan, announced on May 11 following four days of deadly missile, drone, and air strikes, remains largely intact as of May 20. The truce is being maintained through military-to-military communication and has prompted initial discussions on reducing troop presence near the border. However, while battlefield

hostilities have ceased, the confrontation has shifted sharply into diplomatic and rhetorical escalation. [Arab News] [The Hindu]

The latest military exchange was triggered by a militant attack on April 22 in Pahalgam, Indian-administered Kashmir, which left 26 civilians dead. India blamed a Pakistan-based group and launched precision strikes on alleged militant infrastructure across the Line of Control (LoC). Pakistan denied involvement but retaliated with attacks on Indian military targets. According to Indian sources, nine terror camps and 11 Pakistani air bases were targeted, while Islamabad claims to have struck 26 Indian military facilities. Both sides have reported dozens of casualties and have declared military victory.

While large-scale violence has subsided, the likelihood of meaningful political dialogue addressing core disputes—such as Kashmir, the Indus Waters Treaty, or cross-border security—appears remote. Indian Prime Minister Narendra Modi, in his first national address since the escalation, made clear that talks cannot proceed under the shadow of violence. “Terror and trade talks cannot happen together,” he declared, adding that future attacks would prompt decisive retaliation and reiterating India’s unilateral suspension of the 1960 Indus Waters Treaty: “Water and blood cannot flow together.” [BBC]

Pakistan has condemned Modi’s remarks as “provocative and inflammatory,” warning that any future aggression would be met with force. Islamabad has maintained that it acted responsibly throughout the recent crisis and continues to call for a return to the 1997-era “composite dialogue” framework to address outstanding issues, including Kashmir, security, and water-sharing. [Arab News] [mint]

Against this backdrop, the post-ceasefire environment continues to witnessed diplomatic and rhetorical confrontations. India expelled a Pakistani diplomat on May 15 for unspecified activities “not in keeping with his official status.” Prior to the military escalation, both countries had already suspended visa services, imposed reciprocal trade embargoes, and closed airspace to one another’s aircraft. [Al Jazeera 1]

Nuclear rhetoric has also intensified. Indian Defense Minister Rajnath Singh questioned Pakistan’s nuclear safety, suggesting its arsenal should come under International Atomic Energy Agency (IAEA) oversight. Pakistan called the remarks “ignorant,” citing India’s own record of nuclear material thefts and accusing New Delhi of “nuclear blackmail.” [Al Jazeera 2]

Pakistan warns of war over potential Indian diversion of Indus waters amid food insecurity

(lm) A ceasefire between India and Pakistan, announced on May 12 after a four-day military confrontation, has temporarily halted military escalation. However, tensions remain high over India's growing water management strategy, which threatens to divert more water from the Indus River system, a crucial resource for Pakistan's agriculture and hydropower needs.

India is considering a series of projects, including extending the Ranbir Canal on the Chenab River and building storage dams along the Indus, Jhelum, and Chenab rivers. These initiatives could significantly alter water flows before reaching Pakistan, exacerbating concerns. India has suspended its participation in the 1960 Indus Waters Treaty, which allocates water from these rivers, and the potential diversion of water has prompted warnings from Pakistan's military. Pakistan made it clear that it views any attempt to block or divert water from the Indus as an act of war, given the river's vital role in the survival of its 240 million people and its importance to the country's food security. [Reuters] [Arab News 1]

This water dispute is taking place against the backdrop of rising food insecurity in Pakistan. According to the Food and Agriculture Organization (FAO), over 11 million Pakistanis faced acute food insecurity from November 2024 to March 2025, exacerbated by erratic weather, including the aftermath of the 2022 floods and abnormal monsoon rains in mid-2024. The most affected areas include Balochistan, Khyber Pakhtunkhwa, and Sindh, where agricultural recovery remains slow. The FAO report also notes that food insecurity and child malnutrition have worsened for the sixth consecutive year, with 22% of the population in rural districts facing severe food shortages. [Arab News 2]

In response to both external and internal challenges, Pakistan is pushing forward with a national innovation framework aimed at modernizing its agriculture sector. Prime Minister Shehbaz Sharif has called for swift reforms in seed certification, the establishment of a clear regulatory framework, and the adoption of modern agricultural technologies to boost productivity and mitigate climate risks. The new strategy also includes expanding access to affordable agricultural loans and leveraging research-led advancements to enhance Pakistan's agricultural sector, which remains

central to the country's economic stability. [Arab News 3]

India's Modi caught off guard by US President Trump's trade and Kashmir remarks

(lm) U.S. President Donald Trump has presented Indian Prime Minister Narendra Modi with two significant challenges in recent days—one concerning Kashmir and the other trade negotiations—both stemming from the recent India-Pakistan ceasefire.

The first challenge involves Trump's comment about Kashmir. On May 11, following a four-day military confrontation between India and Pakistan that ended on May 10, Trump posted on his Truth Social platform: "I will work with you both to see if, after a 'thousand years,' a solution can be arrived at concerning Kashmir." This statement marked the U.S. President's offer to mediate in the long-standing Kashmir dispute, something India has consistently maintained should remain a bilateral issue between India and Pakistan. [Al Jazeera]

India swiftly rejected Trump's mediation offer, reaffirming its position that discussions on Kashmir must remain a bilateral matter between India and Pakistan. In response to the backlash, the U.S. State Department sought to nuance Washington's position by saying it "encourages direct communication" between India and Pakistan and commends Prime Minister Narendra Modi and Pakistan Prime Minister Shehbaz Sharif for choosing the path of peace. [The Indian Express]

The second challenge Modi faces concerns trade. Trump suggested that trade negotiations played a key role in securing the ceasefire, which has been a point of contention domestically. Even before the suspension of 26 percent reciprocal tariffs, critics in India questioned why the U.S. would impose punitive tariffs on a country seen as a strategic ally in the region, particularly as the two countries were in the midst of critical trade negotiations. [Arab News 1] [Arab News 2]

Trump further claimed that India had offered to eliminate all tariffs on U.S. imports as part of these ongoing negotiations. Speaking in Doha on May 14, Trump framed this offer as part of broader U.S. efforts to shift supply chains away from China. However, Indian Foreign Minister S. Jaishankar dismissed Trump's comments, clarifying that no final trade deal

had been reached and stressing that the negotiations remain ongoing. Jaishankar emphasized that any agreement must be “mutually beneficial.”

The trade discussions are particularly sensitive as the U.S. has been pressing India to reduce its trade deficit, which reached USD 45.7 billion in 2024. While India has already reduced duties on some U.S. goods, including whiskey and motorcycles, talks are ongoing. Some analysts speculate that India may be considering a “zero-for-zero” tariff framework, though the government has not confirmed this [Daily Mirror] [BBC] [CNN]

India provides USD 6.5 million grant to expand Maldives’ ferry network

(lm) India has pledged a MVR 100 million (USD 6.5 million) grant to support the expansion of the Maldives' Raajje Transport Link (RTL) high-speed ferry network. This initiative, part of the third phase of India's High-Impact Community Development Project, was formalized through 13 Memorandums of Understanding (MoUs) signed on May 18.

The RTL ferry network, launched in 2022, aims to connect the scattered Maldivian islands with a reliable transport service. Currently operational in nine atolls, the ferry network now serves 81 islands, and with this new funding, the government plans to expand its reach further, aiming to cover all residential islands by the end of this year. [The Sun]

Indonesian President Prabowo reaffirms close ties with Brunei

(dql/th) President Prabowo Subianto reaffirmed Indonesia’s strong ties and commitment to regional cooperation with Brunei Darussalam during his first state visit to the country on May 14. Describing Indonesia and Brunei as “not just neighbors, but family,” Prabowo emphasized the importance of deepening economic and regional collaboration.

During a closed-door meeting with Sultan Bolkiah, joined by officials from both sides, including Indonesia’s Coordinating Economic Minister Airlangga Hartarto, the two leaders discussed regional and ASEAN issues. Topics included enhancing regional integration and addressing shared challenges such as

economic instability and maritime security. [The Jakarta Post] [Cabinet Secretariat, Indonesia]

During his visit, Prabowo was awarded the state decoration, "The Most Esteemed Family Order of Laila Utama". The award is typically given by the Brunei Sultan as a form of utmost respect to world leaders who are deemed to have contributed to enhancing bilateral relations with Brunei Darussalam. [Antara 1] [Tempo]

Indonesia, South Korea agree on deepening economic and defense ties

(mo) Indonesia and South Korea held bilateral talks in Jakarta to expand their strategic partnership on May 14. The talks focused on investment, trade, and defense cooperation. The meeting was led by Indonesian Deputy Foreign Minister Arrmanatha Nasir and visiting South Korean First Vice Foreign Minister Kim Hong Kyun. [Ministry of Foreign Affairs, Indonesia]

Both parties acknowledged the role of South Korea as a key investor and economic partner for Indonesia, with over 2,000 South Korean companies operating in Indonesia. They agreed to strengthen cooperation in key sectors, including energy transition, food security, and human resource development.

The talks also addressed cooperation defense and arms manufacturing sectors, including the joint KF-21 fighter jet project. Officials explored new areas of collaboration in shipbuilding and regional supply chains, aligning with Jakarta's industrial goals and Seoul's Indo-Pacific strategy.

Kim extended an invitation to President Prabowo Subianto to attend the APEC Leaders' Summit in Gyeongju this October. [Antara] [Yonhap News]

Indonesian and Singaporean Air Forces begin joint military exercise Elang Indopura

(th) The Indonesian Air Force (TNI AU) and the Republic of Singapore Air Force (RSAF) are conducting their biennial Exercise Elang Indopura at the Roesmin Nurjadin Air Force Base, Pekanbaru, Indonesia from May 13 to May 26.

More than 100 personnel from both air forces will be participating in the exercise, involving four RSAF F-16C/D, one RSAF A330 Multi-Role Tanker Transport (MRTT) and two TNI AU F-16 aircraft.

The military drill was first established in 1980, and this year's exercise will commemorate 45 years of bilateral defense cooperation between the TNI AU and the RSAF. [Indonesia Business Post] [MINDEF] [The Straits Times]

Indonesia, Italy enhance cooperation in food security, maritime economy, and defense

(mo) On May 16, during a meeting in Jakarta, Foreign Minister Sugiono and Italian Ambassador Roberto Colamine discussed deepening cooperation aligned with Indonesia's green economy and industrial self-sufficiency goals. Both sides reaffirmed their commitment to strengthening bilateral ties in food security, maritime economy, and strategic industries. [Ministry of Foreign Affairs, Indonesia]

In addition, the meeting also focused on expanding defense collaboration, focusing not only on equipment procurement but also on technology transfer, joint production, and capacity-building to enhance Indonesia's defense industry. Indonesia invited Italy to increase investments in renewable energy, electric vehicles, agriculture, and infrastructure.

Moreover, Sugiono stressed the modern fishing fleet's importance in securing national food security and maritime development. Both parties agreed to pursue mutually beneficial cooperation that supports sustainable growth and strategic autonomy amid the rising global trade tension.

Since 2024, Italy has become Indonesia's third-largest European trading partner, with bilateral trade reaching USD 3.95 billion. Italian investment in Indonesia rose by 46 percent to USD 70.5 million that year. [Antara]

Indonesia, Australia strengthen strategic ties

(mo) On May 15, Australian Prime Minister Anthony Albanese made his first overseas trip since his re-election with a state visit to Indonesia. His choice of Jakarta underscores Australia's consistent diplomatic

focus on Southeast Asia and reinforces its regional commitments. President Prabowo Subianto hosted Albanese at the Merdeka Palace, where both leaders emphasized the importance of maintaining close bilateral cooperation.

The visit centered on collaboration in key areas, including economic integration, food and energy security, and climate resilience. Discussions included a review of progress on the implementation of the Indonesia–Australia Comprehensive Economic Partnership Agreement (IA-CEPA), as well as partnerships in digital infrastructure and clean energy investment. Australian capital and expertise in energy transition were highlighted as complementary to Indonesia's abundant resources and strategic location, with both countries aiming to develop resilient supply chains in electric vehicles and green technologies.

Following the security agreement signed during Prabowo's visit to Canberra last year, defense and security cooperation featured prominently on the agenda. Despite Jakarta's non-aligned stance and ongoing engagement with Russia—including arms procurement and joint naval exercises—Australia remains committed to building interoperability and strategic trust through joint military initiatives and regional maritime security dialogues.

Under Prabowo's leadership, Indonesia's growing role as an assertive regional actor is increasingly positioning the bilateral relationship between Jakarta and Canberra as a cornerstone of stability and economic opportunity in the region. [ABC] [Antara] [The Prime Minister, Australia]

Japan condemns to China's construction of new facility in East China Sea

(ad) Japan has issued a strong protest to China after confirming construction of a new facility on the Chinese side of the median line in the East China Sea, the foreign ministry said on May 13. [Ministry of Foreign Affairs of Japan 1]

Although both countries agreed in 2008 to jointly develop gas fields in the region, talks have stalled, and China has continued unilateral construction.

Kanai Masaaki, director-general of the Asian and Oceanian Affairs Bureau, told a Chinese embassy official in Tokyo that China's actions were deeply regrettable and urged a prompt return to negotiations under the 2008 agreement.

According to the ministry, this marks the 19th structure China has built in the area. [Ministry of Foreign Affairs of Japan 2] [NHK World]

Japanese and U.S. diplomats agree to establish semiannual security talks

(ja) To reinforce cooperation on security issues within the Indo-Pacific region, diplomats of Japan and the U.S. agreed to schedule at least two meetings a year to reinforce cooperation on Indo-Pacific security issues.

Takehiro Funakoshi, Japan's vice foreign minister, met in Washington with U.S. Deputy Secretary of State Christopher Landau on May 16. The diplomats discussed topics such as increasing the deterrence capabilities of the two nations, issues related to China and North Korea, and energy security. The official also stated that both sides hope to arrange a meeting between the foreign and defense ministers between the two countries soon. [Ministry of Foreign Affairs, Japan]

Both sides stated that the diplomats agreed to enhance cooperation via the Quad-grouping of Indo-Pacific democracies involving Japan, the U.S., Australia, and India, as well as with the Philippines and South Korea.

The ongoing tariff negotiations were not a major topic discussed during the meeting, however the Japanese ministry's top bureaucrat, Funakoshi, wishes for the U.S. to diplomatically support a mutually beneficial trade deal soon. [The Mainichi]

Japanese foreign minister holds phone talk with new German counterpart

(dql) Japanese Foreign Minister Takeshi Iwaya held a telephone conversation with newly appointed German Foreign Minister Johann Wadephul to strengthen bilateral relations.

Reaffirming the indivisibility of Euro-Atlantic and Indo-Pacific security, the two ministers agreed to enhance cooperation on foreign policy and security through the "two plus two" dialogue framework. They also shared the intention to expand cooperation on economic security. [Ministry of Foreign Affairs, Japan]

Wadephul was sworn in as foreign minister on May 6. [Nippon.com]

Japan and Latvia enhance ties amidst the Russian invasion of Ukraine

(ja) Japanese Prime Minister Shigeru Ishiba and Latvian President Edgars Rinkevics met on May 19 to upgrade their nations' ties to bolster cooperation amidst Russia's invasion of Ukraine. [Prime Minister's Office, Japan]

Ishiba said at a joint press event with Rinkevics after their talks in Tokyo that the two agreed to collaborate further in fields such as security, technology, economy, and culture, while helping realize a "just and lasting peace" in Ukraine.

The two nations also agreed to work together to help resolve the North Korean security threat. [The Mainichi]

Japan commits to deepening ties in bilateral talks with Paraguay and Chile

(dql) Japanese Foreign Minister Takeshi Iwaya has reaffirmed Japan's commitment to deepen economic ties with Paraguay and Chile.

Paraguay

On May 20, Iwaya met with Paraguayan Foreign Minister Rubén Darío Ramírez Lezcano in Tokyo during the latter's visit for the Osaka-Kansai Expo 2025. The meeting focused on strengthening bilateral ties.

Both ministers agreed to enhance economic cooperation, including with the Mercosur bloc, and reaffirmed their commitment to upholding a rules-based international order. They condemned any unilateral attempts to change the status quo by force or coercion.

The ministers also exchanged views on East Asia, particularly North Korea's nuclear, missile, and abductions issues. [Ministry of Foreign Affairs, Japan]

The only country in South America that maintains diplomatic ties with Taiwan, Paraguay is home to about 10,000 people of Japanese descent.

Chile

Meeting with visiting Chilean Foreign Minister Alberto van Klaveren on May 15, Iwaya expressed his intention

to deepen cooperation with Chile, a strategic partner, welcoming progress in areas such as the economy—including mineral resources—security, disaster prevention, space, astronomy, and science and technology. Van Klaveren expressed his commitment to further expanding cooperation across these sectors.

The two ministers agreed to collaborate closely in the international arena, including through frameworks like the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). They also exchanged views on East Asian security, including North Korea's nuclear and missile programs and the abductions issue. [Ministry of Foreign Affairs, Japan 2]

Irland supports climate-resilient farming in Laos

(dql) Ireland has announced a EUR 400,000 (approximately USD 432,000) contribution to the United Nations World Food Program (WFP) to support a project enhancing food security and promoting climate-resilient farming in Laos. The initiative focuses on empowering women farmers in 25 climate-vulnerable communities in the country's northern provinces and is expected to benefit 1,000 women farmers. [Embassy of Ireland, Hanoi] [Laos News Agency]

Implemented in partnership with Laos' Ministry of Agriculture and Forestry and local agencies, the project targets food insecurity, malnutrition, and poverty by improving access to nutritious food, promoting climate-smart agriculture, strengthening community disaster risk management, and enhancing financial inclusion through grants for women-led agricultural activities.

Ireland, a development partner since 2006, has expanded its cooperation under its 2023–2027 Mission Strategy to deepen support in climate action, governance, and other priority areas in Laos. [The Laotian Times]

Malaysia and Japan boost legal ties with New Arbitrary Agreement

(tl) Malaysia's Asian International Arbitration Centre (AIAC) and Japan's Commercial Arbitration Association (JCAA) signed a Memorandum of Understanding (MoU) to enhance cooperation in arbitration and legal

capacity building. The agreement was formalized during Minister Azalina Othman Said's official visit to Japan and will be further developed at the Special Malaysia-Japan Dialogue on Legal Cooperation this August.

The partnership aims to strengthen bilateral efforts in commercial arbitration, joint training, and institutional reform, aligning with Malaysia's broader legal diplomacy under the MADANI Government. Azalina emphasized that Malaysia is working to build a regional legal ecosystem that enhances investor confidence, supports commercial growth, and promotes sustainable development. [Malay Mail]

Malaysia to deepen defense ties with Italy, Germany

(tl) Malaysia and Italy are moving toward a strategic defense partnership following a bilateral meeting between Defence Minister Mohamed Khaled Nordin and his Italian counterpart, Guido Crosetto, held on the sidelines of the 2025 UN Peacekeeping Ministerial that took place on May 13–14 in Berlin, Germany. This meeting marked their first high-level defense dialogue and signaled Italy's growing interest in strengthening security ties with Malaysia. [Ministry of Defence, Malaysia 1, in Malay]

At the core of the proposed collaboration is a government-to-government (G2G) memorandum of understanding (MoU) on military asset procurement. Malaysia has previously procured military assets from Italy and now emphasizes that future deals must include technology transfers to enhance local defense capabilities, rather than focusing solely on equipment purchases.

Minister Khaled highlighted the importance of G2G frameworks for ensuring transparency, cost-effectiveness, and reliability. He cited Malaysia's existing cooperation with Türkiye and potential plans with South Korea as successful models in this regard. [Malay Mail 1]

Malaysia and German commit to deepen defense cooperation

In another meeting in Berlin with German Defense Minister Boris Pistorius, Malaysia and Germany reaffirmed their commitment to enhancing bilateral defense cooperation. Key areas of collaboration include military training, capacity building, and defense technology. [Ministry of Defence, Malaysia 2, in Malay]

Malaysia welcomed Germany's participation as an observer in the ASEAN Defence Ministers' Meeting (ADMM), expressing hope that it would strengthen regional security. Germany proposed signing a Letter of Intent to streamline defense collaboration, which both parties are currently negotiating.

Malaysia expressed appreciation to Germany for enabling Malaysia to participate in the 'Enable and Enhance' programme, which aims to support the defence capacity of partner nations. Malaysia also expressed interest in continuing pilots training for the A400M aircraft in Germany and proposed expanding training into emerging fields such as AI and cybersecurity. [Malay Mail 2]

Malaysia and Russia strengthen bilateral ties during Prime Minister Anwar's official visit

(tl) Malaysian Prime Minister Anwar Ibrahim concluded a four-day official visit to Russia from May 13–16, during which he met President Vladimir Putin and other Russian officials in Moscow. The visit marked a significant step in strengthening diplomatic, economic, and cultural cooperation between the two countries. [Prime Minister's Office, Malaysia]

During a joint press conference, Putin emphasized that Malaysia-Russia relations are advancing progressively, underpinned by mutual respect and long-standing friendship. Both leaders discussed a wide range of bilateral and international issues, including energy, education, agriculture, technology, defense, and regional peace. They also reaffirmed their commitment to enhancing cooperation under ASEAN, especially with Malaysia currently chairing the regional bloc. Malaysia also accepted an invitation to participate as a BRICS partner country. [Malay Mail 1]

Economic collaboration was the key focus during the visit. Russia is now Malaysia's ninth-largest European trading partner, with bilateral trade reaching MYR 11.46 billion (USD 2.48 billion) in 2024. Putin highlighted potential joint ventures in natural gas, nuclear energy, and synthetic rubber production, as well as plans to expand agricultural trade, particularly halal-certified meat and dairy products. [Malay Mail 2]

Moreover, Anwar extended an invitation to President Putin to attend the upcoming East Asia Summit in Malaysia, marking what could be a significant regional diplomatic breakthrough. He also reaffirmed Malaysia's support for multilateralism and a rules-based

international order, expressing opposition to unilateral actions that threaten regional stability. [Malay Mail 3]

Importantly, Anwar brought up the MH17 flight tragedy with Putin, following the recent conclusion by the International Civil Aviation Organisation (ICAO) that Russia was responsible for the incident, which resulted in the loss of 298 lives. In addition, the report stated that ICAO would consider appropriate forms of compensation.

While Anwar stressed the importance of the ICAO's findings, Putin maintained that Russia remains open to cooperation, if the investigating body is seen as impartial by Moscow. [The Diplomat] [Malay Mail 4]

Maldives and Kuwait discuss advancing ties

(lm) Maldivian Foreign Minister Dr. Abdulla Khaleel met with Kuwaiti Foreign Minister Abdullah Ali Al-Yahya in Kuwait on May 13 to discuss strengthening bilateral relations ahead of the 48th anniversary of diplomatic ties between the two nations. Both ministers reaffirmed their commitment to expanding cooperation in areas such as tourism, trade, investment, renewable energy, health, and aviation.

Khaleel expressed gratitude for Kuwait's longstanding support, particularly through the Kuwait Fund for Arab Economic Development (KFAED), which has contributed to key development projects including the Velana International Airport expansion and health sector initiatives. He also emphasized the Maldives' interest in attracting further Kuwaiti investment, especially in renewable energy and infrastructure. [The Sun]

Mongolia, Japan discuss further cooperation

(fs) Mongolian Minister of Foreign Affairs Battsetseg Batmunkh met with the honorary consuls of Mongolia in Tokushima, Toyama, and Sapporo (Japan) Sh. Kawauchi, K. Fujishige, and K. Takeuchi on May 16.

The meeting focused on expanding people-to-people exchanges and deepening the partnership between Mongolia and Japan. Discussions also covered promoting economic cooperation, particularly through joint projects in regional development and the production of branded Mongolian goods in Japan.

The honorary consuls reaffirmed their commitment to advancing bilateral cooperation in sectors such as economy, investment, tourism, culture, and education. They also expressed support for environmental initiatives and promoting physical education through sports events.

The establishment of a unified association for Mongolia's honorary consuls in Japan was agreed upon. [Ministry of Foreign Affairs, Mongolia]

Mongolia, South Korea to develop Customs Modernization Initiative

(fs) The Mongolian and South Korean governments will fund the Collaborative AI-Powered Customs Modernization Initiative for the Customs General Administration of Mongolia.

The project aims to enhance operational efficiency and improve risk management in customs through a service package that includes a customs support system, integrated information search platform, and an AI-powered server.

Led by a consortium of three South Korean technology companies (B2EN, VIRNECT, and Rebellion), the project will help detect risky cargo early, streamline customs inspections, and promote foreign trade. It will also drive digital transformation, improve border control and foster transparency, increasing tax revenues and law enforcement effectiveness.

The initiative is set to be implemented between 2025 and 2026. [Montsame]

Mongolia, France hold intergovernmental meeting to deepen strategic cooperation

(fs) The third session of the Mongolia-France Intergovernmental Working Group was held in Paris on May 15, co-chaired by Mongolian Cabinet Secretary N. Uchral and French Foreign Ministry Secretary-General Anne-Marie Descôtes.

Discussions covered cooperation in politics, trade, investment, energy transition, emergency management, and people-to-people exchanges. Both sides reaffirmed commitment to enhancing bilateral projects and implementing agreements made during recent high-level visits.

Uchral emphasized the need for transparency in uranium projects and proposed the creation of a Citizens' Oversight Council and a radiation monitoring laboratory aligned with international standards.

Both parties expressed their willingness to elevate bilateral relations to a strategic partnership and underlined joint efforts to combat climate change. A Memorandum of Understanding on air navigation technology was also signed. [Ministry of Foreign Affairs, Mongolia]

Mongolia, Russia discuss cooperation

(fs) A delegation from the Irkutsk region of Russia led by Speaker of the People's Deputies Council Alexander Vedernikov visited Ulaanbaatar on May 13 to explore collaboration with the capital's local government.

The discussions covered potential cooperation in personnel development, economic collaboration, and sectors such as natural gas, agriculture, and food industries.

Vedernikov proposed building a new Russian-Mongolian school in Ulaanbaatar and providing Russian language materials to local institutions, as well as helping with reparations of the Irkutsk Street. [iSee]

Mongolia, Turkey reaffirm commitment to cooperate in disaster management

(fs) Chief of Mongolia's National Emergency Management Agency (NEMA) Ariunbuyan Gombojav met with Ambassador of the Republic of Turkey to Mongolia Başak Genç Yüksel on May 19 to discuss enhancing bilateral cooperation in disaster risk reduction and emergency management.

Gombojav outlined NEMA's operations and expressed appreciation for Turkey's support during emergencies and acknowledged the expertise provided by the Turkish Disaster and Emergency Management Presidency and the General Directorate of Forestry in areas such as information systems and wildlife response.

Yüksel welcomed the progress made in cooperation and reaffirmed Turkey's commitment to further strengthening ties. [Montsame]

Japanese companies withdraw from SEZ in Myanmar

(hw) Three Japanese companies—Kamigumi, Sumitomo Corporation, and Toyota Tsusho—have confirmed their withdrawal from the Thilawa Multipurpose International Terminal project in Yangon, following pressure from civil society groups in Japan and Myanmar.

The companies stated they have begun liquidation and plan to exit the project, developed by Japan's Official Development Assistance and involving a partnership with Ever Flow River Group, a firm linked to the military-owned and internationally sanctioned Myanma Economic Holdings Limited.

Civil society organizations, including Justice for Myanmar (JFM) and Mekong Watch, welcomed the exit but criticized the lack of transparency. The companies reportedly provided no details on how they would uphold international human rights standards, manage project assets, or prevent military-linked entities from profiting. [The Irrawaddy] [Mizzima, in Burmese]

US aid delivery method for disaster relief in Myanmar unclear

(nj) In a May 8 interview with Russia's RT news agency at the Ararat Park Hotel in Moscow, Chairman of the State Administration Council Senior General Min Aung Hlaing stated that the United States had pledged USD 9 million in aid after the earthquake, but that the delivery method of that aid is still unclear. [Eleven Media Group]

These limitations in aid delivery are part of the larger trend of United States cuts to foreign aid. In a press conference in Brussels in early April, United States Secretary of State Marco Rubio defended the US' aid response, stating "there's a lot of other rich countries in the world, they should all be pitching in." [Brussels Reporter]

Chinese delegation concludes visit to Nepal

(lm) A 15-member Chinese delegation led by Xiao Jie, Vice Chairman of the Standing Committee of the National People's Congress, this week concluded a four-day visit to Nepal focused on enhancing bilateral

cooperation in infrastructure, climate change, and regional connectivity.

During the visit, the delegation met with key Nepali leaders, including Prime Minister KP Sharma Oli, Speaker Devraj Ghimire, and National Assembly Chairperson Narayan Prasad Dahal. In a courtesy meeting, Prime Minister Oli described the Nepal–China relationship as long-standing and problem-free, highlighting China's global influence and recalling President Xi Jinping's 2019 visit as a turning point in bilateral ties.

A focal point of the visit was the delegation's participation in the Sagarmatha Sambaad, Nepal's flagship international climate dialogue. However, controversy emerged as Xiao Jie repeatedly referred to Mount Everest by its Chinese name, "Chomolungma," raising concerns in Nepal over symbolic assertions in the context of geopolitical sensitivities. [The Kathmandu Post 1] [The Kathmandu Post 2]

Nepal's Prime Minister meets president of South Korea's state-owned railroad operator

(rs) Nepal's Prime Minister KP Sharma Oli met with Han Moon-hee, President of South Korea's state-owned Korea Railroad Corporation, to explore potential collaborations on railway development in Nepal. During the meeting, the South Korean corporation expressed interest in several projects, including the proposed Everest Railway Project connecting Chhataradham to Chaurikharka. A joint working group is set to be formed between the Korea Railroad Corporation, Nepal's Infrastructure Ministry, and the Investment Board to explore future cooperative efforts in the railway sector. [The Rising Nepal]

North Korean defectors increasingly integrated into South Korea's public sector

(fw) According to South Korea's Ministry of Unification, a total of 211 North Korean defectors were employed in South Korea's public sector by the end of 2024, marking the highest number since 2010. This represents an increase of 17 individuals compared to the previous year.

The South Korean government has expanded support programs to assist defectors overcome unemployment and social isolation, emphasizing the need to involve them in policymaking roles. Recent efforts include enhanced social integration initiatives and financial incentives for companies that hire defectors.

About 30,000 defectors live in South Korea, though arrivals have declined since the COVID-19 pandemic led to border closures. Before 2020, more than 1,000 defectors arrived each year. [BBC]

North Korean cyber operations in Ukraine highlight regional security concerns

(fw) North Korean state-sponsored hackers, identified as TA406 (also known by the names Opal Sleet and Konni), have launched a new intelligence operation targeting Ukrainian government organizations to gather intelligence on Russia's military operations. TA406 shift the focus from Russia to Ukraine in early 2025, appears to be driven by North Korea's evaluation of risks to its troops deployed alongside Russian forces since late 2024 and informs decisions on potential further military aid.

TA406 has employed various tactics, including impersonating as think tank members to deceive targets into opening phishing emails related to Ukrainian domestic political developments. These emails contained links to password-protected archives, once opened and decrypted, activated malware via PowerShell scripts to collect system data such as IP configuration, file details, and antivirus software.

In previous operations, the group attempted to steal login credentials by sending fake Microsoft security alerts through Protonmail accounts. Although the phishing pages are no longer active, these methods are consistent with TA406's typical tactics. Unlike Russian cyber actors who focus on tactical battlefield intelligence or disruption, TA406's operations prioritize political and strategic intelligence related to the ongoing war.

In February 2025, the European Union imposed sanctions on Lee Chang Ho, head of North Korea's Reconnaissance General Bureau (RGB), for coordinating North Korean troop deployments to Ukraine and overseeing cyber units including Lazarus and Kimsuky. [The Record]

Pakistan's Deputy Prime Minister visits China for talks

(za) Pakistan's Deputy Prime Minister and Foreign Minister, Ishaq Dar, is visiting China from May 19 to 21 to discuss the evolving regional situation in South Asia, following a recent military standoff with India. The visit comes after a four-day conflict between the two nuclear-armed neighbors in May, resulting in around 70 fatalities on both sides.

The military standoff, which involved fighter jets, missiles, drones, and artillery, was triggered by an attack on tourists in Pahalgam, Indian-administered Kashmir, on April 22, which killed 26 people. India blamed Pakistan for the attack, a charge Islamabad denies, calling for an international investigation. The conflict escalated with India targeting what it called terrorist camps inside Pakistan, and Pakistan responding by downing Indian jets.

Dar's visit to Beijing includes discussions with Chinese Foreign Minister Wang Yi about the implications of the India-Pakistan conflict on regional peace and stability. The two sides will also review the broader scope of Pakistan-China relations. [Arab News 1] [Arab News 2]

Pakistan's digital finance body seeks deeper U.S. cooperation in blockchain and AI innovation

(lm) Pakistan's Crypto Council (PCC)—a private advisory body promoting blockchain, digital assets, and decentralized finance—has called for enhanced collaboration with the United States in blockchain and artificial intelligence (AI). The proposal was raised during a meeting in Islamabad between the PCC's chief executive and Acting U.S. Ambassador Natalie Baker.

The PCC outlined plans to launch joint programs, talent exchanges, and formal partnerships linking U.S. tech firms with Pakistani startups. The council has already partnered with World Liberty Financial (WLF)—a decentralized finance platform backed by U.S. President Donald Trump—to support blockchain innovation and expand DeFi integration across Pakistan. [Arab News]

Pakistan and UK foreign ministers meet after Islamabad's military escalation with India

(za) On May 16, UK Foreign Secretary David Lammy met with Pakistan's Foreign Minister Ishaq Dar in Islamabad, following Pakistan's serious military confrontation with India earlier in the month. The four-day conflict between the nuclear-armed neighbors led to around 70 deaths, including dozens of civilians, and raised global concerns about the potential for escalation into a full-blown war.

The conflict began when India launched strikes on May 7 against what it described as "terrorist camps" in Pakistan, in retaliation for an April 22 attack in Indian-administered Kashmir that killed 26 people. India blamed Pakistan for supporting the militants, while Pakistan denied the charge. The fighting involved intense exchanges of drones, missiles, and artillery.

The United Kingdom was among several countries calling for de-escalation, with Prime Minister Keir Starmer emphasizing that Britain was urgently engaging with both sides. During the meeting, Foreign Secretary Lammy and Minister Dar discussed the situation, reflecting the international efforts to prevent further escalation. [Arab News] [Ministry of Foreign Affairs, Pakistan]

Pakistan and Russia agree to establish new steel mill

(lm) Pakistan and Russia have agreed to establish a new steel mill in Karachi, Pakistan's largest city and principal seaport, reviving industrial cooperation between the two countries decades after the Soviet Union helped build the original Pakistan Steel Mills (PSM) in the 1970s.

The initiative aligns with broader efforts to strengthen Pakistan-Russia relations, which have recently focused on energy cooperation. In 2023, the two countries negotiated Russian crude oil deliveries to Pakistan, and they continue to collaborate on the Pakistan Stream Gas Pipeline, a key infrastructure project designed to deliver imported gas from Karachi to Punjab.

The new steel mill is expected to support Pakistan's industrial development and attract further foreign investment. The original PSM, once Pakistan's largest industrial complex, ceased operations in 2015 after years of financial mismanagement and political interference. [Arab News]

Pakistan and Kuwait review economic cooperation during fourth bilateral consultation round

(lm) Pakistan and Kuwait held the fourth round of their Bilateral Political Consultations (BPC) in Kuwait City on May 15, reviewing cooperation in trade, investment, labor, and consular affairs. The consultations also included discussions on regional and global issues, with both sides reaffirming their commitment to deepening collaboration across multiple sectors.

The talks come as Pakistan seeks to boost foreign investment and trade following its economic stabilization efforts in 2023. Central to this strategy is the Special Investment Facilitation Council (SIFC), a civil-military body established to attract international capital to priority sectors such as agriculture, mining, tourism, and infrastructure. Gulf countries, including Kuwait, remain key targets in this outreach. [Arab News]

Pakistan's Prime Minister, Iranian President agree to strengthen trade and security ties

(lm) Pakistan's Prime Minister Shehbaz Sharif and Iranian President Masoud Pezeshkian have agreed to enhance cooperation in trade, security, and connectivity following a phone conversation on May 17.

Pezeshkian extended an invitation to Sharif for an official visit to Tehran, which Sharif accepted. They also discussed the recent escalation of tensions between Pakistan and India, which saw at least 70 fatalities on both sides. Sharif thanked Iran for its diplomatic efforts in defusing the situation and reaffirmed Pakistan's commitment to defending its sovereignty.

Pakistan and Iran share a complex relationship, marked by attempts to collaborate economically while facing persistent challenges. A prominent example is the 2010 gas supply deal—the Iran-Pakistan gas pipeline, which was intended to transport gas from Iran's South Fars field to Pakistan's Balochistan and Sindh provinces. This deal has been stalled primarily due to international pressure, including U.S. sanctions on Iran, and Pakistan's financial and security concerns. Despite these setbacks, both countries continue to explore opportunities for deeper cooperation while frequently accusing each other of failing to address

cross-border militancy along their shared border. [Arab News]

Iraq recalls troops from Pakistan

(za) Amid escalating tensions between South Asian neighbors India and Pakistan, Iraq has ordered the immediate return of 500 Iraqi military personnel from Pakistan. The troops, part of the 2nd Battalion of the 66th Brigade under Iraq's Special Forces' 2nd Division, were in Pakistan under a prior training agreement. [New Arab]

Philippines and Mongolia strengthen ties

(jto) The Philippines and Mongolia have pledged to enhance their bilateral cooperation, focusing on areas such as tourism, education, labor, technology, disaster risk reduction, and defense. The two nations emphasized their shared commitment to peaceful coexistence and mutually beneficial cooperation.

The importance of freedom, democracy, and human rights was highlighted during the visit of Mongolia's Foreign Affairs Minister to Manila, stressing the need for an international order based on law, equity, and justice. The joint statement also underscored that both countries are among the world's fastest-growing economies, which enhances trade and investment opportunities for further collaboration. [Cebu Daily News]

U.S. to fund upgrade of strategically located Philippine military base for South China Sea operations

(lm) The United States plans to upgrade Naval Detachment Oyster Bay, a strategically located Philippine military base on Palawan's western coast, to strengthen Manila's maritime operations in the South China Sea. Washington will provide between USD 1 million and USD 5 million to construct a boat repair and maintenance facility, with work expected to begin by mid-2025. The project includes a 5-ton gantry crane, multi-purpose rooms, and improvements to the base's steep boat launch.

Naval Detachment Oyster Bay has served as the operational staging ground for Philippine naval and

coast guard missions in contested waters, particularly near Second Thomas Shoal. The base hosts vessels involved in resupply operations, including those damaged by repeated Chinese maritime interdictions in 2023 and 2024. These included incidents involving ramming and water cannons that disabled Philippine vessels and injured personnel.

While most U.S. infrastructure developments in the Philippines fall under the Enhanced Defense Cooperation Agreement (EDCA), the Oyster Bay upgrade falls outside the nine agreed EDCA sites. It reflects a shift toward reinforcing forward-operating capabilities near potential flashpoints such as the South China Sea and the Luzon Strait. The base currently hosts U.S.-transferred Cyclone-class patrol vessels and has operated U.S.-supplied unmanned surface vehicles, which enhance maritime surveillance. [USNI News]

Philippines and Germany sign defense agreement

(dnb) Germany and the Philippines have signed a defense agreement on May 14 boosting joint activities and strengthening defense ties. The move is part of President Ferdinand Marcos Jr.'s directive to strengthen Manila's defense ties with like-minded countries. It follows recent developments such as a defense agreement with New Zealand, anticipated negotiations for a visiting forces agreement with France, and closer security cooperation with Canada.

Signed in Berlin by Philippine Defense Secretary Gilberto Teodoro Jr. and German Defense Minister Boris Pistorius, the agreement enhances cooperation in cybersecurity, defense logistics and armament, and United Nations peacekeeping. It builds upon a 1974 training agreement between the two countries and comes as both sides prepare for the third Philippines–Germany Security and Defense Staff Talks to plan upcoming joint activities.

Germany's engagement also signals support for the 2016 Permanent Court of Arbitration ruling that rejected China's sweeping claims over the South China Sea. [Reuters] [The Straits Times]

Philippines establishes diplomatic relations with Grenada

(lm) The Philippines and Grenada – a small Caribbean island nation – have formally established diplomatic relations, reaffirming their commitment to deepen cooperation and expand engagement in multilateral forums. The agreement was signed on May 8 by Philippine Foreign Affairs Secretary Enrique Manalo and Grenadian Foreign Minister Joseph Andall during Manalo's visit to St. Kitts and Nevis for a regional foreign ministers' meeting. [The Manila Times]

Indonesia to end fuel imports from Singapore, pivots to U.S. and Middle East in energy realignment

(nl) Indonesia has announced a strategic shift to end decades-long dependence on Singapore for refined fuel imports, aiming to diversify its sourcing to countries including the United States and the Middle East over the next six months. The move marks a significant recalibration of regional energy trade and is part of Jakarta's broader agenda to boost energy independence, ease foreign exchange pressures, and gain leverage in ongoing trade negotiations, particularly with the United States. [CNBC Indonesia, in Indonesian] [Channel NewsAsia]

Energy Minister Bahlil Lahadalia criticized Singapore's pricing practices as "shameful," stating that the city-state—despite being a non-oil producer—sells fuel to Indonesia at prices comparable to Middle Eastern suppliers, even though Indonesia accounts for more than one-third of Singapore's refined fuel exports. In 2024, Singapore exported over 54,000 barrels of gasoil and 8,300 barrels of jet fuel to Indonesia daily. Indonesia's oil import bill totaled USD 36.2 billion that year, with a substantial portion sourced from Singapore. [South China Morning Post]

The shift is part of Jakarta's broader strategy to improve energy independence, reduce its USD 7.2 billion annual fuel subsidy burden, and address its structural refining bottlenecks. Indonesia's refining capacity has stagnated at 1.15 million barrels per day since the 1990s, limiting its ability to process diverse crude grades—particularly lighter U.S. crude. To address this, Jakarta is advancing large-scale infrastructure projects, including the Balikpapan Refinery Development Master Plan and the Tuban Grass Root Refinery, aiming to boost capacity by 1 million barrels per day.

The policy pivot also aligns with Indonesia's trade objectives in talks with the U.S., where it has pledged to increase energy imports and reduce trade deficits.

State energy firm Pertamina has pledged to expand domestic fuel storage to accommodate the shift in sourcing. [South China Morning Post]

Analysts believe that while Indonesia's exit may dent Singapore's energy trade flows in the short term, the broader impact will likely be limited due to Singapore's diversified export base and logistics capacity. However, they warn that if other nations follow Jakarta's lead, the long-term effects on Singapore's oil trade – contributing roughly 5 percent of its GDP – could become more pronounced. [ASEAN Briefing]

U.S. signals willingness to discuss zero tariffs on pharmaceutical exports with Singapore

(lm) Singapore may be granted preferential or even zero tariffs on pharmaceutical exports to the United States, Deputy Prime Minister and Trade Minister Gan Kim Yong said on May 16. The offer comes as Washington considers imposing sectoral tariffs on pharmaceuticals and semiconductors as part of its broader industrial policy. Gan described the discussions as a "significant opportunity," given that pharmaceutical goods account for over 10 percent of Singapore's exports to the U.S.

Talks are still at an early stage and contingent on Singapore ensuring secure supply chains for U.S.-bound pharmaceutical goods. Gan stated that the government would consult private pharmaceutical companies before formalizing any agreement. While pharmaceuticals currently remain exempt from the baseline U.S. tariff of 10 percent, the Trump administration began reviewing possible duties on pharmaceutical imports in mid-April.

Although the U.S. has indicated it is open to dialogue on semiconductor supply as well, the focus for now remains on pharmaceuticals.

The remarks were made during an update on the Economic Resilience Taskforce, which Gan chairs. When asked about the possible reshuffling of the taskforce amid an expected Cabinet reorganization, he said adjustments may occur depending on changes in ministerial portfolios. [Channel NewsAsia]

Singapore, U.S. conclude joint army exercise in May 2025

(nl) From May 5 to 16, the Singapore Army and the United States (U.S.) Army conducted Exercise Tiger Balm 2025 in Singapore. First launched in 1981, the annual bilateral exercise is now in its 44th iteration, involving 823 personnel from Singapore and 257 from the U.S. It serves as a key platform for operational training and professional exchanges between both armies. This year's edition included unmanned systems and urban combat operations to strengthen interoperability. [Singapore Press Centre] [National Guard of the United States]

Australian prime minister visits Singapore as both countries mark major anniversaries

(lm) Singapore's Prime Minister Lawrence Wong and his Australian counterpart Anthony Albanese met in the city-state on May 20 to discuss upholding a free, open, and rules-based multilateral system. They discussed enhancing bilateral cooperation through the Singapore-Australia Comprehensive Strategic Partnership (CSP) and looked forward to celebrating 60 years of diplomatic ties later in 2025. Both leaders emphasized shared strategic interests and pledged to work together on regional stability, peace, and prosperity.

This meeting marks the first interaction between the two leaders since their countries' simultaneous elections on May 3. [The Straits Times]

South Korea secures GPU supply from NVIDIA and expands AI and cybersecurity cooperation with the U.S.

(kp) South Korea has signed a graphics processing unit (GPU) supply agreement with NVIDIA and broadened bilateral cooperation with the United States in artificial intelligence (AI), cybersecurity, and scientific research, government officials confirmed. The GPU deal was made through the National IT Industry Promotion Agency (NIPA) as part of the country's effort to strengthen its computing infrastructure and advance the development of the National AI Computing Center. The partnership aims to support South Korea's broader goal of becoming a leading AI hub in the Asia-Pacific region.

Minister of Science and ICT Yoo Sang-im held several high-level meetings in Washington to deepen science

and technology collaboration between the two countries. During a meeting with Lynne Parker, Deputy Director of the White House Office of Science and Technology Policy, the two sides discussed adjustments in the Trump administration's second-term R&D policy direction, with a focus on increasing research security and reevaluating country-specific restrictions. Yoo stressed the importance of quickly adapting to the evolving U.S. research landscape, citing the central role the U.S. plays in Korea's international research investment portfolio.

Additionally, Minister Yoo met with Brendan Carr, Commissioner of the U.S. Federal Communications Commission (FCC), to coordinate cybersecurity policy in response to recent cyberattacks. Both sides referenced incidents such as the SK Telecom data breach in South Korea and cyber intrusions into U.S. telecom infrastructure attributed to Chinese hacker group Volt Typhoon. They reviewed their respective national certification systems, South Korea's Internet of Things (IoT) Security Certification System and the FCC's Cyber Trust Mark, agreeing that standard harmonization was essential to reduce regulatory burdens and ensure international compatibility for connected devices. The talks also touched on future technologies including 6G development and the protection of undersea cable infrastructure, reinforcing bilateral efforts to secure global communications networks. [Telecom Review Asia]

South Korea's Hyundai Motor breaks ground on first middle east plant in Saudi Arabia

(kp) Hyundai Motor Co. has officially begun construction on its first manufacturing facility in the Middle East, marking a significant step in the company's global expansion strategy. The groundbreaking ceremony for Hyundai Motor Manufacturing Middle East (HMMME) was held on May 13 at the King Salman Automotive Cluster in King Abdullah Economic City (KAEC), Saudi Arabia.

The HMMME facility is a joint venture between Hyundai Motor and Saudi Arabia's Public Investment Fund (PIF), with a 30-70 ownership split. The plant is expected to begin operations in the fourth quarter of 2026 and will have an annual production capacity of 50,000 units. The facility will manufacture both electric vehicles (EVs) and internal combustion engine models.

The project aligns with Saudi Arabia's Vision 2030 initiative, which aims to diversify the kingdom's

economy and reduce its reliance on oil. The King Salman Automotive Cluster is at the heart of Saudi Arabia's effort to develop a domestic automotive industry.

Hyundai also announced plans to collaborate on establishing a hydrogen mobility ecosystem in Saudi Arabia. In partnership with the Korea Automotive Technology Institute, Air Products Qudra, and the Saudi Public Transport Company, Hyundai will work on projects including a pilot program for hydrogen electric buses and government-supported research initiatives to advance hydrogen mobility infrastructure. [Yonhap News Agency]

Sri Lanka finalizes USD 930.8 million debt restructuring deal with India

(lm) Sri Lanka has finalized a debt restructuring package worth USD 930.8 million with the Export-Import Bank of India, covering seven Lines of Credit and four Buyer's Credit Agreements. The agreements, signed in March and April 2025, form part of Sri Lanka's broader effort to address external debt obligations and stabilize its economy. [Daily Mirror]

U.S. provides USD 1 million in nuclear detection gear to Sri Lanka under maritime security partnership

(lm) The United States has provided USD 1 million worth of advanced nuclear, radiological, and chemical detection equipment to the Sri Lanka Navy to enhance its maritime security capabilities. The equipment will support the Navy's ability to detect and intercept hazardous materials during maritime patrols and visit, board, search, and seizure (VBSS) operations in the Indian Ocean.

The transfer is part of a broader partnership under a February 2024 memorandum of understanding between the Sri Lanka Navy and the U.S. Department of Energy's National Nuclear Security Administration (DOE/NNSA). It follows a previous USD 500,000 U.S. donation of radiation detection systems at Colombo Port's West Container Terminal. [Daily Mirror]

Sri Lanka summons Canadian envoy over Tamil genocide allegations and

monument

(lm) On May 14, Sri Lanka summoned the Canadian High Commissioner in Colombo to protest what it views as Canada's implicit endorsement of claims that genocide occurred during the final phase of Sri Lanka's civil war. The protest follows the unveiling of a Tamil Genocide monument Canada, which the Sri Lankan government contends undermines its reconciliation efforts and promotes what it calls a "false narrative" for electoral gain within Canada.

Sri Lanka's official position is that no credible national or international authority has found the state responsible for genocide. The government reiterated that Canada's own Department of Foreign Affairs, in 2021, stated it had made no such finding. Furthermore, Canada has designated the Liberation Tigers of Tamil Eelam (LTTE) as a terrorist organization since 2006, reaffirming the designation in 2024. The LTTE was a separatist group that fought for an independent Tamil state and was militarily defeated by Sri Lanka in 2009. [Daily Mirror 1]

Namal Rajapaksa, an opposition lawmaker from the Sri Lanka Podujana Peramuna (SLPP) and son of former President Mahinda Rajapaksa, welcomed the government's démarche. Mahinda Rajapaksa oversaw the final phase of the war as president, a period marked by international allegations of war crimes. Namal defended the military's role in ending terrorism and criticized Canada for, in his words, adopting a politicized and misleading interpretation of the conflict. He also reiterated support for the development of the Tamil community within Sri Lanka. [Daily Mirror 2]

Taiwan to tighten oversight of Chinese visitors using business visas for tourism

(yl) Taiwan's Mainland Affairs Council (MAC) announced new enforcement measures on May 15 to crack down on Chinese nationals entering the country under business visas for unauthorized purposes such as tourism or attending concerts. According to Deputy Minister Shen Yu-chung, violators may be barred from re-entry for up to five years, and Taiwanese agencies facilitating such misuse could also face penalties.

The announcement follows reports that travel agencies and Chinese social media users have been promoting business visas as an easier route to bypass restrictions on regular tourism. Lawmakers raised concerns that this loophole could be exploited for gray zone

infiltration or political activities under the guise of economic exchange.

The MAC said it will assess travelers' affiliations—such as whether they are Chinese Communist Party members or government personnel—and monitor itineraries for inconsistency with declared purposes. The tightened scrutiny comes amid broader discussions in the legislature on hybrid threats posed by China. [Focus Taiwan]

Taiwan-United States trade negotiators meet in South Korea as tariff talks continue

(lm) Taiwan's top trade negotiator, Yang Jen-ni, met with U.S. Trade Representative Jamieson Greer on the sidelines of the APEC trade ministers' meeting in South Korea on May 15 for talks centered around tariffs, non-tariff barriers, and economic security.

This meeting marked the first in-person encounter since Taiwan and the U.S. held two rounds of tariff talks in April 2025, which followed U.S. President Donald Trump's announcement of punitive tariffs targeting countries with large trade surpluses with the U.S., including a 32 percent import duty on Taiwanese goods. Trump later paused these higher rates for 90 days to allow for negotiations with various countries.

Taiwan has refrained from directly opposing Trump's measures while striving to reduce tariffs and further its industrial development. Taiwanese President Lai Ching-te has emphasized Taiwan's goal of achieving a "zero tariff" agreement with the U.S., similar to the United States-Mexico-Canada Agreement (USMCA).

A key area of concern in the discussions is the potential imposition of tariffs on Taiwan's semiconductor exports under Section 232 of the U.S. Trade Expansion Act. The semiconductor industry remains a focal point of the trade dispute, as Taiwan's market share in the U.S. has drawn criticism from Trump, who has threatened tariffs of up to 100 percent on Taiwanese chips. In 2024, Taiwan's trade surplus with the U.S. reached USD 73.9 billion, largely driven by exports of AI-related products such as chips and servers. [Focus Taiwan]

US-Taiwan tariff agreement destabilizes Taiwan's auto industry and

manufacturing jobs

(yl) Taiwan's Ministry of Economic Affairs (MOEA) is currently negotiating tariff reductions with the United States, a move that could significantly impact Taiwan's domestic auto industry. Imported cars in Taiwan face a 17.5 percent import tariff, alongside commodity taxes of 25-30 percent and a 5 percent business tax. The MOEA is considering lowering these tariffs or abolishing the commodity tax to ease costs for both foreign and local car producers. However, a recent MOEA assessment found that reducing tariffs could jeopardize 82,600 jobs and result in a tax revenue loss of up to NTD 60 billion (USD 2 billion). [Taiwan News]

Uncertainties from US tariff policies have also led to increased furloughs in Taiwan's manufacturing sector. Ministry of Labor data shows that 17 companies initiated furlough programs in early May, raising the total to 148 firms with such programs, mostly in manufacturing. Over 2,600 workers are now on furlough or unpaid leave, with industries such as metal, electronics, optoelectronics, and textiles most affected. [Taipei Times]

U.S. bill seeks to codify "Six Assurances" made to Taiwan

(yl) A bipartisan group of U.S. lawmakers has introduced a bill to make the "six assurances" to Taiwan official U.S. policy. Originally given to Taiwan by President Reagan in 1982, the six assurances include a commitment by the U.S. not to set an end date for arms sales to Taiwan, not to consult with China in advance about those sales, and not to mediate between Taiwan and China. They also affirm that the U.S. will not revise the Taiwan Relations Act, will not take a position on Taiwan's sovereignty, and will not pressure Taiwan to negotiate with China.

Those assurances have never been made law. The bill would require Congress to approve any attempts to alter the guarantees. If the bill advances through the House, it will also need to be passed by the Senate and then signed by the US president to become law. [Taipei Times]

US clarifies Trump's 'unification' remark, reaffirms unchanged Taiwan policy

(yl) The US State Department clarified on May 13 that former President Donald Trump's recent use of the word "unification" referred to US-China trade relations, not cross-strait issues involving Taiwan. At a press conference, Trump had commented on ongoing trade talks in Geneva, stating that the agreement would be "great for unification and peace," prompting speculation in Taiwan.

In response, the State Department confirmed that US policy on Taiwan remains unchanged and reiterated Washington's opposition to any unilateral changes to the cross-strait status quo. Taiwan's Ministry of Foreign Affairs also stated that the Taiwan issue was not part of the current US-China negotiations. [Focus Taiwan]

US lawmakers advance arms sales reforms and call for expanded Taiwan training mission

(yl) On May 14, US Senators Pete Ricketts and Chris Coons introduced the bipartisan PORCUPINE Act, which seeks to streamline arms sales to Taiwan by granting it the same treatment as NATO Plus countries. The bill proposes reducing congressional notification time from 30 to 15 days and raising monetary thresholds under the Arms Export Control Act. It also authorizes the secretary of state to fast-track approval processes for arms transfers and encourages other NATO Plus allies—such as Japan, South Korea, and Australia—to follow suit.

Drawing on Taiwan's "porcupine strategy" of asymmetric defense, the legislation aims to improve delivery speed and address industrial base limitations in fulfilling Taiwan's military needs. Senator Ricketts, who recently visited Taiwan, emphasized the urgency of modernizing the US arms transfer process amid rising gray zone and military pressure from Beijing. [Taiwan News] [Focus Taiwan]

In a related development, retired US Navy Rear Admiral Mark Montgomery called for the US to double the size of its joint training team in Taiwan—from 500 to 1,000 personnel—during a hearing before the US House Select Committee on Strategic Competition with the Chinese Communist Party. He argued that expanding training capacity is essential to ensure Taiwan can effectively operate the military equipment it receives.

Retired General Charles Flynn similarly underscored the critical role of training, citing past challenges with platforms such as the Harpoon missile system. Both

Flynn and Montgomery praised Taiwan's progress in indigenous defense capabilities, while also urging continued US commitment. Kurt Campbell, former Deputy Secretary of State and Indo-Pacific affairs official, echoed these views, stressing that Taiwan's defense must remain a US priority in the region. [Focus Taiwan]

Former Taiwan president calls for democratic resilience at Copenhagen Democracy Summit

(yl) Taiwan was represented at the Copenhagen Democracy Summit on May 13 by former President Tsai Ing-wen, who emphasized the need for democratic unity and resilience amid rising global authoritarianism. The speech marked the central moment of her ongoing European tour, which also included stops in Lithuania and the United Kingdom.

In her remarks, Tsai stated that Taiwan's security is "essential to regional stability and to defending democratic values," citing increased defense spending, military reform, and digital infrastructure as key elements of Taiwan's domestic resilience strategy. She also noted Taiwan's role as a high-tech manufacturing hub in the democratic camp, contributing to global supply chain stability in electronics, green energy, and health care.

Tsai met with Danish lawmakers prior to the forum, including Pia Kjærsgaard, to discuss Taiwan's international engagement and democratic cooperation with Europe. [Focus Taiwan]

Former Taiwan president engages UK lawmakers on defense and information security cooperation

(yl) Former President Tsai Ing-wen visited the UK Parliament on May 15, calling for deeper collaboration between Taiwan and the United Kingdom in the face of rising global challenges to democracy. Speaking at a reception hosted by the British-Taiwanese All-Party Parliamentary Group in the House of Lords, Tsai highlighted joint efforts in bolstering defense capabilities and countering foreign information manipulation.

Tsai referred to Taiwan–UK exchanges in defense expertise, including likely references to British support

for Taiwan's indigenous submarine program. She emphasized the importance of combating malign influence from anti-democratic forces and ensuring reliable information environments, calling it a "testing time for democracy."

British parliamentarians from both houses attended the event, reaffirming cross-party support for Taiwan. Tsai described the Taiwan Strait as a vital trade corridor and reaffirmed Taiwan's frontline role in defending democratic values amid pressure from China.

The UK visit marks the final leg of Tsai's second European tour since leaving office, which also included Lithuania and Denmark. [Focus Taiwan] [Reuters]

Taiwan downplays diplomatic concerns as allies Haiti and Saint Lucia attend Chinese forum

(lo) The Ministry of Foreign Affairs (MOFA) downplayed concerns over a potential diplomatic shift after Haiti and Saint Lucia, two of Taiwan's 12 remaining allies, sent representatives to the Forum of China and Community of Latin American and Caribbean States (CELAC) in Beijing. MOFA emphasized that it was informed in advance through diplomatic channels and that the officials attended in non-governmental capacities, as CELAC and national party representatives. The event takes place a week before President Lai's first anniversary. MOFA reiterated that ties with both nations remain strong. [Taipei Times]

Attendance by the two countries is not unprecedented, as records show similar participation in past forums, though the absence of Taiwan's other Latin American takes place amidst an ongoing trend of diplomatic losses to Beijing since 2016. Out of the ten countries that switches they recognition from the Republic of China to the People's Republic of China since 2016, half were from Latin America. [Global Taiwan, Taipei Times]

Foreign offices and diplomatic allies support Taiwan's participation at 78th world health assembly

(lo) Ahead of the 78th World Health Assembly (WHA) taking place in Geneva from May 19 to 27, eight foreign offices in Taiwan and representatives of 11 diplomatic allies expressed support for Taiwan's participation as

an observer. Countries including the UK, Australia, Canada, France, Germany, Japan, Lithuania, and the Czech Republic highlighted Taiwan's capabilities and its contributions to global health, noting its previous observer status from 2009 to 2016. Belize, St. Vincent and Europe's Formosa Club supported those argument by arguing that Taiwan's exclusion is unjust and harmful to global health cooperation by limiting access to crucial information and expertise. Europe's Formosa Club consists of Taiwan friendship parliamentary groups from 20 European countries and the European Parliament. [Taiwan News 1] [Taiwan News 2]

Taiwan's Minister of Health, Chiu Tai-yuan, emphasized the need for fairness and professionalism in allowing Taiwan's inclusion, citing Taiwan's advanced healthcare technology and effective COVID-19 response showcased at a Geneva exhibition. [Taipei Times]

Thailand to launch bilateral cybercrime talks with Cambodia amid broader digital policy push

(lm) Thailand's Ministry of Digital Economy and Society (MDES) has announced plans to hold bilateral discussions with Cambodian authorities to step up joint efforts in combating cybercrime, particularly call center scams. The initiative, directed by Prime Minister Paetongtarn Shinawatra, will form part of the upcoming Thai-Cambodian Joint Cabinet Retreat scheduled to take place in Sa Kaeo province by July.

The meeting will also address related cross-border concerns, including coordination between telecom providers and law enforcement to detect misuse of leased telecom signals, as well as broader cooperation on air pollution and anti-drug measures.

The announcement follows the entry into force of two emergency decrees on April 13—one targeting cybercrime suppression and the other regulating digital asset businesses. Both are scheduled to be reviewed by parliament on May 28. [Bangkok Post]

China signals readiness to deepen trade ties with Thailand

(lm) China has expressed openness to expanding trade and investment cooperation with Thailand, highlighting the potential of its nearly USD 7 trillion consumer market and reaffirming its commitment to building a

“high-standard open economy.” The remarks were made by Chinese Ambassador Han Zhiqiang during a May 13 seminar with the Thai Senate on geopolitics, the global economy, and China’s evolving international role.

Responding to questions from Thai senators, the ambassador emphasized that China welcomes high-quality imports from Thailand and its neighbors, and pointed to mechanisms such as the China International Import Expo and the upcoming China–ASEAN Free Trade Agreement 3.0 as key platforms to enhance market access. Han also noted that China will turn Hainan—China’s southernmost island province and a designated special economic zone—into a “free trade island” this year, further advancing regional economic openness.

Reflecting on fifty years of diplomatic relations, Han called China and Thailand “partners with a shared future,” and urged both countries to navigate growing external risks together by deepening mutually beneficial cooperation. He added that Prime Minister Paetongtarn Shinawatra’s recent visit to Beijing had laid the groundwork for expanded collaboration, with additional high-level exchanges planned for later this year.[Bangkok Post]

Indonesia and Thailand elevate ties to strategic partnership, revive energy talks

(lm/mo) During his official visit to Thailand on May 20, 2025, Indonesian President Prabowo Subianto and his Thai counterpart, Prime Minister Paetongtarn Shinawatra, agreed to elevate their bilateral relationship to a strategic partnership, marking a significant milestone in their 75 years of diplomatic relations. This visit was the first by an Indonesian head of state in two decades and followed the 10th Joint Commission Meeting earlier in May, where both countries’ foreign ministers discussed key areas of cooperation.

The strategic partnership focuses on various sectors, including trade, defense, and regional cooperation. Both countries committed to holding their first Joint Trade Committee (JTC) meeting later this year to foster economic collaboration, focusing on boosting trade, reducing barriers, and facilitating joint ventures. Indonesia offered Thai companies investment opportunities in its energy sector and both countries agreed to explore partnerships in food management and storage.

A major announcement during President Prabowo's visit was the reactivation of the Indonesia–Thailand Energy Forum (ITEF), which aims to promote collaboration in new and renewable energy. Initially established in 2006, the forum will now focus on enhancing energy security cooperation between the two countries. Indonesia also welcomed Thai participation in developing its energy sector. [Thai PBS]

In the realm of security, the leaders discussed cooperation on cybersecurity, combating drug trafficking, and strengthening defense ties, including joint military exercises. They also pledged to reinforce ASEAN's role and foster regional economic integration to address global challenges, with plans to collaborate with Malaysia, the current ASEAN chair, to promote peace in Myanmar.

New flight routes connecting Thai and Indonesian cities were introduced to enhance bilateral connectivity and facilitate tourism growth. Additionally, the two countries will cooperate on tackling transnational crime, such as human trafficking and online scams, and improve healthcare collaboration through signed memorandums of understanding. [Bangkok Post 1] [Bangkok Post 2] [Bangkok Post 3]

Over two-thirds of Thai workers in South Korea are undocumented

(bk) Over two-thirds of Thai workers in South Korea – 132,696 – are undocumented, although this number has been decreasing in recent years due to intensified crackdowns by Korean immigration authorities, in collaboration with the Thai Embassy and labor office. According to South Korea's Ministry of Justice, Thai nationals make up the largest group of undocumented foreign workers, surpassing those from Vietnam and China.

Thai workers, both legal and undocumented, remit between THB 30–40 billion (USD 902 million – USD 1.2 billion) annually. Efforts are underway to expand legal employment opportunities, supported by Thailand's Ministry of Labor. The Thai Embassy is also raising awareness about social security benefits for workers and is in talks to establish a healthcare fund for Thai workers in South Korea. [Thai Enquirer]

Thailand-Vietnam elevate ties to comprehensive strategic partnership

(hn/ed) During a landmark visit to Hanoi on May 15–16, Thai Prime Minister Paetongtarn Shinawatra met with all four pillars of Vietnam's political leadership—Party, State, Government, and National Assembly—as the two countries formally elevated their bilateral relationship to the highest level, a comprehensive strategic partnership. This upgrade builds on the 2013 strategic partnership and comes ahead of the 50th anniversary of diplomatic relations in 2026.

The two leaders co-chaired the 4th Vietnam–Thailand Joint Cabinet Retreat, where they adopted a 2025–2030 action plan focused on three pillars: sustainable peace, sustainable growth, and a sustainable future. This plan includes initiatives to boost trade, green finance, education, innovation, and defense. Notably, both countries aim to increase bilateral trade to USD 25 billion by 2030, emphasizing digital and green growth strategies. They also agreed on a shared framework for enhancing supply chains, local economies, and sustainability transitions, known as the "Three Connections" framework. [Viet Nam News] [Viet Nam News]

Key initiatives under this framework include expanded overland and river transport, new direct flights linking northeast Thailand and Vietnam, and enhanced coordination in customs and financial systems. In addition, the two countries have committed to deepening cooperation in sectors such as semiconductors, digital infrastructure, renewable energy, and high-tech agriculture. A renewed labor cooperation framework will facilitate legal migration and strengthen social protections. [Viet Nam News]

The two governments also agreed to collaborate on circular economy policy, low-emission growth models, and energy efficiency. They underscored the importance of regional peace and ASEAN centrality, particularly in the South China Sea. Both leaders reaffirmed their commitment to the early adoption of an effective Code of Conduct in the disputed waters in accordance with international law and the 1982 United Nations Convention on the Law of the Sea (UNCLOS). [Viet Nam News] [Viet Nam News] [Viet Nam News]

The leaders also emphasized expanding Party-to-Party ties, strengthening joint efforts against transnational crime, and improving infrastructure and supply chain integration. As a sign of the strengthened relationship, both sides exchanged mutual invitations for future visits, including one for the Vietnamese Party leader and the Thai monarch. [The Nation 1] [The Nation 2] [Radio Free Asia]

Thailand seeks to avert U.S. tariffs through expanded imports, investment, and trade liberalization

(bk) Thailand is intensifying efforts to avoid the imposition of a suspended 36 percent reciprocal tariff on its exports to the United States by offering a wide-ranging package of trade and investment commitments. This initiative comes in response to growing pressure to address Thailand's USD 46 billion trade surplus with the U.S. and shifting U.S. trade policies under President Donald Trump. Thailand aims to reduce this trade gap by as much as USD 5 billion annually through measures that prevent the misuse of origin rules for exports.

Commerce Minister Pichai Naripthaphan and Deputy Prime Minister and Finance Minister Pichai Chunhavajira are leading Thailand's initiative, submitting a detailed proposal to the U.S. Trade Representative (USTR) and Treasury Secretary Scott Bessent during recent engagements, including at the APEC trade ministers' meeting in South Korea and the Saudi Arabia Investment Forum. Both sides are now preparing for formal negotiations in Washington, with the meeting date to be finalized under confidentiality.

As part of its strategy, Thailand aims to reduce its trade surplus with the U.S. by 5 percent over the next five years. To counterbalance its surplus, Thailand has pledged to significantly increase imports from the U.S., including petrochemicals, energy, aircraft and parts, military equipment, and key agricultural products such as cherries, apples, wheat, corn, and meat. Thailand also plans to reduce import tariffs by 14 percent on 11,000 items under the Most Favored Nation (MFN) system, eliminate non-tariff barriers, and ease quotas.

In parallel, the Thai government is encouraging private sector investment in the U.S., particularly in energy infrastructure and agriculture. Notably, Thailand's state-owned PTT Public Company Limited and the Electricity Generating Authority of Thailand are pursuing liquefied natural gas (LNG) projects in Alaska. Overall, Thai companies currently operate 70 investments in 20 U.S. states, supporting more than 16,000 jobs with total capital exceeding USD 16 billion. [Thai Enquirer] [The Standard, in Thai] [Bangkok Post 1] [Bangkok Post 2] [Bangkok Post 3]

Germany says EU embargo prohibits export of engine for Chinese-built submarines to Thailand

(acs) Thailand will not be able to equip its Chinese-made submarines with German engines due to the European Union's arms embargo on China, German Defense Minister Boris Pistorius told his Thai counterpart, Phumtham Wechayachai, during the United Nations Peacekeeping Ministerial Meeting in Berlin. The embargo, which Germany must comply with as an EU and NATO member, prohibits the export of military equipment—including the sought-after MTU396 submarine engines—for integration into Chinese-manufactured platforms.

Thailand had ordered submarines from China and initially planned to install German engines, which were considered higher in quality and reliability. However, in July 2024, the Royal Thai Navy agreed to proceed with China's proposal to instead use domestically produced CHD620 engines. The substitution was a direct result of Germany's inability to fulfill the request.

While in Berlin, Minister Phumtham also expressed Thailand's interest in expanding defense cooperation with Germany, particularly in cyber defense and artificial intelligence, and emphasized the country's broader ambition to enhance domestic arms production and reduce reliance on foreign suppliers.

Thailand is currently pursuing greater self-sufficiency in defense by boosting local manufacturing of military vehicles, ship parts, unmanned aerial systems, and firearms. Germany remains Thailand's largest EU trading partner, and both sides acknowledged their long-standing bilateral relationship, which spans over 160 years. [Bangkok Post] [The Nation]

Vietnam rejects China's East Sea fishing ban, warns against escalation

(lm/hn) Vietnam has rejected China's annual unilateral fishing ban in the East Sea (South China Sea), calling it a violation of Vietnam's sovereignty and maritime rights under the 1982 United Nations Convention on the Law of the Sea (UNCLOS), to which both countries are parties. The ban, enforced by Beijing between May and August since the late 1990s, applies to a broad area including waters around the Paracel Islands, which remain contested by both countries.

Authorities in Hanoi issued a formal diplomatic protest and urged Beijing to avoid actions that risk further escalation. Vietnam's agriculture ministry instructed provincial officials to support local fishermen in maintaining operations within Vietnamese maritime zones, emphasizing organized group fishing for safety.

Officials also warned of a heightened risk of confrontational enforcement by Chinese vessels during the ban period. [Viet Nam News 1] [Viet Nam News 2]

Vietnam-U.S. trade negotiations enter second round

(lm/cmc/hn) The second round of trade negotiations between Vietnam and the United States began on May 19 in Washington, following the first round earlier this month. The talks are part of ongoing efforts to avoid the imposition of a 46 percent tariff on Vietnamese exports, which was threatened by U.S. President Donald Trump and is set to begin in July 2025, though a 90-day suspension of the tariff is currently in place. [Bangkok Post 1]

In the lead-up to the second round, during high-level talks on May 15, the U.S. reiterated concerns about Vietnam's USD 23 billion trade surplus, describing it as "unsustainable." In response, Vietnam pledged to reduce the surplus by 5 percent over the next five years and submitted several economic cooperation proposals. These include increasing imports of U.S. energy, petrochemicals, agricultural goods, and aircraft, easing tariffs and quotas on U.S. products such as cherries, apples, wheat, corn, and meat, and strengthening enforcement of rules of origin to prevent trade circumvention. Vietnam also proposed deepening collaboration in digital technology and processing industries. [Bangkok Post 2]

Trade Minister Nguyen Hong Dien, who is in Washington for the talks, also held discussions with U.S. power company Westinghouse on nuclear technology. This meeting is notable as Hanoi in April a revised national power development plan that includes nuclear energy for the first time. The plan aims to increase the country's total installed power capacity to between 183 and 236 gigawatts by 2030, with nuclear power contributing up to 6.4 gigawatts. The first nuclear power plants are expected to come online between 2030 and 2035. [Bangkok Post 1]

In addition to these economic proposals, Vietnam plans to reduce import tariffs on fully built-up (CBU) vehicles from the U.S. to zero percent. [Viet Nam News]

In parallel, Vietnamese authorities are cracking down on counterfeiting and IP violations—an issue that has drawn criticism from U.S. companies. Following the U.S. Trade Representative's decision to place Vietnam on its Special 301 Report watch list for IP enforcement

shortcomings, Prime Minister Pham Minh Chinh ordered intensified inspections targeting sectors like cosmetics, fashion, and electronics. The government is also preparing legal reforms and public awareness campaigns, seeking to demonstrate credibility to U.S. negotiators and international investors.

In a further attempt to demonstrate goodwill, Vietnamese authorities approved a USD 1.5 billion real estate and tourism project branded by President Trump in Phu Yen province. [Reuters] [Fortune]

Vietnam's prime minister reaffirms France as priority partner in Asia–Pacific cooperation

(lm) Prime Minister Pham Minh Chinh reaffirmed Vietnam's commitment to its comprehensive strategic partnership with France during a meeting with French Ambassador Olivier Brochet in Hanoi on May 13. Chinh proposed advancing cooperation in trade, education, cybersecurity, artificial intelligence, and green energy, and called for finalizing key intergovernmental agreements in health, science, and digital transformation.

Ambassador Brochet confirmed Vietnam remains a priority partner for France in the Asia–Pacific region and supported deeper collaboration in defense, infrastructure, urban rail, and minerals. Both sides agreed to strengthen coordination in multilateral forums, including the UN, ASEAN–EU frameworks, and La Francophonie. Chinh also affirmed Vietnam's readiness to support joint efforts on climate change, maritime security, and multilateral cooperation. [Viet Nam News]

Senior party officials of Vietnam, South Africa hold talks

(lm) On May 19, Politburo member Tran Cam Tu of Vietnam and Nomvula Mokonyane, First Deputy Secretary General of South Africa's ruling African National Congress (ANC), held talks in Hanoi during Mokonyane's visit. The meeting focused on enhancing cooperation between the Communist Party of Vietnam (CPV) and the ANC, building on the results of a phone call between CPV General Secretary To Lam and ANC President Cyril Ramaphosa in April 2025.

The two leaders discussed steps to implement the outcomes of their phone talks and signed a memorandum of understanding (MoU) on further cooperation. The MoU highlights the importance of high-level visits, party-building exchanges, and deeper collaboration in various fields, including energy, agriculture, and digital transformation. Both sides also agreed to strengthen multilateral cooperation and expand cultural exchanges.

Vietnam and South Africa aim to boost economic ties, with bilateral trade reaching nearly USD 1.8 billion in 2024. Mokonyane welcomed Vietnam's proposal for a free trade agreement with the Southern African Customs Union. [Viet Nam News]

Announcements

Upcoming online events

21 May 2025 @ 9:00 – 10:00 a.m. (GMT-5), Stimson Center, USA

Assessing IUU Fishing in Southeast Asia

This webinar introduces a data-driven Illegal, Unreported, and Unregulated (IUU) Fishing Risk Assessment framework, that evaluates key economic, environmental, and governance risk factors, enabling targeted interventions in high-risk areas. For more information, see [Stimson Center].

21 May 2025 @ 2:30 – 4:00 p.m. (GMT+7), ISEAS – Yusof Ishak Institute, Singapore

The 2025 Philippine Midterm Elections: Issues and Outcomes

This webinar analyzes results of the midterm elections in the Philippines, focusing on the question of how the various campaigns traversed the polarized electoral landscape to effectively reach out to Filipino voters. It will also address new reforms and regulations in electoral campaigning and electoral administration the affected electoral integrity as well as the important role played by social media and disinformation narratives in the election campaigns. For more information, and to register, see [ISEAS]

22 May 2025 @ 9:30 – 10:15 a.m. (GMT-4), Center for Strategic and International Studies, USA

South Korean Presidential Election: What to Know?

This webcast provides insights into the major candidates and the major issues confronting the candidates as they make their case for the June 3 presidential election. For more information, and to register, see [CSIS].

22 May 2025 @ 10:00 – 11:30 a.m. (GMT+7), ISEAS – Yusof Ishak Institute, Singapore

A Bird's-Eye View of the Malaysian Political Landscape

This webinar features a conversation with former Minister and MP Dato Seri Hamzah Zainudin who offers his views on current issues and developments in Malaysian politics, including the state of the country, Perikatan Nasional's vision for the future, the coalition's strategies for the upcoming electoral contests, and its vision for good governance in Malaysia. For more information, and to register, see [ISEAS].

22 May 2025 @ 10:00 – 11:30 p.m. (GMT), Chatham House, UK

Ukraine's fight for its people?

This webinar addresses key questions regarding the war in Ukraine, including – among others – the

country's policy of return and reintegration of Ukrainians to aid its recovery; the conditions and incentives for the refugees to return; the support of the EU and its member states for the recovery of Ukraine's human capital?

For more information, see [Chatham House].

23 May 2025 @ 10:00 – 11:00 a.m. (GMT-5), Stimson Center, USA

Navigating a New Chapter: U.S. Approach After the India and Pakistan Ceasefire

Against the backdrop of the US-brokered ceasefire between India and Pakistan – a dramatic return to Washington's role as a regional crisis manager – this webinar features an expert discussion on potential pathways for U.S. policy in South Asia. For more information, see [Stimson Center].

27 May 2025 @ 2:00 – 3:45 p.m. (GMT-4), Center for Strategic and International Studies, USA

2025 CSIS-CSDS Transatlantic Dialogue on the Indo-Pacific

This webcast explores how America's NATO and Indo-Pacific allies navigate the
evolving geopolitical landscape in 2025 as they face a bevy of questions about future security and economic scenarios arising in Europe and the Indo-Pacific. For more information, and to register, see [CSIS].

27 May 2025 @ 6:00 – 7:00 p.m. (GMT), Chatham House, UK

How are states responding to a changing world order?

This hybrid event explores how the US and its allies and adversaries are recalibrating their foreign policies in response to unprecedented challenges driven by both enduring and emerging forces, including the rise of China, Russia's war of aggression, the surge of populism within liberal democracies and the need to maintain credibility amongst Global South nations in response to claims of double standards and western

hypocrisy. For more information, see [Chatham House].

27 May 2025 @ 2:00 – 3:30 p.m. (GMT+7), ISEAS – Yusof Ishak Institute, Singapore

Shifts and Challenges in Indonesia's Post-Reform Civil Society Landscape

Against the backdrop of the recent nationwide protests against President Prabowo Subianto's budget cuts and the planned revisions to the Indonesian Armed Forces (TNI) Law, this webinar explores the recent pro-democracy social movements in Indonesia, with a focus on their resurgence, impact, and government responses.

For more information, and to register, see [ISEAS].

27 May 2025 @ 9:30 – 10:45 a.m. (GMT+2), European Council on Foreign Relations, Germany

Europe's critical minerals dilemma: Between ESG ideals and strategic reality

This webinar discusses the role of ESG standards in Europe's engagement with mineral-rich countries in Africa on critical raw materials. For more information, see [ECFR].

Recent Book Releases

Wolfgang Streeck, ***Taking Back Control?: States and State Systems After Globalism***, Verso, 416 pages, published November 19, 2024. For a review, see [Brave New Europe].

Anthony Pagden, ***Beyond States: Powers, Peoples and Global Order***, Polity, 224 pages, published September 27, 2024. For a review, see [Foreign Affairs]

Isaac Stanley-Becker, ***Europe without Borders: A History***, Princeton University Press, 416 pages, published January 14, 2025. For a review, see [Foreign Affairs]

Toby Dodge, Daniel Neep, and Ali M Ansari (eds.), ***Power, Resistance, Ideology and the State: Charles Tripp and the Comparative Politics of the Middle East***,

GINGKO, 294 pages, published May 8, 2025. For a review, see [Asian Review of Books]

Hemangini Gupta, ***Experimental Times: Startup Capitalism and Feminist Futures in India***, University of California Press, 328 pages, published December 3, 2024. For a review, see [LSE].

Calls

The **Latin American Society of International Law (LASIL)** invites paper proposals for its ***pre-conference workshop "Narratives in International Courts and Tribunals,"*** to be held online June 25, 2025. The deadline for abstract submission is April 30, 2025. For more information, see [LASIL].

The **European Society of International Law (ESIL) Feminism and International Law Interest Group** invites paper proposals for a preconference workshop in the context of the ***ESIL Annual Conference 2025, on "Reconstructing International Law,"*** to be held on September 10, 2025, in Berlin. The deadline for abstract submission is April 15, 2025. For more information, see [ESIL].

The **European Society of International Law (ESIL) Interest Group on Peace and Security** invites paper proposals for a preconference workshop in the context of the ***ESIL Annual Conference 2025, on "Reconstructing Peace: (Mis)Uses of International Law,"*** to be held on September 11, 2025, in Berlin. The deadline for abstract submission is April 18, 2025. For more information, see [ESIL].

Jobs and Positions

The **World Bank Group** is looking for a **Senior Country Economist**. The deadline for application submission is May 25, 2025. For more information, see [World Bank Group].

The **World Bank Group** is looking for an **Economist**. The deadline for application submission is May 29, 2025. For more information, see [World Bank Group].

The **International Rescue Committee** is looking for a **Regional Research Deputy Director**. The position is open until it is filled. For more information, see [IRC].

The **North Atlantic Treaty Organization (NATO)** is looking for a China Analyst. The deadline for

application submission is May 26, 2025. For more information, see [NATO].

Team:

Adhikan Dangplad (ad), Alperen Cennetkuşu (acs), Aung Naing Lin (anl), Aye Moe Pwint Phyu, Busawan Kachonnarongvanish (bk), Christopher McCabe (cmc), Dániel Babcsán (dnb), Dominic Andreas Dahl (db), Dua-E-Zehra Zaidi (dz), Duc Quang Ly (dql), Eloise Dupuis (ed), Fanny Guay Zi Wei (fw), Felix Serna Calvo (fs), Geo Dzakwan Arshali (ga), Giulia Metyas (gm), Henning Glaser (hg), Htet Hlaing Win (hw), Jamison Tate O'Brien (jto), Jesse Mahoney (jm), Joshua James Althaus (ja), Kate Erin Eve Brooker (kb), Kiersten Alexis Philavanh (kp), Lizhi Dong (ld), Lucas Meier (lm), Maung Maung Oo (mo), Manica Sareen (ms), Myat Sandar Zaw (msz), Nat Ng Ther Li (nl), Nathaniel Anderson (na), Nicholas Fenech (nf), Patrick Nguyen (pn), Robishan Subba (rs), Sofiia Lysko (sl), Steven Naaman (sn), Sudiksha Ajit Lachman (sal), Tashnuva Haque (th), Thoon Nadi Lynn (tl), Tomwit Jarnson (tj), Venus Phuangkom, Yi-Chen Lin (yl), Zubair Ali (za)

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German-Southeast Asian Center of Excellence for Public Policy and Good Governance - CPG
Room 207, Faculty of Law, Thammasat University, 2 Prachan Road, Bangkok 10200, Thailand

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