German-Southeast Asian Center of Excellence for Public Policy and Good Governance
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Asia in Review

Grasp the pattern, read the trend

No. 38, September/2025, 4

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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 the Independence Day of Bulgaria, Guinea Bissau, Mali, and Turkmenistan as well as the National Day of Saudi Arabia this week.

With best regards,

Henning Glaser

Editor in Chief

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Main Sections

- Constitutional Law and –Politics, Human Rights and National Security in East Asia
- Constitutional Law and –Politics, Human Rights and National Security in South Asia
- Constitutional Law and –Politics, Human Rights and National Security in Southeast Asia
- International Relations, Geopolitics and Security in Asia
- Announcements

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

China: Former chairman of telecom infrastructure giant faces graft investigation

(dql) In the latest case under the government's anti-corruption policy in strategically vital sectors, Tong Jilu, former chairman of Hong Kong–listed telecommunication infrastructure China Tower, one of the largest tower operators in the world, has been placed under investigation.

The Communist Party's Central Commission for Discipline Inspection (CCDI) announced on September 21 that Tong is suspected of "serious violations of discipline and law," a phrase commonly used as a euphemism for corruption. Tong, a central figure in China's 5G rollout, had been missing since May. [CCDI, in Chinese]

An economist by training, Tong helped establish China Tower in 2014 by consolidating assets from China's three major state-owned operators. Under his leadership, the company became the backbone of China's telecom infrastructure, raised USD 7.5 billion in a landmark 2018 Hong Kong IPO, and oversaw the construction of more than 900,000 5G base stations by 2020. He retired in 2021.

The CCDI also announced an investigation into Zhang Quan, deputy party secretary of China Railway Signal and Communication, who previously served as deputy general manager of China Tower between 2020 and 2022. [SCMP]

China: Campaign to curb online negativity amid economic slowdown launched

(ask) China's internet regulator, the Cyberspace Administration of China (CAC), has launched a two-month campaign targeting online content deemed violent, hostile, or overly pessimistic, including criticism of the economy and rising youth unemployment. The crackdown will focus on trending topics, recommendation algorithms, and comment sections on major platforms.

Problematic posts include those inciting fan group clashes, promoting doxxing, spreading false information or conspiracy theories, or exaggerating isolated negative events. Content suggesting that "hard work is useless" or "studying is useless" will also be targeted.

The campaign reflects Beijing's concern that online debates could trigger real-world unrest amid economic headwinds and fragile consumer confidence. The crackdown coincides with the high-profile death of actor Yu Menglong, where authorities accused individuals of fabricating rumors to gain attention.

Analysts note that while online content is regulated globally, China's measures are more extensive, aiming to preempt narratives that authorities see as destabilizing during periods of economic uncertainty. [Reuters]

China: Covid-19 journalist sentenced to four more years in prison

(dql/efg) Chinese citizen-journalist Zhang Zhan, who reported from Wuhan on the early stages of the

COVID-19 outbreak, was sentenced on September 19 to an additional four years in prison on charges of "picking quarrels and provoking trouble," the same charge that led to her initial imprisonment in December 2020.

Zhang's reporting, including videos from crowded hospitals and empty streets, challenged China's official narrative of the pandemic's early impact. After her initial arrest, she went on hunger strike, was force-fed, and endured harsh prison conditions. Released in May 2024, she was detained again three months later and is now held at Shanghai's Pudong Detention Center. [Reuters]

International press freedom advocates condemned the sentencing, demanding her immediate release. [RSF] [CPJ]

According to Reporters Without Borders, China remains the world's largest jailer of media workers with at least 124 journalists imprisoned. The international organization ranks China 178th of 180 in its 2025 World Press Freedom Index. [Reuters] [RSF 2]

China: Two-year plan to strengthen light industry unveiled

(dql) China is increasing efforts to stabilize and advance its light industry sector, with the government unveiling a two-year work plan for 2025–2026 aimed at supporting steady economic growth. The plan outlines 15 key tasks focused on optimizing supply, boosting consumption, enhancing international competitiveness, strengthening the industrial ecosystem, and promoting high-quality development.

Key initiatives under the work plan include leveraging artificial intelligence to analyze consumer demand, advancing AI-driven product design and manufacturing, and fostering emerging sectors such as health, elderly care, childcare, household goods, and cultural tourism. The plan also supports new forms of foreign trade, including cross-border e-commerce.

Stabilization measures are being implemented across ten strategic industries—steel, non-ferrous metals, petrochemicals, chemicals, building materials, machinery, automobiles, power equipment, light industry, and electronic information manufacturing—vital for maintaining both industrial and national economic stability. The sector is increasingly shifting toward high-end, intelligent manufacturing, with 86.2 percent of large enterprises using digital R&D tools to

produce high value-added goods. [The State Council, China]

China's light industry has maintained strong momentum, with large-scale enterprises reporting a 7 percent year-on-year increase in value-added output and total revenue reaching CNY 11.3 trillion (USD 1.56 trillion) in the first half of 2025. Retail sales of 11 major product categories rose 11.6 percent to over CNY 4.3 trillion (USD 590 billion), driven by policy-supported consumer demand. [Qatar Tribune]

China: Advancing direct-to-device satellite services in strategic telecom push

(dql) China is intensifying efforts in direct-to-device (D2D) satellite communications with new guidelines and fresh licenses, underscoring its ambition to become a global leader in the sector. The Ministry of Industry and Information Technology (MIIT) released those guidelines in August, calling for large-scale application of D2D services by 2030 with a target of over 10 million users.

The guidelines promote direct-to-phone satellite connectivity, Internet of Things (IoT) applications, and a "no SIM swap, no number change" model. They encourage joint ventures between telecom operators and satellite firms while aiming to build a space-ground integrated communications system. The MIIT pledged to pool industry resources, set unified national standards, and actively participate in international regulatory bodies such as the ITU and 3GPP.

In line with this, the MIIT earlier this month licensed China Unicom— one of the country's three major state-owned telecommunications companies, alongside China Mobile and China Telecom—to operate satellite mobile services, complementing China Telecom's existing Tiantong system, while China Mobile, the world's largest operator, has applied for approval. These steps align with China's broader strategy to develop low-Earth orbit (LEO) megaconstellations, including Guowang (China's Starlink counterpart) and Qianfan. [CGTN]

The move comes as the U.S., Europe, and private players such as SpaceX accelerate similar initiatives, placing D2D services at the center of intensifying global competition over telecom and space dominance. [Space News]

China: Flying car collision draws attention to “low-altitude economy”

(ask) In a setback to China’s bid to position itself at the forefront of the emerging flying car industry, two eVTOL vehicles collided during rehearsals for the Changchun Air Show in Jilin Province. The vehicles, developed by Xpeng AeroHT, a subsidiary of EV giant Xpeng, struck each other mid-air, with one catching fire upon landing.

The flying cars are priced at around USD 300,000 each. Xpeng has claimed to have secured thousands of pre-orders for the vehicle.

The accident comes as China promotes its “low-altitude economy,” which includes flying taxis, drone deliveries, and other services below 3,000 meters. The Civil Aviation Administration of China has forecast the sector could be worth more than USD 480 billion by 2035.

Analysts say Beijing hopes to replicate its electric vehicle success by pushing early adoption of flying cars and related technologies, despite ongoing regulatory and safety challenges. [CNN] [BBC]

China: Shipping company to launch route to Europe through Artic Sea

(efg) Chinese shipping line Sea Legend Line, a subsidiary of Worldwide Logistics Holding, a Chinese logistics conglomerate, will launch its first direct China-Europe route via the Arctic's Northern Sea Route on September 24, possible due to thawing seas from climate change. The container ship Istanbul Bridge will sail from Ningbo Zhoushan to Felixstowe port in the United Kingdom. The proposed route will cut transit time to about 18 days from the traditional 40-day journey whilst also reflecting its broader strategy to diversify global trade routes away from vulnerable chokepoints like the Suez Canal and Malacca Strait. The trip links multiple Asian and European ports, resembling a standard liner service though the scale is tiny at around 1 percent of Asia-Europe trade. [Global Times] [Reuters]

Experts warn increased Artic shipping poses environmental and safety risks despite its efficiency gains due to the use of old vessels run on heavy fuel raising the risk of spills, black carbon pollution and marine disruption. Environmental groups have urged for tighter international rules. [Politico]

China: Advancing naval air capabilities

(dql) China's third aircraft carrier, the Fujian, has successfully used its advanced electromagnetic catapults to launch all three types of fixed-wing aircraft developed for the vessel, seen by observers as a major milestone before commissioning. According to state broadcaster CCTV, the tests involved J-15T fighters, fifth-generation J-35 stealth jets, and KJ-600 carrier-based early warning aircraft. Notably, the J-35 is the world's second carrier-based stealth fighter. This represents its first take-off from a carrier. [Xinhua] [Breaking Defense]

The Fujian, the first domestically built catapult-equipped aircraft carrier and the world's largest conventionally powered warship (over 80,000 tons), is equipped with three electromagnetic catapults, a technology previously only deployed on the US Gerald Ford-class carriers. The Electromagnetic Aircraft Launch System (EMALS) enables heavier planes to launch fully loaded, supports drones, and allows more frequent, energy-efficient operations compared with traditional ski-jump or steam-catapult systems.

Launched in June 2022, the Fujian began sea trials in May 2024, completing eight trials and departing Shanghai on September 10 for its likely final trial before commissioning. The carrier transited the Taiwan Strait on September 11, escorted by two destroyers, to conduct training and research missions in the South China Sea. Once delivered, it is expected to be based in Sanya, Hainan province, one of China's two carrier homeports.

The successful catapult operations not only demonstrate a leap in PLA Navy's carrier aviation capabilities, but also signal a significant enhancement of China's naval power projection. [SCMP] [USNI News]

Meanwhile, China has unveiled what is reportedly the world's first ship-launched stealth combat drone, the GJ-11 "Sharp Sword." The naval variant, adapted with folding wings for carrier storage, has been showcased at Beijing's Victory Day Parade and could be deployed on China's Fujian and Sichuan aircraft carriers.

The drone, first flown as a prototype in 2013, is powered by a turbofan engine, can reach speeds of 1,111 km/h (690 mph), carry a payload of up to 2,000 kg, and conduct both strike and reconnaissance missions. It features internal weapons bays, enabling it to carry multiple guided bombs, and can operate

autonomously or as a “loyal wingman” escorting J-20 fighter jets.

Equipped with multiple sensors and AI-enabled systems, the GJ-11 can collect and transmit real-time data to ground command centers, carry out all-weather missions, and potentially operate in groups with one drone serving as a control hub. It reportedly has a combat range of over 1,500 km, allowing it to reach strategic areas including Taiwan, Japan, and U.S. allied territories in the region. [Interesting Engineering]

China: Legacy fighter jets converted into uncrewed combat drones

(dql) At the ongoing 2025 Changchun Air Show, China showcased the conversion of old Cold War-era fighter jets into uncrewed combat aerial vehicles (UCAVs), including a modified J-6 “zombie” fighter, confirming longstanding suspicions by outside analysts.

The People’s Liberation Army Air Force (PLAAF) appears to be repurposing obsolete Shenyang J-6, Chengdu J-7, and J-8 aircraft into autonomous drones equipped with automatic flight control, autopilot, terrain-following navigation, and additional weapon pylons. The J-6 conversions remove cannons, ejection seats, and external fuel tanks, enabling them to operate as attritable platforms, decoys, or swarming assets ahead of modern fighters to overwhelm air defenses.

The drone J-6 program dates back decades, with the first pilotless flight recorded in 1995. Initially used as training targets and aggressors in simulated exercises, the program may now serve combat roles, potentially supporting modern fighters in conflict scenarios.

With an estimated 3,000 J-6s available, the PLA could use them for saturation attacks in a conflict with Taiwan, overwhelming air defenses, prompting radar emissions, and enabling the PLA to target or jam radar sites using electronic warfare or anti-radiation missiles. Retired PLA instructors and military analysts suggest these drones could act as attritable kamikaze or reconnaissance drones, reducing the risk and cost of losing manned aircraft.

The J-6 drones’ low-tech avionics make them less vulnerable to anti-drone countermeasures, and their sheer numbers could exhaust Taiwan’s limited missile stockpiles, clearing the way for attacks by China’s advanced fighter jets and missiles. Analysts and Taiwanese commentators warn that hundreds or

thousands of these drones operating in swarms could pose a more significant threat than ballistic missiles, highlighting a new dimension in PLA capabilities for asymmetric warfare. [SCMP]

China – Hong Kong: Chief Executive unveils strategic blueprint for growth, housing, and governance

(dql) Hong Kong Chief Executive John Lee Ka-chiu unveiled an ambitious policy plan aimed at advancing economic transformation, boosting infrastructure, and enhancing public welfare. In his latest policy address, delivered on September 17, Lee highlighted efforts to attract high-value industries, promote artificial intelligence, and personally oversee the Northern Metropolis project—a 30,000-hectare development near the mainland border designed to drive economic growth and expand housing opportunities. New legislation will simplify administrative processes and funding channels for the project while ensuring competition and regulatory oversight.

The plan also seeks to reinforce Hong Kong's position as a global financial hub. Initiatives include facilitating secondary listings for international firms, encouraging mainland banks to establish regional headquarters, setting up a central gold clearing system, and exploring limited use of the renminbi for government payments. On education, the government intends to accelerate construction of the Northern Metropolis University Town and increase quotas for international students at public and semi-private schools.

On governance, Lee introduced a new accountability framework for senior civil servants following a procurement scandal, while labor reforms will require employers to prioritize local hiring and expand on-site recruitment efforts for foreign workers. Measures to improve housing include more subsidized units, enhanced support for first-time buyers, and increased assistance for vulnerable households and carers. [SCMP]

The procurement scandal centers around Carlson Chan, the city's Director of Government Logistics, who has stepped down and been placed on pre-retirement leave, following his department's involvement in a controversial HKD 52.9 million (USD 6.8 million) water supply contract. The water contract was terminated in mid-August after allegations that the company used fraudulent documents to secure the tender, leading to the arrest of its owners. [Hong Kong Free Press]

China – Hong Kong: Police questions mother of exiled activist in crackdown on ‘Hong Kong Parliament’

(dql) Hong Kong authorities have summoned the mother of activist Hau Chung-yu, one of 15 wanted figures linked to the overseas advocacy group “Hong Kong Parliament”, which Beijing has labeled subversive under the national security law. This marks the fifth time police have questioned immediate family members of wanted activists, reflecting intensified pressure on exiled pro-democracy figures through their relatives.

The group, founded by self-exiled activists, staged a symbolic election in Canada in May 2025, drawing over 15,000 votes and claiming to revive Hongkongers’ right to self-determination. Hau was accused of participating in the vote and being sworn in as a winner. Authorities had earlier placed bounties on the 15 activists and the group’s founders.

Hau, previously arrested during the Occupy Central protests (2014), the Mong Kok unrest (2016), and again in 2019 over possession of weapons and explosives, has long been a target of police scrutiny. [SCMP]

Japan: Former minister of interior enters ruling party leadership race with nationalist agenda

(dql) On September 21, campaigning began for the ruling Liberal Democratic Party’s (LDP) presidential election, scheduled for October 4, to choose a successor to outgoing Prime Minister Shigeru Ishiba. Ishiba announced on September 7 that he would step down this month after mounting pressure from within the party, following the LDP-Komeito coalition’s loss of its majority in the July House of Councillors election.

Five candidates are in the running—former internal affairs minister Sanae Takaichi, agriculture minister Shinjiro Koizumi, former foreign minister Toshimitsu Motegi, Chief Cabinet Secretary Yoshimasa Hayashi, and former economic security minister Takayuki Kobayashi. The outcome will be decisive in shaping Japan’s political direction as the LDP grapples with internal crisis and growing reliance on opposition support.

Media polls suggest a two-way race between Takaichi and Koizumi. Takaichi, a hawkish conservative aligned with the late former Prime Minister Shinzo Abe's security agenda, has pledged to defend traditional values, tighten immigration rules, and bolster Japan's resilience. [The Asahi Shimbun]

Koizumi, the son of former Prime Minister Junichiro Koizumi, advocates economic relief measures, closer cooperation with opposition parties, and social security reform. If he forges a coalition deal, he could become Japan's youngest postwar leader. He has recently gained prominence for overseeing government efforts to manage public backlash over surging rice prices.

Hayashi, regarded as a pragmatic moderate, is known for steady crisis management and strong international ties. He backs cost-of-living relief, disaster preparedness, and supports the BOJ's rate-hike strategy.

Motegi, a veteran diplomat and former foreign minister, is recognized as a tough negotiator, notably in U.S. trade talks under Donald Trump. A longtime Abe ally and former LDP secretary general, he advocates monetary policy normalization and stronger corporate investment.

Kobayashi, a former economic security minister, has positioned himself as a conservative reformer. He has proposed temporary tax cuts, tighter scrutiny of foreign acquisitions, and constitutional revisions to formalize the role of the Self-Defense Forces. [Kyodo News] [Reuters]

Breaking with Japan's post-World War II political history, in which the LDP leader almost without interruption automatically became prime minister, the next party leader's path to the premiership is uncertain. The ruling coalition lost its majority in the October 2024 House of Representatives election and now controls only 220 of the 465 seats. [CNBC]

Japan: Opposition party proposes cap on foreign residents

(dql) Opposition Japan Innovation Party (Nippon Ishin) has proposed that the government cap the proportion of foreign residents in the country to maintain social stability. Co-leader Fumitake Fujita submitted the proposal to Justice Minister Keisuke Suzuki on September 19, noting that it aligns with several points from Suzuki's August report.

The party criticized the current approach, which it sees as promoting long-term settlement of foreign workers without explicitly framing it as an immigration policy. Nippon Ishin warns that, without clear limits, Japan could become a de facto immigration state lacking public consensus or strategic planning. Drawing lessons from Europe, the party argues that social tensions tend to rise when foreign residents exceed 10 percent of the population.

The proposal recommends setting an upper limit on foreign residents, implementing measures to keep their share low, and creating a social integration program to foster understanding of Japanese language and legal norms. It also suggests tightening criteria for acquiring citizenship and establishing a process to revoke nationality in cases of serious misrepresentation. [The Asahi Shimbun]

Given that the ruling Liberal Democratic Party-Komeito coalition currently lacks a majority in both houses, the policy could become relevant in coalition discussions. Nippon Ishin leader and Osaka Governor Hirofumi Yoshimura indicated openness to joining an expanded coalition, suggesting the issue of foreign resident limits may feature in future negotiations. [Nippon.com]

Japan: Nikkei hits record high on ruling party leadership race and stimulus hopes

(dql) The Nikkei 225 closed at a record high of 45,493.66 on September 22, rising 447.85 points (0.99 percent), while the Topix gained 15.49 points (0.49 percent) to 3,163.17, driven by gains in electric appliance, oil and coal, and precision instrument stocks. The surge was fueled by expectations of economic stimulus as the Liberal Democratic Party (LDP) leadership race officially began, determining Shigeru Ishiba's successor as prime minister (see article in this edition)

The yen remained steady around JPY 148 per U.S. dollar, with the Euro at USD 1.1747 (JPY173.99). The 10-year Japanese government bond yield briefly hit 1.665 percent, its highest since 2008, amid speculation of an early Bank of Japan rate hike following dissent among policymakers.

Investor sentiment was also supported by record highs on Wall Street and optimism over Apple's new iPhone launch. Analysts highlighted hopes that the next LDP leader will advance fiscal stimulus, while noting risks from potential tax cuts and rising long-term interest rates. [Intellinews]

Japan: Central Bank of holds policy rate at 0.5 percent amid slowing inflation and global uncertainty

(dql) The Bank of Japan (BOJ) held its policy rate steady at 0.5 percent, reflecting a cautious approach amid slowing inflation and global economic uncertainty.

Core inflation fell to 2.7 percent in August, marking the third consecutive month of decline and the lowest level since November 2024, while headline inflation also dropped to 2.7 percent. The so-called “core-core” measure, excluding both food and energy, fell slightly to 3.3 percent. Rice prices, a key driver of Japan’s cost-of-living pressures, eased from 90.7 percent to 69.7 percent but remain historically high. The BOJ noted that the impact of rising food costs is expected to diminish. [Cryptopolitan] [Reuters]

The decision to maintain rates was passed by a 7-2 majority, with dissenting members advocating a hike to 0.75 percent. Analysts interpret the move as prioritizing macroeconomic stability over premature tightening, in contrast to the U.S. and Europe, which are easing rates amid falling inflation.

Despite inflation remaining above the BOJ’s 2 percent target for over three years, calls for rate hikes are intensifying, fueled by persistently high food prices and political pressure from figures such as LDP senior member and former Minister for Digital Transformation Taro Kono. However, some economists caution that headline inflation is largely shaped by supply constraints and exogenous factors such as a weak yen and global commodity prices, with underlying domestic demand still insufficiently robust to warrant a rate increase. [CNBC]

Japan: Government pushes new sector-specific job transfer rules for foreign workers

(dql) Japan plans to introduce a new training and employment program in April 2027 to replace the controversial Technical Intern Training Program. A central feature of the reform is a workplace transfer system for foreign workers, aimed at safeguarding their rights while balancing industry needs.

Under the government’s proposal, foreign employees in eight skill-intensive sectors—nursing care, industrial

goods manufacturing, construction, shipbuilding and marine industry, automobile maintenance, food and beverage production, food service, and resource recycling—would be required to work for a minimum of two years before transferring voluntarily to another workplace. In the remaining nine sectors, including accommodations, agriculture, fisheries, and forestry, the minimum period would be one year.

The existing program bars foreign interns from changing jobs for three years, often driving them to escape exploitative conditions.

The new policy aims to ensure sufficient time for skill acquisition in sectors requiring specialized expertise. Employers must review working conditions, including pay adjustments, from the second year onward in the two-year sectors. Exceptions allowing transfers due to harassment or unsafe conditions remain in place.

The sector-specific approach reflects a compromise between the expert panel's initial recommendation of a uniform one-year period and the ruling Liberal Democratic Party's and small regional businesses' concerns about talent drain to urban areas. Critics have warned that the two-year requirement may conflict with domestic labor laws, which generally permit contract employees to resign after one year, potentially discouraging foreign workers.

The Cabinet is expected to approve the plan by the end of the year, setting the stage for Japan's attempt to better protect foreign workers while addressing industry skill retention needs. [The Asahi Shimbun] [People Matters]

Japan: Government urged to boost deterrence with drones, missile submarines

(dql) A defense ministry panel has recommended that Japan strengthen its military deterrence through expanded use of drones and submarines equipped with long-range missiles, while loosening arms export restrictions to deepen ties with like-minded partners. The proposal, submitted on September 19, to Defense Minister Gen Nakatani, reflects growing concerns over China's maritime assertiveness, North Korea's military activities, and Russia's actions in Ukraine.

The report calls for greater flexibility in the country's defense planning cycle to adapt to rapidly evolving security threats and modern warfare methods. The panel highlighted the emerging strategic alignment

among China, Russia, and North Korea, warning of potential regional collaboration in the event of a conflict.

The recommendations focus on Japan's ongoing Defense Buildup Program, the largest since World War II, which allocates JPY 43 trillion (USD 290 billion) over five years and targets defense spending at two percent of GDP by fiscal 2027.

While endorsing this target, the panel suggested exploring further increases, balanced with efficiency measures and cost reduction. It emphasized the full-scale integration of unmanned assets, such as permanently deployed drones, to compensate for Japan's current technological lag. The report also stressed the importance of acquiring submarines with long-range missile capabilities to strengthen counterstrike and deterrence, including research into next-generation propulsion systems, possibly nuclear-powered.

The panel further recommended strengthening defense supply chains by promoting joint development with countries beyond the United States and enabling broader transfer of defense equipment, particularly to Southeast Asian nations, beyond the current narrow five-purpose restriction. [The Mainichi] [Militarnyi]

Japan: Shipboard railgun successfully fired

(dql) Japan has announced that its ship-mounted electromagnetic railgun successfully struck a target vessel during recent live-fire trials, marking a major step toward deploying the high-speed weapon system. The tests, conducted between June and July off Chiba Prefecture and near Hachijo Island, demonstrated the railgun's long-range strike capability.

The weapon is designed to fire projectiles at speeds of around 2.3 kilometers per second—seven times the speed of sound—using electromagnetic force rather than explosives. This makes the projectiles more durable, cost-efficient, and easier to store.

Tokyo sees the railgun as a critical tool to defend against evolving security challenges, including China's maritime expansion and North Korea's nuclear and missile threats. The system offers greater range and penetrative power than conventional naval weapons, potentially reshaping Japan's defensive posture in regional security. [Kyodo News]

Mongolia: Lawmakers propose stricter tobacco control

(fs) Twenty-three parliamentarians have submitted a draft amendment to the Law on Tobacco Control to Parliament Speaker D. Amarbayasgalan, seeking tougher regulations on both traditional tobacco products and electronic cigarettes.

The proposal aims to classify e-cigarettes under the same regulatory framework as conventional tobacco, strengthen enforcement mechanisms, and gradually raise excise taxes from 2025 to 2030 in line with World Health Organization guidelines.

Lawmakers warned that without stronger measures, Mongolia faces rising tobacco use among adolescents and young people, fueled by low prices, weak enforcement, and illegal trade. Tobacco-related illnesses already account for about 17 percent of all deaths, around 4,300 annually, and cost the economy an estimated 801 billion MNT (about USD 233 million) each year, or 2.1 percent of GDP. [UB Post]

Mongolia: Trade with 157 countries totals USD 16.6 billion in first eight months of 2025

(fs) Mongolia engaged in trade with 157 countries during the first eight months of 2025, achieving a total foreign trade turnover of USD 16.6 billion. Exports reached USD 9.2 billion, while imports totaled USD 7.5 billion, resulting in a trade surplus of USD 1.7 billion.

Compared to the same period in 2024, total trade turnover declined by 8.2 percent, or USD 1.5 billion. Exports fell by 13.8 percent, equivalent to USD 1.5 billion, while imports decreased slightly by 0.3 percent, or USD 24.7 million.

As a result, Mongolia's trade surplus contracted by 46.2 percent, or USD 1.4 billion, reflecting weaker export performance amid relatively stable import levels. [Montsame]

Mongolia: Central Bank keeps policy rate at 12 percent to stabilize inflation

(fs) The Monetary Policy Committee of the Bank of Mongolia decided on September 16 to maintain the policy rate at 12 percent, citing current economic,

banking, and financial market conditions along with internal and external risks. The decision aims to stabilize inflation at its medium-term target and strengthen economic and financial system resilience. [Bloomberg TV]

Annual inflation stood at 8.8 percent nationwide and 9.8 percent in Ulaanbaatar as of August 2025, easing from earlier highs but rising slightly due to higher meat, vegetable, and flour prices (see AiR No. 37, September/2025, 3).

Inflation is projected to decline within the target range by 2026, though potential pressures remain from government projects, exchange rate fluctuations, supply constraints, and weather-related food costs. In the first half of 2025, the economy grew 5.6 percent, driven mainly by agriculture, with further expansion expected later in the year from increased copper concentrate production and new development projects. [Montsame]

Mongolia: Industrial production declines despite rise in sales

(fs) Mongolia's industrial sector produced USD 7.53 billion in the first eight months of 2025, down 5.8 percent from the same period in 2024.

The decline was largely driven by mining and quarrying, which fell 10.7 percent to USD 5.66 billion, with hard coal and lignite mining dropping 32.9 percent and oil extraction falling 13.6 percent. Gains were seen in iron ore, zinc, fluorspar, and copper concentrates, while lignite, coal, crude oil, unrefined gold, and silver outputs decreased.

In manufacturing, production of liquid milk, flour, cement, lime, cathode copper, and combed cashmere increased, whereas beverages, meat products, alcohol, knitwear, cigarettes, and charcoal briquettes declined.

Industrial sales, however, rose slightly to USD 9.46 billion, supported by a 13.1 percent increase in manufacturing sales and a 3.9 percent rise in mining and extractive industry sales. Export sales reached USD 6.55 billion, predominantly from coal and metal ores. The seasonally adjusted industrial production index stood at 275.8 in August, down 2.5 percent year-on-year, reflecting overall contraction despite stable sales. [UB Post]

Mongolia: Government creates virtual zone to boost information technology production

(fs) At its regular session on September 17, the Cabinet of Mongolia approved the creation of a virtual zone to support information technology production, along with regulations governing its operation and incentives. The zone will provide tax and non-tax benefits to registered companies, including corporate income tax exemptions and tax relief for firms offering financial support as part of their corporate social responsibility.

Under the Law on Supporting Information Technology Production, nine additional measures will be available, such as grants for patenting and international certification costs, compensation for social insurance contributions, funding for up to 40 percent of artificial intelligence project costs, awards for patent holders, support covering up to 70 percent of research and development expenses for start-ups, loan guarantees, partial financing of loan interest, and accelerated depreciation of assets.

The government expects the zone to promote international best practices, speed up technological development, and foster export-oriented products and services based on intellectual property, reducing reliance on the mining sector. [Montsame]

North Korea: Nuclear status fixed in constitution as Kim Jong Un oversees AI-driven drone tests

(sm) North Korea has stated that its identity as a nuclear weapons state is now legally permanent, describing the status as enshrined in its constitution. In remarks delivered through its mission to the United Nations, Pyongyang insisted its nuclear posture is beyond negotiation, presenting it as a fixed element of national identity and policy. [Korean Central News Agency] [Yonhap News Agency]

Just days later, on September 18, North Korean leader Kim Jong Un personally observed flight tests of newly developed unmanned aerial vehicles. State media described the trials as involving both a tactical “Geumseong” attack drone and a long-range reconnaissance model, both presented as new milestones in North Korea’s weapons development. [The Chosun Daily]

Kim reportedly praised the progress but had instructed that further improvements be pursued, particularly through the integration of artificial intelligence (AI) into operational systems. The event followed earlier demonstrations in March of experimental strike drones, underscoring a steady push to expand North Korea's unmanned capabilities alongside its missile and nuclear programs. [The Korea Times]

North Korea: "Secret weapons" announced

(mo) North Korean leader Kim Jong-un has claimed the country has developed new "secret weapons" and achieved breakthroughs in defense science that would mark a "radical leap forward" in its military capabilities. While he provided no details, Kim highlighted naval modernization—including the launch of two destroyers this year—as a step toward making North Korea a maritime power. [AnadoluAjasi][TheGuardian] [NHK]

The timing of his remarks is significant. Tensions on the Korean Peninsula remain high as Pyongyang expands both nuclear and conventional arsenals, while rejecting any notion of denuclearization. Kim reiterated that dismantling the nuclear program is impossible "even after 100 years," framing nuclear status as permanent. Yet, he also dangled the prospect of "peaceful coexistence" with Washington—but only if the U.S. abandons its "absurd obsession with denuclearization."[Newsweek]

In addition, Kim reaffirmed in a speech before the Supreme People's Assembly that there will be no engagement whatsoever with South Korea. He categorically dismissed the possibility of reunification, describing South Korea as a "colonial vassal state" of the U.S. and stressing that the two are "heterogeneous states that can never become one." He further announced that this "hostile two-state theory" will be enshrined in the Constitution, cementing separation at the legal and political level. [ChosunBiz]

The backdrop to these statements is North Korea's deepening defense cooperation with Russia. Intelligence assessments from Seoul and Washington suggest Pyongyang has been supplying ammunition and troops for Russia's war in Ukraine in exchange for advanced military technologies, including fighter jets and nuclear submarine systems. Such transfers, if confirmed, would mark a major escalation in regional security risks.

Meanwhile, South Korean President Lee Jae Myung has floated the possibility of a nuclear freeze deal as a more pragmatic interim step—one that would freeze production of Pyongyang's nuclear weapons, rather than get rid of them—, while U.S. President Donald Trump has said he remains open to another summit with Kim. Kim, for his part, revived his personal connection with Trump, framing dialogue as possible if Washington makes the first move. [BBC]

Whether "secret weapons" are real or rhetorical, the signal is unmistakable: Pyongyang intends to remain at the center of the region's security calculus.

South Korea: Opposition party stages first outdoor rally in six years

(mo) On September 21, the opposition People Power Party (PPP) held its first large-scale outdoor rally in nearly six years in Daegu and Seoul. The protest targeted the administration of President Lee Jae-myung, with banners reading "Yoon Seuk-Yeol–former President–Return" and "Stop the Steal". Party leader Jang Dong-hyeok, Floor leader Song Eon-seog, and around 50 lawmakers joined thousands of supporters waving South Korean and U.S. flags, chanting slogans against the ruling Democratic Party (DP) and Lee. The party claimed that attendance reached 70,000.

In his speech, Jang painted a stark picture of the country's current state, declaring that the freedoms and prosperity built over a century were collapsing under the Lee administration. He accused the ruling bloc of seeking one-party dominance, manipulating the judiciary, and suppressing opposition voices. He charged that the DP was dismantling democracy and the rule of law in pursuit of political control. [The Chosun Daily]

The party leadership plans another mass rally in Seoul on September 27.

At the core of the protest is the DP's plan to form a special tribunal to investigate individuals involved in former President Yoon Suk Yeol's martial law declaration has sparked intense political tensions. The proposed tribunal would include judges nominated by the National Assembly, the judiciary council, and the Korean Bar Association—a move criticized by the PPP as a breach of constitutional boundaries and an attempt to dominate the judiciary.

PPP leaders contend that the ruling party is undermining judicial independence while using its

legislative majority to advance key measures. They warn that these actions threaten the Constitution and the principle of separation of powers.

The PPP intends to resist the DP's legislative initiatives, including a government restructuring bill scheduled for September 25 that would reorganize the Supreme Prosecutors' Office. The opposition is additionally considering an impeachment motion against President Lee, citing remarks interpreted as undermining judicial authority. [The Korea Herald].

South Korea: Unification Church leader denies role in bribery case involving former First Lady

(mo) Unification Church leader Han Hak-ja has denied allegations that she orchestrated bribes to South Korea's detained former first lady Kim Keon Hee. She made the remarks after nine hours of questioning by prosecutors, insisting a former church official—already arrested—acted alone.

The former first lady is accused of accepting Chanel handbags and a diamond necklace worth nearly 57,900 USD in exchange for business favors. She also faces charges including bribery and stock manipulation. Prosecutors allege that the Unification Church provided luxury gifts to Kim political and business favors.

The case has widened: opposition People Power Party (PPP) lawmaker Kweon Seong-dong, once a close ally of former President Yoon Suk-yeol, was also arrested for allegedly taking KRW 100 million (USD 72,000) in bribes from the church.

Founded in the 1950s, the Unification Church—formally the Family Federation for World Peace and Unification—has long courted controversy over cult-like practices, coercive fundraising, and ties to politics. Its global presence has faced pushback: it is banned in Singapore and ordered dissolved in Japan after the 2022 assassination of former Prime Minister Shinzo Abe, whose attacker blamed the group for his family's ruin. [BBC]

South Korea: Government partners with BlackRock to build AI data hub

(mo) President Lee Jae-myung and BlackRock CEO Larry Fink announced a landmark agreement: South Korea and the world's largest asset manager will jointly develop a hyperscale AI data center hub, aiming for completion within the next decade. [The Korea Herald] [Yonhap News]

The project, formalized through an MoU signed by Science Minister Bae Kyung-hoon and Fink, seeks to position South Korea as the AI capital of Asia. The planned hub is expected to not only meet domestic computing needs but also serve surging demand across the Asia-Pacific region, providing the infrastructure backbone for AI and next-generation technologies.[Korea JoongAng Daily]

Emphasizing sustainability, the data centers are expected to be powered by renewable energy, aligning with South Korea's broader transition toward green growth. According to presidential secretary Ha Jung-woo, the hub will serve as both a magnet for global capital and a platform for advanced research projects requiring cutting-edge infrastructure.

BlackRock, managing USD 12.5 trillion in assets, has pledged to mobilize investment opportunities to make the project viable. A joint task force between Seoul and BlackRock will now be established to map out the details, including scale, location, and financing.

The timing is strategic: South Korea assumes the presidency of the UN Security Council, where President Lee is set to chair a debate on the global governance of AI. With parallel visits to IBM's quantum research facilities, the administration is signaling that AI, quantum, and renewable energy are the cornerstones of its future industrial policy.

This partnership is believed to mark a bold bid for South Korea to leap ahead in the AI race—not just as a consumer of technology, but as a regional hub for infrastructure, innovation, and investment.

South Korea: Government pushes tough steel-sector overhaul to escape China–Japan "sandwich trap"

(mo) The government will roll out a restructuring blueprint for its steel industry as early as end of September, aiming to cut commodity output such as rebar, thick plate, section and flat steel, and pivot toward higher-grade, specialty products. The plan—shaped by a task force of officials, academics, and consultants—follows similar capacity cuts in

petrochemicals and is designed to counter Chinese oversupply and Japan's quality edge. [The Korea Economic Daily]

Officials are weighing tools such as exemptions from competition rules to enable coordinated capacity reductions, incentives for mergers and asset consolidation, and tighter product standards that could effectively screen out low-cost imports. Large electric furnace operators like POSCO—a South Korean multinational steel-making company and one of the largest steel producers in the world—are expected to be spared due to efficiency and supply-chain importance.

POSCO´S Pohang Works—one of the country's largest steelmaking complexes—posted its first annual loss since 1973. To soften the blow, Seoul is exploring a "steel co-prosperity fund" to support consolidation and worker absorption by stronger mills.

South Korea: Hyundai eyes U.S. shipyard purchase to Navy warship market

(mo) HD Hyundai Heavy Industries, the world's largest shipbuilder by orders, is in talks to acquire a U.S. shipyard as part of a strategy to expand into the American naval market amid President Donald Trump's push to revive U.S. shipbuilding. The company is targeting 2.2 billion USD in annual revenue by 2035 from building warships for the U.S. Navy. [Reuters]

South Korea stressed the U.S. faces a widening capability gap with China and a lack of domestic capacity, forcing it to lean on allies' infrastructure. While global shipbuilding is dominated by China and South Korea (83 percent of market share), U.S. yards account for just 0.04 percent of output. Other Korean firms are already moving in: Hanwha Ocean acquired Philly Shipyard in 2024.

Hyundai's plan faces challenges, including a shortage of skilled U.S. shipyard workers, high turnover, and restrictive visa policies that complicate sending Korean trainers abroad. The firm also cited regulatory hurdles like the Jones Actand Byrnes-Tollefson Amendment, which limits foreign firms from building naval vessels.

The company showcased its capabilities this week with the launch of the 8,200-ton Aegis destroyer Dasan Jeong Yak-yong for the South Korean Navy, completed in just 18 months. Hyundai argues it can build warships far faster than U.S. competitors and views the

American naval market as uniquely attractive despite legal and labor barriers.

South Korea: President warns U.S. trade demands could spark crisis akin to 1997 meltdown

(mo) South Korean President Lee Jae-myung warned that accepting U.S. demands in ongoing trade negotiations without safeguards could trigger a crisis similar to the 1997 Asian financial meltdown.

Following a verbal agreement, Washington wants Seoul to commit USD 350 billion in investments in the U.S. in exchange for reduced tariffs, but Lee insists on conditions such as a currency swap line to protect South Korea's won. He emphasized that unlike Japan, South Korea lacks large reserves and a dollar swap, making safeguards essential. [GlobalTimes]

Lee's comments came before his trip to New York to attend the UN General Assembly session and chair a UN Security Council meeting—the first for a South Korean president. He downplayed tensions from a recent U.S. immigration raid on Hyundai workers, praising President Trump's response while warning of investor concerns.[Reuters] [TheKoreaHerald]

South Korea: President dismisses concerns over low troop number

(mo) South Korean President Lee Jae-myung has dismissed concerns over declining troop numbers, saying defense strength should not be measured by headcount alone. He called for reorganizing the military into a "smart elite force" built on manned–unmanned systems and emphasized the need for self-reliant defense rather than dependence on foreign troops.

South Korea's active-duty force has fallen from 650,000 in 2020 to 450,000 today and is projected to drop to 350,000 by 2040 due to demographic decline. Experts warn that this could undermine existing war plans against North Korea's 1.28 million-strong army, which rely on U.S. reinforcements.

While Lee's vision points to modernization, experts caution that troop shortages are already affecting operations and that security policy must also prepare

for the worst-case scenario with North Korea. [The Chosun Daily]

South Korea: Government launches cybersecurity overhaul after breaches expose data of millions

(mo) The government has created an interagency cybersecurity task force, led by the National Security Office and including the Ministry of Science and ICT (MSIT) and the Financial Services Commission, in response to a wave of hacking incidents. The move follows the Lotte Card– a credit card company–data leak, which compromised information on 3 million customers, and the telecommunications company KT mobile payment breach, which caused losses of 172,000 USD. [The Korea Herald]

MSIT said the body aims to deliver long-term structural reforms, not short-term fixes. Planned measures include harsher penalties for companies that delay reporting breaches and new powers for authorities to investigate cases based on circumstantial evidence, even without corporate disclosure.

The KT breach, traced to illegal and unregistered mobile base stations, exposed sensitive identifiers like phone numbers, IMSI, and IMEI of over 20,000 users. KT has since reported additional cybersecurity breaches under investigation by a joint public-private team. [Light Reading]

Separately, police arrested two ethnic Korean Chinese nationals suspected of carrying out the KT hack. [The Korea Times]

Taiwan: Main opposition party lawmakers propose two-round presidential elections

(acl) Lawmakers from the main opposition party, the Kuomintang (KMT), have proposed constitutional and legal amendments to introduce a two-round absolute majority system for presidential elections, with the goal of implementing the change before 2028 election.

The KMT argues that a run-off system would strengthen presidential legitimacy, prevent minority presidents, and reduce incentives for strategic voting. Lawmakers plan to submit draft amendments to both the Constitution and electoral laws in the new legislative session.

The proposal includes two elements: the first is amending the Constitution to establish a two-round majority system. The second is revising electoral laws to address scenarios where the presidency and legislature are controlled by different parties, as under President Lai Ching-te's administration.

KMT legislators stressed that a two-round vote would allow voters to back their preferred candidates in the first round without fear of wasting their ballots. They criticized the current plurality system for encouraging vote-splitting and manipulation.

They also noted that over 70 percent of the more than 40 countries with direct presidential elections use a two-round system, arguing the reform would bring Taiwan in line with international practice and help curb negative campaigning. [Focus Taiwan] [Taiwan News]

Taiwan: Ruling party caucus elects new leaders

(acl) On September 19, the ruling Democratic Progressive Party (DPP) legislative caucus held a meeting to elect its leadership, with Ker Chien-Ming reelected as caucus convenor despite criticism following the party's failed recall campaigns.

Ker, who faced no challengers, will continue as convenor until February 2026. Chung Chia-Pin was elected caucus director, while Chen Pei-Yu returned to her previous role as secretary-general.

No legislators had registered to run ahead of the vote. Chung and Chen were nominated during the meeting and received 43 and 44 votes, respectively, from the 46 DPP lawmakers in attendance.

Calls for leadership change emerged after the recent unsuccessful recall efforts, targeting lawmakers from the main opposition party, the Kuomintang (KMT) with critics urging Ker to accept responsibility for the outcome. Chen had previously resigned as secretary-general alongside former caucus director Wu Szu-Yao, who cited the need to restructure the party and implement changes to better meet public expectations. [Taiwan News 1] [Focus Taiwan] [Taiwan News 2]

Taiwan: Opposition party chair debate reveals divergent China approaches

(yl) Three contenders for the chair of the main opposition party, the Kuomintang (KMT), faced off in a televised debate, exposing differing strategies toward Beijing as the party tries to chart a path back to power in 2028.

Former National Taiwan University political science professor Chang Ya-chung advocated reviving the long-abolished National Unification Guidelines and signing a "peace memorandum" with China, reflecting a more explicit unification stance. Lawmaker Lo Chih-chiang framed his identity as "both Taiwanese and Chinese," pledging adherence to the 1992 consensus as a stabilizing framework, while former legislator Cheng Li-wun echoed support for the consensus and vowed to defend the Constitution while opposing Taiwan independence.

The debate underscored divisions within the KMT over whether the consensus, rejected by over 70 percent of the public in recent polls, can still be a viable cross-strait foundation.

Candidates also addressed the prospect of cooperation with the Taiwan People's Party (TPP), the other opposition party, after their failed attempt to run on a joint ticket for the 2024 presidential election, hinting at possible alliances in the 2026 local and 2028 presidential races. [Focus Taiwan 1]

The 1992 Consensus refers to an understanding reached in 1992 between semi-official representatives from mainland China and Taiwan about the "One China" principle. Both sides agreed that there is only one China, but they deliberately left open what that meant, allowing each to maintain its own interpretation. For Beijing, "One China" refers to the People's Republic of China as the sole legitimate government with Taiwan as part of it, while for Taipei under the Kuomintang (KMT) at the time, it meant the Republic of China, founded in 1912, which continues to exist in Taiwan.

The term "1992 Consensus" was in fact coined later, in 2000, by Taiwanese official Su Chi as a way to describe this tacit formula. Since then, the KMT has generally endorsed the consensus as a foundation for cross-strait dialogue, while the ruling Democratic Progressive Party (DPP) has rejected it on the grounds that it locks Taiwan into a "One China" framework that undermines its sovereignty. In practice, the consensus has served as a political formula that has enabled dialogue between Beijing and Taipei, especially during periods of KMT governance.

Six contenders have entered the KMT chairperson election set for October 18. Besides Chang, Lo, and Cheng, former Taipei Mayor Hau Lung-bin, former Changhua County Magistrate Cho Po-yuan, and former National Assembly member Tsai Chih-hung are competing for the post.

The election campaign will run from October 4–17, with results announced on October 18. The winner will assume office on November 1 at the party's 22nd National Congress, succeeding current Chairman Eric Chu, whose four-year term ends in October. [Focus Taiwan 2]

Taiwan: Cabinet approves higher childbirth subsidies to tackle low birth rate

(acl) On September 18, the Cabinet approved a new package of payouts and subsidies to encourage childbirth among Taiwanese citizens and their spouses, including cash incentives of USD 3,320 per newborn, as the nation confronts a persistently low birth rate.

The plan, effective in 2026, will standardize and raise childbirth allowances across social insurance systems. Families will receive USD 3,320 per child, or USD 6,640 for twins, in addition to existing local government subsidies. The package also expands support for assisted reproductive treatment.

Government coverage for in vitro fertilization (IVF) will rise from 53 to 77 percent. Subsidies will also cover egg and sperm freezing for nationals aged 18–40 facing fertility risks from illness, providing USD 2,320 per egg-freezing procedure and USD 265 per sperm-freezing procedure.

Since the introduction of reproductive treatment subsidies in July 2021, around 60,000 couples have benefited, leading to more than 30,000 births.

The initiative is part of broader efforts to address Taiwan's falling birth rate, which dropped to 5.76 per 1,000 in 2024, the ninth consecutive annual decline. [Focus Taiwan]

Taiwan: Cabinet rejects opt-out option for NTD 10,000 cash handout

(dql) The Cabinet has decided not to introduce an "opt-out" option for the planned NTD 10,000 (USU 330) cash handout, citing risks of data misuse and potential delays in distribution. Officials said inter-agency reviews found that an opt-out system would require a separate identity verification mechanism, complicating rollout and raising security concerns.

The special relief act, approved by the Cabinet on September 11 and pending parliament's approval, provides the handout to citizens through five existing collection channels: online registration for bank transfer, ATM withdrawal, post office withdrawal, direct deposit for designated groups, and roster distribution for those without access to the other methods.

While acknowledging proposals from civic groups, including the Taiwan Center for the Study of Buddhism, the government stressed the need to balance public input with administrative efficiency. [Taiwan News]

Taiwan: Export orders hit record high on AI boom

(dql) Taiwan's export orders surged 19.5 percent year-on-year in August to a record USD 60.02 billion, marking the seventh straight month of growth and surpassing government forecast. Cumulative export orders for the first eight months of 2025 reached USD 454.15 billion, up 21.1 percent from a year earlier.

The strong performance was driven by booming global demand for artificial intelligence (AI), high-performance computing (HPC), and cloud services. Electronics components led with US$24.88 billion in orders, a 39.5 percent increase, boosted by integrated circuits, printed circuit boards, and testing services. Information and communications products also rose 20.6 percent to USD 17.06 billion, fueled by servers, IoT devices, and display cards. Optoelectronics grew nearly 10 percent, while machinery orders increased 3 percent, supported by automation and semiconductor equipment.

By contrast, traditional industries lagged. Base metals, plastics and rubber, and chemicals all posted year-on-year declines due to oversupply and weak demand. [Focus Taiwan]

Taiwan: Supreme Court finalizes jail terms for pro-China party members

(yl) The Supreme Court has upheld prison terms for three members of the pro-China Chinese Unification Promotion Party (CUPP) on national security offenses. The defendants—Wen Lung, a former deputy secretary-general of the party, and retired officers Chiang Chiung-lin and Chu Hsin-yu—were found guilty of attempting to establish spy networks for Beijing by seeking to recruit Taiwanese military personnel.

The rulings, which imposed sentences of six months to one year, are final. According to prosecutors, Wen was approached by Chinese officials while operating a business in China and later enlisted Chiang and Chu to join the CUPP and pursue additional recruitment. At least one targeted officer refused and reported the approach. [Focus Taiwan] [Taipei Times]

Taiwan: Central bank lifts growth forecast, warns of tariff risks

(yl) The central bank has raised its 2025 GDP forecast to 4.55 percent (from 3.05 percent) after AI-driven semiconductor demand pushed first-half growth to 6.75 percent but projected a slowdown to 2.68 percent in 2026.

Inflation estimates were trimmed to 1.75 percent for 2025, and rates were kept at 2 percent for a sixth straight quarter, with housing credit curbs maintained. [Focus Taiwan]

Governor Yang Chin-long cautioned that U.S. tariff measures could erode Taiwan's competitiveness and force monetary policy adjustments, despite semiconductors being exempt for now. [Reuters]

Taiwan: National Development Council approves USD 4.1 billion science park expansion plan

(acl) On September 18, Taiwan's National Development Council (NDC) approved a USD 4.1 billion plan to expand the Shalun Smart Green Energy Science City in Tainan, with the goal of strengthening the semiconductor industry and generating tens of thousands of jobs.

Proposed by the National Science and Technology Council (NSTC), the project will be funded through annual allocations from the Southern Taiwan Science Park Administration's operating fund and will be submitted to the Cabinet for review. Land-use and environmental reviews for non-urban land are expected to be completed by the end of 2027, after which land acquisition, public works, and factory construction will begin.

Once completed, the expansion will add 531 hectares of space to the science park, with projected annual output of USD 74.1 billion and the creation of around 35,000 jobs, according to NDC Minister Yeh Chun-Hsien. Yeh emphasized that the project will support rising demand for AI and high-performance computing, while its ecological design aims to balance industrial growth with environmental sustainability.

The project is a central element of the NSTC's Greater Southern New Silicon Valley Promotion Plan, which aims to integrate infrastructure projects such as the Shalun Smart Green Energy Science City with new research and development hubs. [Focus Taiwan]

Taiwan: Enhanced Sky Bow III missile enters mass production

(yl) The National Chung-Shan Institute of Science and Technology (NCSIST)—Taiwan's premier state-owned defense research and development organization—has confirmed that the upgraded Tien Kung III (Sky Bow III) surface-to-air missile system has entered mass production.

The system, showcased at the 2025 Taipei Aerospace & Defense Technology Exhibition, is designed to counter high-altitude cruise and ballistic missiles at ranges up to 70 km. Developed under the "Strong Bow" program, the enhanced Sky Bow III is Taiwan's first domestically built air-defense system to feature an active electronically scanned array (AESA) fire control system, improving precision and enabling simultaneous engagement of multiple targets.

The new system will complement existing Tien Kung III batteries and U.S.-made Patriot PAC-3 units to strengthen Taiwan's layered missile defense against Chinese tactical threats. [Focus Taiwan]

Taiwan: Protection of undersea cables, pipelines to be strengthened

(acl/yl) Taiwan is strengthening protection of undersea infrastructure, with the Cabinet on September 18 approving amendments to seven laws to bolster safeguards for submarine cables and pipelines after a series of recent incidents.

Five of the amended laws raise penalties for sabotage or damage to cables and pipelines, while two focus on vessel control and navigation requirements. [Taipei Times 1]

Under the amendments, damage to water and gas pipelines will carry the same penalties as cutting submarine cables. Intentional damage will be punishable by one to seven years in prison and fines of up to USD 333,000, while negligent damage could result in up to six months in prison or fines of up to USD 66,400.

The bills now headed to the Legislative Yuan, Taiwan's parliament, also authorize confiscation of offending vessels and require all ships to keep automatic identification systems (AIS) switched on.

The Cabinet noted that cable-cutting incidents have already disrupted Taiwan's infrastructure and security this year. [Taipei Times 2]

Ocean Affairs Council head Kuan Bi-ling said many offenders disable or falsify AIS data, stressing the new measures would curb "dark ships" and give the Coast Guard stronger enforcement authority. She added that foreign vessels in Taiwan's waters could be barred from ports or ordered to leave. [Focus Taiwan]

NCSIST signs defense deals at record-scale Taipei Defense Expo

In a separate move, the NCSIST signed agreements with six foreign defense firms at the Taipei Aerospace & Defense Technology Exhibition (TADTE), including Airshare (Canada) and U.S. companies Anduril, Leonardo DRS, AeroVironment, MARTAC, and Northrop Grumman. The deals cover technologies ranging from anti-drone rockets and loitering munitions to autonomous underwater vehicles and missile integration.

The partnerships stress local production and technology transfer to ensure Taiwan's ability to manufacture its own weapons in a crisis. This year's TADTE is the largest yet, with nearly 500 exhibitors, underscoring Taiwan's expanding defense cooperation

with the U.S. and efforts to build indigenous capabilities. [Focus Taiwan 1] [Taipei Times]

For the first time, Indian space startups joined as a team, highlighting satellite-based intelligence services and seeking partnerships with Taiwanese defense and tech players. The event underscored Taiwan's drive toward self-reliant defense manufacturing while deepening cooperation with international partners. [Focus Taiwan 2]

Taiwan: Champion Auto signs MOU with UK's BAE systems on military equipment support

(acl) On September 19, Taoyuan-based Champion Auto Co. signed a memorandum of understanding (MOU) with BAE Systems, a British aerospace, defense, and security company, to provide logistical support and maintenance for Taiwan's military equipment.

The agreement covers a range of systems, including M109A7 self-propelled howitzers, M88A2 armored recovery vehicles, and AAV7 Assault Amphibious Vehicles. However, the US has not yet approved the sale of M109A7 howitzers to Taiwan.

Champion Auto, which specializes in sales and maintenance of construction machinery and heavy-duty vehicles, said that the partnership will combine BAE Systems' expertise in military system integration with its own local capabilities to provide the Taiwanese military with more reliable equipment support.

The MOU was signed during the Taipei Aerospace and Defense Technology Exhibition, held from September 18 to 20. [Focus Taiwan]

Taiwan: Government releases updated civil defense guide

(yl) Taiwan's defense ministry has issued the third edition of its civil defense handbook, focusing more explicitly on wartime scenarios such as sabotage of undersea cables, drone incursions, ship inspections, and potential invasions. The guide offers practical survival instructions, stresses that surrender rumors are false, and encourages parents to prepare children both materially and psychologically.

Officials emphasized the handbook is intended to boost readiness rather than spark panic, drawing on lessons from Ukraine and highlighting resilience against disinformation. About 5,000 physical copies will be distributed, alongside online and English versions. [Focus Taiwan] [Reuters]

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

Bangladesh: Interim government advances reform agenda but avoids political decentralization

(lm/mon) Bangladesh's Advisory Council, chaired by Chief Adviser Muhammad Yunus, has approved a package of reforms aimed at strengthening state institutions and signaling progress ahead of the 2026 general election. The measures, which touch on electoral administration, fiscal policy, and transparency, are presented by the interim government as evidence of a broader push to institutionalize accountability. Yet experts caution that the reform trajectory sidesteps deeper issues of political decentralization and risks entrenching Dhaka's dominance.

At the center of the new measures are amendments to the country's election laws. Revisions to the Election Commission Secretariat Act of 2009 and the Election Officers (Special Provisions) Act of 1991 grant the Election Commission (EC) unprecedented autonomy. For the first time, the EC can recruit senior officials — including its secretary and additional and joint

secretaries — from within its own ranks, rather than relying on civil servants seconded from ministries. The EC also regained control of the national identity database, consolidating its role in election management.

Disciplinary powers were also expanded. Election officers who neglect duties or commit misconduct now face harsher penalties, with fines of up to BDT 100,000 (USD 905) or prison sentences of one to five years. In cases of conflict, the EC's authority will prevail over that of the government. Commission officials welcomed the changes as a historic step to shield electoral administration from executive interference. [The Daily Star 1]

Alongside the electoral reforms, the Advisory Council approved fiscal amendments under the National Board of Revenue. These included raising the withholding tax on corporate investments in government securities from 10 percent to 15 percent, new provisions treating transport-sector taxation as final income, and Value Added Tax adjustments allowing exemptions through special orders. Officials said 24 out of 121 identified reform proposals have already been implemented, with ministries instructed to compile their progress for a publicly available booklet to highlight reform momentum. [Financial Express] [Daily Sun]

Chief Adviser Yunus has pressed ministries to showcase both government-led and self-initiated reforms as part of efforts to build public confidence in the transition. His press office reported that 77 reform proposals are considered highly important, with implementation either completed or underway. [The Daily Star 2]

Despite these steps, governance experts warn that the interim administration's agenda largely avoids the question of political decentralization. At a recent policy forum, analysts stressed that reforms have been equated with strengthening local governments administratively, without transferring real decision-making power away from the center. This has reinforced Dhaka's dominance as the country's "primate city" — a pattern unlike other Asian countries, where secondary cities were nurtured as growth poles.

Research presented at the event estimated that Dhaka-centric urbanization now imposes economic costs of 6–10 percent of GDP through congestion, pollution, and diversion of resources. Judicial and bureaucratic encroachment into local responsibilities such as water management were cited as further weakening sustainable governance. Experts called for a national urbanization policy and empowered local

governments with real authority, resources, and accountability. Without embedding decentralization into the reform agenda, they warned, Bangladesh risks entrenching unsustainable centralization and undermining broader governance reforms. [The Daily Star 3]

Meanwhile, public opinion shows both support and unease. A recent nationwide survey of more than 10,000 adults found that 79 percent rate the interim government's performance as good or moderate, and nearly 70 percent trust it to deliver a free and fair election. More than three-quarters expect to vote safely, and 86 percent back holding the election in February 2026 as scheduled. Yet skepticism runs deeper among younger, urban, and more educated respondents, who report greater doubts about the neutrality of police and administration. Over half said extortion had risen in recent months, particularly in cities, while social media has amplified these perceptions. Awareness of proportional representation remains limited, though among those familiar with the concept, support outweighs opposition — especially among youth and educated groups, the same demographics least convinced of the interim government's neutrality. [The Daily Star 4]

Bangladesh: Main opposition, Islamist forces, and student-led movement chart diverging trajectories

(lm) Chief Adviser Muhammad Yunus has departed Dhaka for New York to attend the 80th United Nations General Assembly (UNGA), where he will address the General Debate on September 26 and join a high-level conference on the Rohingya crisis on September 30. He is scheduled to return on October 2.

What stands out is the composition of his delegation, which mirrors Bangladesh's current political landscape. It includes representatives from the Bangladesh Nationalist Party (BNP), historically the main opposition and long-time rival of the ousted Awami League; Jamaat-e-Islami, the country's largest Islamist party and a former ally of the BNP; and the newly formed National Citizen Party (NCP), a student-driven force that emerged earlier this year from institutions central to the 2024 uprising. Abroad the interim government projects inclusivity, but at home these forces remain divided as the February 2026 election approaches. [The Daily Star 1] [The Daily Star 2]

The BNP, long the Awami League's main rival, is attempting to rebuild credibility under Acting

Chairman Tarique Rahman. It has expelled or demoted more than 7,000 members for corruption and misconduct in what it describes as an unprecedented internal purge, aimed at regaining public trust and appealing to younger voters. At the same time, BNP leaders reject calls for proportional representation (PR) in the lower house, insisting on the first-past-the-post system that secures their dominance, while also accusing the interim government of sidelining pro-BNP officials in favor of Islamist-linked bureaucrats. [The Daily Star 3] [The Daily Star 4] [The Daily Star 5]

By contrast, Islamist forces led by Jamaat-e-Islami and Islami Andolan Bangladesh (IAB) are pressing for structural transformation. At mass rallies in Dhaka, they warned of "disaster" if the July Charter — a reform blueprint drafted after the 2024 student uprising that toppled the Awami League — is not legally enshrined before the next election. They argue that legalizing the Charter and adopting proportional representation are prerequisites for credible polls and accuse the BNP of blocking reform to protect entrenched patronage. Islamist leaders also demanded a ban on the Jatiya Party — a conservative party founded by former military ruler Hussain Muhammad Ershad that served as the parliamentary opposition during the last Awami League term — along with remnants of the former ruling alliance, framing the interim government as vulnerable to outside pressure. [The Daily Star 6] [The Daily Star 7]

The NCP, born out of the 2024 student uprising, has distanced itself from both camps. It supports PR only for a future upper house, while backing broader constitutional reform through the National Consensus Commission rather than mass protest. Its leaders demand prosecution of the Awami League as a party for abuses during its final months in power, presenting themselves as the authentic heirs of the uprising. Chief coordinator Nasiruddin Patwary has pledged to contest the 2026 election under the Shapla (water lily) symbol, field around 150 candidates — including former army officers and grassroots activists — and absorb smaller groups under its banner, positioning the NCP as a long-term challenger to the older parties. [The Daily Star 8] [Dhaka Tribune]

Bangladesh: Supreme Court proposes specialized commercial courts

(lm) Bangladesh's Supreme Court has submitted a proposal to the law ministry to establish specialized commercial courts nationwide. The proposed courts would have jurisdiction over a wide range of

commercial matters, including banking and financial disputes, import-export activities, aviation and maritime transport, construction and infrastructure projects, franchise and licensing agreements, technology development, and intellectual property rights. [The Daily Star]

Bangladesh: Election Commission orders faster processing of ID card corrections

(lm) Bangladesh's Election Commission (EC) has instructed officials to resolve all National Identity Card (NID) correction applications within 45 days. The directive applies to all categories of corrections, with priority also given to clearing older pending cases. The decision was made at the EC's monthly coordination meeting earlier this month, with officials noting that most applications are already being settled faster than the new deadline. [Dhaka Tribune]

Bangladesh: Government reshuffles deputy commissioners in three districts

(lm) The government has reassigned deputy commissioners (DCs) in three districts, issuing appointments that shift senior administrators across different portfolios. Chattogram, the country's principal port city and a key commercial hub, will see new leadership alongside Naogaon, an agriculturally important district in the northwest, and Narsingdi, a district near Dhaka known for its textile industry. [The Daily Star]

Bangladesh: Two senior army officials appointed as ambassadors

(lm) Bangladesh has appointed two serving army major generals as ambassadors on deputation, effective immediately. Maj Gen Kabir Ahmed and Maj Gen Sheikh Mohammad Sarwar Hossain, currently chairman of the Bangladesh Tea Board, were named to the diplomatic posts under an order issued by the Ministry of Public Administration. [Dhaka Tribune]

Bangladesh: Tribunals weigh ousted ex-prime minister's role and calls to

prosecute party in 2024 crackdown

(lm) Bangladesh's International Crimes Tribunals (ICT), special courts originally set up in 2009 to try atrocities from the 1971 Liberation War, continue hearing landmark cases on the July–August 2024 uprising that forced former prime minister Sheikh Hasina from power.

At the ICT-2, prosecutors introduced an audio recording from July 18, 2024, in which Hasina allegedly ordered lethal force, including direct gunfire and helicopter deployment, against protesters. Forensic testimony confirmed that the female voice matched Hasina and the male voice that of then Dhaka South City mayor Sheikh Fazle Noor Taposh. The recording, previously authenticated in an independent investigation, has further fueled controversy, though Hasina is not a suspect in the specific murder case where it was submitted. [The Daily Star 1]

Meanwhile, at the ICT-1, state-appointed defense counsel argued that the uprising itself was a "meticulous design" to topple a legitimate government, accusing protesters of conspiracies and killings staged to implicate authorities. This argument was rejected in testimony that insisted the Hasina government acted with malice, suppressing student-led protests with violence rather than addressing demands. [The Daily Star 2]

The tribunal has also begun hearing arguments that accountability should extend beyond individual leaders to the Awami League as a political organization. Nahid Islam, convener of the National Citizen Party (NCP), a student-driven movement born of the uprising, testified that Hasina acted against her own citizens in an organized manner, framing the crackdown as a political crime. He urged that the Awami League, along with its affiliated groups—the Jubo League (youth wing), Chhatra League (student wing), and Swechchhasebak League (volunteer wing)—be prosecuted as entities. Chief Prosecutor Tajul Islam confirmed that Bangladeshi law allows organizational prosecutions if credible evidence or direct complaints emerge.

Further testimony reinforced this call, recalling sniper fire during an August 5, 2024 crackdown in Dhaka's Jatrabari area that left more than 100 dead, with over 130 buried as unclaimed bodies. It was argued that accountability must reach across the Awami League-led alliance, security forces, and other actors responsible. [The Daily Star 3]

Bangladesh: More witnesses testify in graft cases against ousted ex-prime minister and family

(lm) A Dhaka court has heard testimony from nine additional prosecution witnesses in three corruption cases over the controversial allocation of residential plots in the Purbachal New Town project. The proceedings target ousted former prime minister Sheikh Hasina, her sister Sheikh Rehana, and several family members, including British MP Tulip Siddiq.

The Anti-Corruption Commission (ACC) alleges that Hasina, in collusion with officials from Rajuk, the capital's development authority, unlawfully secured multiple plots in Purbachal's diplomatic zone for herself and close relatives. The January filings comprise six cases against 23 defendants. Charges were framed in July, with arrest warrants issued as the accused remain abroad.

To date, fifteen prosecution witnesses have testified, with further hearings scheduled for October. The trials form part of one of the most high-profile corruption cases underway in Bangladesh's post-Hasina accountability drive. [The Daily Star] [Dhaka Tribune]

Bangladesh: Court directs Interpol red notices for ex-land minister and wife in graft, laundering cases

(lm) A Chattogram court has instructed the Anti-Corruption Commission (ACC) to seek Interpol red notices for former land minister Saifuzzaman Chowdhury and his wife, who face multiple corruption and money laundering charges. The order follows their flight abroad on August 5, 2024, after the Awami League was ousted in a student-led uprising.

The couple is accused of large-scale embezzlement and laundering of funds through fake companies, including a case of BDT 200 million (USD 1.65 million) loan fraud and a CID case alleging the transfer of BDT 12 billion (USD 99 million) to the United Arab Emirates. Additional charges include misappropriation of nearly BDT 210 million (USD 1.7 million) from United Commercial Bank.

Authorities have already frozen 39 bank accounts containing over BDT 52.6 million (USD 434,000), ordered the seizure of shares worth BDT 1.02 billion (USD 8.4 million), and confiscated 957 bighas (about 1.24 square kilometers) of land. The court has also

moved to seize extensive overseas assets, including 343 properties in the United Kingdom, 228 in the United Arab Emirates, and nine in the United States. [The Daily Star]

Bangladesh: Survey shows bribery, corruption, and economic hardship persist despite political change

(lm) A new survey by the Power and Participation Research Centre (PPRC), a Dhaka-based policy research institute, found that over one in 12 households in Bangladesh admitted to paying bribes or extortion between May 2024 and April 2025, with police, political leaders, and government offices identified as the main recipients. Although the rate dropped from 8.5 percent before the July 2024 uprising to 3.7 percent this April, nearly 75 percent of respondents said "nothing works without money."

The study, covering 8,067 families, also highlighted rising medical costs, loan repayments, and education fees as the biggest financial burdens, while over 90 percent of households reported concern about commodity price hikes and falling incomes. Law and order and bureaucratic corruption were cited as top governance concerns, especially among urban and higher-income groups.

Speakers at the event stressed that public frustration remains high, with many households saying they have lost hope since the ouster of the Awami League government. Analysts warned of worsening law-and-order problems, a rise in mob justice, and continuing corruption in public services, noting that reforms to restore accountability at local government offices and police stations remain the top public demand. [The Daily Star]

Bangladesh: Draft ordinance expands human rights watchdog's powers to investigate security forces

(lm) The Bangladeshi government has prepared a draft ordinance to overhaul the National Human Rights Commission (NHRC), ending a 15-year restriction that prevented it from investigating members of the country's security forces. The draft grants the NHRC 21 mandates ranging from investigation and prosecution to legal representation, rehabilitation, and research. It also proposes new tribunals in every division, or even

every district, to hear NHRC cases without prior government approval.

The reform coincides with a draft law on enforced disappearances, which empowers the NHRC to search detention facilities, issue warrants, and order interim measures against accused officials. Investigating officers, independent from the accused's agency, would be given powers similar to police station chiefs and be accountable only to the NHRC. Trials would be time-bound, with investigations required within six months for general cases and 90 days for enforced disappearance cases.

The proposed ordinance also restructures the NHRC's appointment process to reduce government influence, shifting selections to a committee including judges, parliamentarians from both ruling and opposition parties, academics, journalists, and minority representatives. The NHRC would also gain financial autonomy through a fixed budget and its own fund for donations and grants.

The overhaul comes as the NHRC faces a backlog of over 1,800 enforced disappearance complaints, in addition to 936 unresolved cases, and continues to operate with a small investigative staff. The previous commission, appointed in 2022, resigned en masse in November 2024 after the fall of the Awami League government, leaving the body unable to process complaints. Critics warn that provisions such as the death penalty for enforced disappearance may complicate prosecutions, while civil society groups say the reforms are essential to restore credibility to an institution long seen as weak and politically constrained. [The Daily Star]

Bangladesh: Attacks on Sufi shrines highlight rising religious tensions

(lm) In Bangladesh, a wave of violence against Sufi religious sites has raised concerns about growing intolerance and the erosion of traditionally syncretic practices.

In Cumilla's Homna sub-district, three shrines and one *akhra* (spiritual gathering place) were vandalized and set ablaze after a local resident allegedly posted comments on Facebook deemed derogatory to Islam. The attacks were carried out by groups mobilized under the banner of *Tawhidi Janata*, a conservative Islamist platform. Authorities have detained the individual accused of the social media post, opened a case against unidentified perpetrators, and deployed

additional police to stabilize the area. [The Daily Star 1] [The Daily Star 2]

A similar attack occurred in Mymensingh city, where armed men stormed and looted the *Khanka Sharif* known as the Astana of Gani Fakir. Police have filed a case against 60 unidentified individuals. Community leaders representing Sufi and Baul traditions publicly condemned the violence, rejecting claims that "immoral activities" had taken place at the site.

These incidents come just weeks after a mob desecrated another shrine in Rajbari district, underscoring a broader trend of pressure on Sufi communities. [The Daily Star 3]

Bangladesh: USD 116.8 billion needed for new climate plan, adviser says

(lm) Bangladesh will require an estimated USD 116.8 billion to implement its newly prepared Third Nationally Determined Contribution (NDC 3.0), a plan that sets out national climate commitments under the Paris Agreement framework.

According to the government, USD 25.95 billion is expected to be mobilized from domestic sources (unconditional), while a further USD 90.23 billion will depend on international support (conditional). The plan targets a reduction of 84.9 million tons of carbon dioxide equivalent by 2035—6.4 percent unconditionally and 13.9 percent conditionally.

Beyond emissions, NDC 3.0 emphasizes adaptation and resilience across health, water and sanitation, education, food security, agriculture, and infrastructure. Officials framed the plan as rights-based and inclusive, highlighting the need to address the vulnerabilities of youth, women, minorities, persons with disabilities, and climate migrants. [Dhaka Tribune]

Bangladesh: Financial system under strain as bad loans mount and banking reforms falter

(lm/mon) Bangladesh is facing one of its deepest financial crises in decades, with stress spreading from banks and non-bank financial institutions (NBFIs) to capital markets and even labor migration, a key foreign exchange source.

Defaulted loans now total about BDT 6 trillion (USD 49 billion) and could rise to BDT 9 trillion (USD 74 billion) once hidden losses are fully recognized, with the Asian Development Bank labeling Bangladesh's banking system the weakest in Asia. Nearly one in five loans is classified as non-performing — a higher ratio than in India, Pakistan, or Sri Lanka. Regulators have already moved to merge five distressed Islamic banks into a state-backed entity capitalized at BDT 200 billion (USD 1.6 billion), but market confidence has eroded: share prices of the affected banks have dropped by up to 48 percent. [Dhaka Tribune] [The Daily Star 1] [Financial Express]

In response, Bangladesh Bank, the country's central bank, has introduced a new rescheduling scheme that allows banks to restructure non-performing loans for up to 10 years with only a 2 percent down payment and a two-year moratorium on repayments. Moody's, the U.S.-based global credit rating agency that evaluates borrower creditworthiness worldwide, warned that the facility is "credit negative" because it risks masking the true scale of bad debt, hindering recovery, and weakening transparency. The agency pointed to reduced oversight from the central bank, lower provisioning requirements, and mandatory withdrawal of legal cases against defaulters as factors that could undermine discipline and further erode bank capital. [The Daily Star 2]

Amid these stresses, the government has sought USD 1.5 billion in budget support from the Asian Infrastructure Investment Bank, alongside USD 1.85 billion expected from the World Bank and ADB. Analysts warn, however, that reliance on high-interest external borrowing risks complicating debt sustainability. [The Business Standard]

At the same time, Bangladesh's labor migration — a crucial source of foreign exchange — remains stalled in key markets. The United Arab Emirates, the country's second-largest destination, has kept work visa restrictions in place since 2024 following protests linked to the student-led uprising. Malaysia, which reopened in 2021, abruptly closed again in 2024, leaving 18,000 workers stranded despite payments of BDT 530,000 (USD 4,300) each to brokers. Other markets, including Oman and Bahrain, have also shut down in recent years, leaving Bangladesh increasingly dependent on Saudi Arabia. Migration experts warn that without urgent reforms to reduce fraud, rein in recruitment syndicates, and restore diplomatic momentum, remittance inflows — a cornerstone of Bangladesh's economy — could face long-term decline. [The Daily Star 3]

Meanwhile, banks are also retrenching from social commitments. Corporate social responsibility (CSR) spending fell by 51 percent in the first half of 2025 to BDT 15.1 billion (USD 139 million) — the lowest level in a decade. Central bank data show that allocations sharply deviated from regulatory guidelines, with spending on education, health, and climate falling well below targets. Thirteen state banks, including Janata, Agrani, and Bangladesh Krishi Bank, contributed nothing. Economists warn the drop exposes weaknesses in accountability and risks entrenching the view of CSR as a discretionary expense rather than a structured tool to support education, healthcare, and climate action — sectors critical for long-term development. [Dhaka Tribune] [Financial Express]

Bangladesh: Interim leader warns climate and demographic pressures risk 'existential squeeze'

(lm) Bangladesh's interim leader, Chief Adviser Muhammad Yunus, has warned that the country is facing an "existential squeeze," with rising seas, salinity intrusion, and extreme heat threatening its already scarce cultivable land and compounding economic and social strains. Speaking to *The New York Times* ahead of his address to the UN General Assembly, Yunus underscored that the country's geography and dense, youthful population make it exceptionally vulnerable. Nearly half of Bangladeshis are under 26, a demographic he said needs both physical and social space to thrive in an era of mounting climate shocks.

Yunus stressed that climate change cannot be addressed solely through international financing or top-down government action, framing it instead as a personal and collective challenge that requires behavioral and community-level change. He drew parallels with his microfinance experience, arguing that cumulative grassroots efforts can reshape outcomes in ways that large-scale interventions alone cannot.

On energy, Yunus pointed to structural limits on Bangladesh's ability to decarbonize. The country lacks hydropower potential and relies primarily on solar energy, while access to surplus electricity from Nepal and Bhutan remains constrained by transmission bottlenecks through India. These vulnerabilities, he warned, leave Bangladesh doubly exposed: to climate impacts at home and to the strategic maneuvering of larger powers in the region.

Without systemic reform both globally and domestically, Yunus cautioned, Bangladesh's already

narrow margins for survival will continue to shrink — making climate change not just an environmental crisis, but a generational and geopolitical one. [The New York Times Magazine] [Jagonews24.com]

Bangladesh: Key police leadership posts filled by retired officers on contract

(lm) Bangladesh's interim government has confirmed that several top law enforcement posts are currently held by retired officers brought back on contract, including the inspector general of police, the heads of the Rapid Action Battalion, an elite paramilitary force tasked with counterterrorism, serious crime, and anti-drug operations; the Special Branch, Bangladesh's main domestic intelligence service; and the commissioner of the Dhaka Metropolitan Police.

Home Adviser Jahangir Alam Chowdhury defended the appointments, saying they were made "in the interest of the state" rather than individual preference. He noted that such contractual extensions have precedent in Bangladesh and may continue in the future. [The Daily Star]

Bangladesh: Nine senior officers of paramilitary force reassigned

(lm) Bangladesh's Home Ministry has transferred nine directors of the Bangladesh Ansar, a paramilitary force that assists in internal security and law enforcement, assigning them to new stations with immediate effect. The reshuffle involves both district battalions and regional commands.

Among the changes, the director of the 1st Women Ansar Battalion in Gazipur (an industrial hub near Dhaka) has been reassigned to Gopalganj (the home district of ousted ex-Prime Minister Sheikh Hasina), while new postings were also made to Cox's Bazar (a coastal district hosting the world's largest refugee camp), Dhaka (the capital), Sylhet (a key region in the northeast with strong links to the Bangladeshi diaspora), Madaripur (a central district), Khagrachhari and Bandarban (both part of the Chittagong Hill Tracts, known for ethnic diversity and past insurgency), and Nababganj (a district close to Dhaka). [BSS NEWS]

Bangladesh: Police raid settlement, recover crude bombs, weapons, and drugs

(lm) Police in Dhaka have carried out a major anti-drug operation in a settlement in the Mohammadpur area, commonly known as Geneva Camp, originally established to house Urdu-speaking Biharis displaced after the 1971 Liberation War. The densely populated camp has long been associated with poverty, overcrowding, and illicit trade.

The raid, launched on September 21, led to the arrest of 29 individuals. Authorities reported seizing eight crude bombs, sharp weapons, and various narcotics. A bomb disposal team later arrived and safely detonated the explosives. [The Daily Star]

Bhutan: Public debt projected to exceed USD 4.8 billion by FY 2026–27

(lm) Bhutan's public debt is projected to rise beyond BTN 400 billion (USD 4.8 billion) within two years, raising concerns over long-term fiscal sustainability. The debt stock stood at BTN 373.25 billion (USD 4.48 billion) in FY 2024–25, is expected to climb to BTN 376.08 billion (USD 4.51 billion) in FY 2025–26, and surpass BTN 400.08 billion (USD 4.8 billion) in FY 2026–27.

In relation to GDP, debt remains among the highest in South Asia. It measured 108.7 percent in FY 2023–24, is forecast to dip to 100.5 percent in FY 2024–25, rise again to 108 percent in FY 2025–26, and ease slightly to 101 percent in FY 2026–27. External borrowing dominates the profile, with nearly 92 percent of total debt in FY 2024–25, though domestic borrowing is expected to grow to more than 10 percent by FY 2026–27.

Hydropower loans account for the largest share, reaching BTN 170.09 billion (USD 2.04 billion) in FY 2024–25 and projected to peak at BTN 230.27 billion (USD 2.76 billion) in FY 2025–26, before moderating slightly. Officials argue that such loans are self-liquidating through future electricity exports to India, but economists warn of risks from project delays and cost overruns.

Central government debt is also set to increase, from BTN 111.98 billion (USD 1.34 billion) in FY 2024–25 to BTN 146.73 billion (USD 1.76 billion) in FY 2026–27, driven largely by persistent fiscal deficits. [Kuensel]

Bhutan: Hotel industry faces staff shortages as workers leave for higher wages abroad

(lm) Bhutan's hotel sector, already weakened by financial strains, is struggling with acute staff shortages as employees continue to resign mid-contract, many leaving for better opportunities and higher wages in the Middle East. The Hotel and Restaurant Association of Bhutan (HRAB) has warned that attrition is crippling operations, with hotels unable to fill key positions for months and remaining staff forced to cover multiple roles, reducing service quality.

Average salaries remain low, with workers in three-star hotels earning around BTN 15,000 (USD 180) per month and those in four-star hotels about BTN 20,000 (USD 240). Hoteliers say this wage gap compared to foreign markets drives migration despite attempts to retain staff through local recruitment campaigns.

The HRAB has appealed to the government to regulate resignations more strictly, especially under the Youth Engagement and Livelihood Programme (YELP), and is preparing a proposal to hire foreign workers. However, employing foreign staff could nearly double labor costs, raising concerns about affordability and long-term sustainability. Industry leaders caution that unless attrition is checked, the hospitality sector could suffer lasting setbacks, undermining Bhutan's "High Value, Low Volume" tourism strategy. [Kuensel]

India: Election commission de-lists 474 more small parties for flouting norms

(lm) India's Election Commission announced it has de-listed 474 registered unrecognized political parties (RUPPs) for failing to comply with norms, including not contesting elections for the past six years. This is the second phase of a wider clean-up effort: in August 2025, 334 RUPPs were similarly removed.

With these latest removals, a total of 808 parties have been de-listed in just two months. India now has 2,046 RUPPs, in addition to six recognized national parties and 67 state-level parties. [The New Indian Express]

India: Opposition leader promises 'hydrogen bomb' proof of alleged vote

theft by ruling party

(lm) India's opposition leader Rahul Gandhi has escalated his allegations of election fraud, claiming he will soon release what he called a political "hydrogen bomb" that will prove Prime Minister Narendra Modi and the ruling Bharatiya Janata Party (BJP) engaged in "vote theft." Speaking in his constituency of Wayanad, Gandhi said the evidence is "black-and-white" and tied to an ongoing investigation by the Criminal Investigation Department (CID) in Karnataka.

According to Gandhi, the CID has repeatedly asked the Election Commission of India for phone records linked to the case, but Chief Election Commissioner Gyanesh Kumar has declined to provide the information. He framed this refusal as proof of institutional failure, arguing that the Commission's inaction itself is an indictment.

Gandhi insisted the opposition possesses "open-and-shut" evidence that will remove all doubt about manipulation in India's most recent national elections. He vowed that the material would soon be made public, portraying the revelations as decisive for restoring faith in India's democratic process. [The New Indian Express]

India: Power-sector emissions decline

(lm) India's carbon dioxide emissions from its power sector fell by 1 percent year-on-year in the first half of 2025, marking only the second drop in nearly 50 years. The decline was driven by record clean-energy additions of 25.1 gigawatts in the January–June period, unusually mild weather that reduced electricity demand, and stronger hydropower output, according to research by the Centre for Research on Energy and Clean Air (CREA). Although fossil fuel generation fell, overall power production still rose, underscoring the impact of renewable growth. Analysts noted that if this trend continues, India's power-sector emissions could peak before 2030, in line with the country's plan to add 500 gigawatts of clean energy by that year. [Reuters]

India: Central bank expected to retain headline inflation target in upcoming review

(lm) India's central bank, the Reserve Bank of India (RBI), is expected to recommend keeping its current

flexible inflation targeting framework unchanged for a third consecutive term. The framework requires the RBI to maintain headline inflation at 4 percent within a tolerance band of 2 to 6 percent. This mandate, first adopted in 2016 and last renewed in 2021, will be reviewed again in March 2026.

Feedback gathered by the RBI from economists, banks, and market participants shows broad support for retaining the framework. While minor adjustments to how the RBI communicates its monetary policy stance may be considered, the overall structure is likely to remain in place. Most stakeholders favor targeting headline inflation over core inflation, which excludes food and fuel, given that food and fuel account for more than half of India's consumer price index (CPI) basket. Officials argue that price shocks in these categories eventually feed into broader inflation trends.

Over the past decade, inflation in India has stayed within the mandated range about three-quarters of the time, with volatility peaking during the pandemic years. A revision of the CPI basket expected next year is likely to reduce the weightage of food items, which could help limit future volatility. [Reuters]

India: Government pursues deepsea mining rights and plans strategic rare earths reserve

(lm) India has signed a 15-year contract with the International Seabed Authority (ISA), a United Nations body that regulates exploration and exploitation of mineral resources in international seabed areas beyond national jurisdictions. The deal grants India exclusive rights to explore polymetallic sulphides in the Indian Ocean. These mineral deposits, found around hydrothermal vents on the seabed, are rich in copper, zinc, gold, and silver, all critical for clean energy technologies, electronics, and advanced industries. With this agreement, India becomes the first country to hold two ISA contracts for polymetallic sulphides and now controls the largest exploration area allocated by the ISA. The government has also signaled interest in pursuing exploration licenses in the Pacific Ocean to further expand its access to critical minerals. [Reuters 1]

At the same time, Bloomberg News reported that India is considering setting up a strategic reserve of critical minerals for emergency use in defense manufacturing. According to defense officials, such a reserve would allow India to manage immediate shortages when

needed. The move comes as Beijing restricts exports of processed rare earths to major economies, including India, to strengthen its geopolitical leverage in trade disputes with the United States. India has also been sourcing rare earths from Myanmar to reduce its reliance on China, including cooperation with the Kachin Independence Army, an armed group controlling resource-rich areas. Officials noted that India already holds reasonable stocks of critical minerals but seeks to build more secure reserves to strengthen its defense and industrial resilience. [Reuters 2]

India: Army artillery chief calls for strategic rethink as non-contact warfare becomes new normal

(lm) India's director general of artillery, Lieutenant General Adosh Kumar, has warned that modern conflict is shifting decisively toward "non-contact" warfare—using cyber operations, information campaigns, unmanned systems, and precision strikes rather than direct confrontation. Speaking in Pune, he argued that India must adapt its doctrine, force structures, and industrial policy to remain competitive in this new environment.

He pointed to *Operation Sindoor* in May 2025—India's strikes on militant infrastructure in Pakistan and Pakistan-administered Kashmir following a major terror attack in Indian-administered Kashmir—as an example of how space-based surveillance, real-time intelligence, and long-range weapons can deliver deterrent effects without escalating into full-scale war.

The general underscored the need to integrate advanced missile systems, hypersonics, precision artillery, and unmanned aerial systems into India's force structure. He argued that capability building cannot be achieved in silos and called for a whole-of-nation approach, including faster research and development, and closer collaboration between the military, academia, and industry. Future success, he said, will depend on the ability to fuse space, cyber, electromagnetic, information, and long-range firepower more rapidly than adversaries, with escalation paths that are no longer linear. [The Times of India]

India: Coast guard commissions new indigenously built fast patrol vessel

Adamya

(lm) India's Coast Guard has commissioned *ICGS Adamya*, the first of eight Adamya-class fast patrol vessels (FPVs), at Paradip Port in Odisha. Built by Goa Shipyard Limited with more than 60 percent indigenous content, the 51-meter vessel is part of the government's *Atmanirbhar Bharat* ("self-reliant India") initiative to expand domestic defense manufacturing. [The New Indian Express]

India: Authorities expand probe into LTTE-linked financing

(lm) An Indian court has authorized the Enforcement Directorate (ED)—India's financial crime investigation agency—to interrogate a Sri Lankan-origin woman currently in Chennai's Puzhal Women's Prison in connection with suspected financing for the banned Liberation Tigers of Tamil Eelam (LTTE), a separatist group that fought a decades-long insurgency in Sri Lanka until its defeat in 2009.

The case, tied to a 2022 National Investigation Agency (NIA) probe, involves allegations that the accused obtained false Indian identity documents to withdraw funds from a Mumbai-based account, which authorities suspect were directed to LTTE-related activities.

The ED, focusing on the financial aspects, was granted two days to question her inside prison using electronic equipment, though physical custody was denied. [Daily Mirror]

Maldives: President ratifies controversial media law creating powerful new regulator

(ya) President Mohamed Muizzu has ratified the Media and Broadcasting Regulation Act (Act No. 16/2025), dissolving both the Maldives Media Council and the Broadcasting Commission and replacing them with the Maldives Media and Broadcasting Commission (MMBC).

The new regulator has powers to fine outlets between MVR 50,000 and MVR 250,000 (USD 3,240–16,200), suspend or revoke licenses, and block online platforms deemed to threaten religion, national security, or public order. The President's Office said the law aims

to prevent misinformation and create a unified framework "upholding both the rights and responsibilities of journalists." Officials also clarified that private social media accounts and digital storage devices are excluded from its scope. [Al Jazeera] [Associated Press]

The bill was pushed through parliament in just 29 days by the ruling People's National Congress, which holds a supermajority, despite petitions from 151 journalists demanding due process. The Maldives Journalists Association (MJA) condemned the law as a "draconian media control law" and pledged to launch legal proceedings and boycott the election of commissioners. International organizations, including Human Rights Watch, criticized the lack of transparency and exclusion of journalists from the drafting process, warning the MMBC cannot be considered independent. The Committee to Protect Journalists and the U.S. Embassy in Malé also urged repeal and the protection of press freedom. [JURISTnews]

The law's passage has triggered street-level unrest. Demonstrations erupted outside parliament on September 16, with opposition lawmakers and reporters alleging police used excessive force. The Maldivian Democratic Party filed a complaint with the National Integrity Commission, while the Human Rights Commission of Maldives launched its own probe. Police denied using batons, tear gas, or pepper spray, but acknowledged two brief detentions. [the edition 1] [The Sun 1][LM1] [The Sun 2]

Despite sustained backlash, implementation has moved forward. On September 21, the Civil Service Commission appointed an interim five-member committee to handle administrative duties of the MMBC until the permanent body is established. Parliament has already opened applications for permanent membership, with the deadline set for September 24. [The Sun 3] [The Sun 4]

Maldives: First referendum under new law to decide Addu City's governance structure

(ya) President Mohamed Muizzu has ratified the Referendum Act, creating a national framework for plebiscites on constitutional, political, and territorial issues. The law allows both parliament and the president to call referendums on matters such as amendments to the Constitution, changes to presidential or parliamentary terms, electoral

procedures, and local governance. Votes can be organized with less than 45 days' notice, require at least 50 percent approval of valid ballots to pass, and must be funded by the Finance Ministry within ten days of request.

Officials present the law as a step toward direct democracy, while critics warn that its provisions—particularly on presidential terms and expedited procedures—could enable executive overreach. The government argues that reforms such as merging presidential and parliamentary elections would reduce costs, framing efficiency as a key justification. [The Sun 1] [the edition 1]

Shortly after ratification, Muizzu announced that the first referendum under the Act will be held in October in Addu City, the Maldives' second-largest urban center and a key political hub. The vote will ask residents whether to retain the centralized Addu City Council or replace it with separate island councils—such as "Addu Hulhudhoo Council" or "Addu Feydhoo Council." It will also determine whether the prefix "Addu" should be added to individual island names. [the edition 2] [The Sun 2]

Addu City Mayor Ali Nizar has sharply opposed the move, warning that creating separate councils would deplete resources. He cited Hulhumeedhoo, which currently receives about MVR 11 million (USD 715,000) in block grants, noting that most of this already goes to salaries and administration. Additional councils, he argued, would leave almost nothing for infrastructure or services, casting a "dark shadow" over the city's development. [The Sun 3]

Maldives: Malé City Council scraps bid evaluation body after legal challenge

(lm) The Malé City Council – the elected local government authority responsible for administering the capital of the Maldives – has abolished its Bid Evaluation Committee, admitting that the arrangement violated the Public Finance Act. Under regulations derived from the Act, elected officials cannot serve on bid evaluation teams; councils are permitted only to establish advisory bodies to provide counsel on procurement matters.

The original committee, made up of the council's secretary-general and four councilors, had never carried out evaluations but raised concerns among members who argued it breached procurement law. During a heated meeting, several councilors pressed

for immediate compliance, stressing that elected members should not be involved in opening or reviewing bids.

Mayor Adam Azim initially proposed renaming the body rather than abolishing it, but after pushback, the Council voted to dissolve the existing committee and replace it with a legally compliant advisory committee on bid evaluations. A list of councilors to serve on the advisory body—drawn from across political affiliations—was approved with majority support. [The Sun]

Maldives: Deputy speaker seeks tougher rules after journalists disrupt parliament session on media bill

(lm) Deputy Speaker Ahmed Nazim has proposed amending Parliament's Rules of Procedure to allow sanctions against individuals disrupting committee meetings. The move follows protests during the Independent Institutions Committee's review of the controversial media bill, when journalists admitted to the session raised their voices in objection. A report from the Sergeant-at-Arms described the behavior as derogatory to the dignity of Parliament and in breach of ethical norms.

Nazim said he would refer the matter to the General Committee, recommending rule changes to prevent such incidents and allow action against invitees who fail to comply. [the edition]

Maldives: Supreme Court reshuffles bench and sets hearing date in appeal against former president

(ya) The Supreme Court has scheduled September 29 for hearings in the state's appeal against the High Court ruling that overturned the 11-year prison sentence of former president Abdulla Yameen in the Aarah money laundering case and ordered a retrial. The bench was recently reshuffled, with Justice Azmiralda Zahir replaced by Justice Abdulla Hameed, who will now sit alongside Judges Aisha Shujune Mohamed and Mohamed Ibrahim.

Yameen, who served as president from 2013 to 2018 and is a key figure in the opposition, was convicted by the Criminal Court in December 2022 of money laundering and accepting bribes in connection with the leasing of V. Aarah, an island in Vaavu Atoll earmarked

for tourism development. He received a combined 11-year sentence. In April 2024, however, the High Court cited major legal irregularities, overturned both convictions, and ordered retrials. The court also directed that newly submitted prosecution evidence be disregarded, a decision the Prosecutor General's Office has challenged as inconsistent with Supreme Court precedent.

The pending appeal will determine whether the prosecution's evidence can be admitted in retrial proceedings. The appeal of former MP Yoosuf Naeem, who was convicted in the same case, will be heard simultaneously. [The Sun] [the edition]

Maldives: Civil service chief appointed to Judicial Service Commission

(lm) Civil Service Commission (CSC) President Mohamed Mujuthaz has been appointed as a member of the Judicial Service Commission (JSC). Mujuthaz will serve on the JSC in his capacity as CSC president. The ten-member body oversees the appointment and discipline of judges, comprising three members appointed by parliament—the speaker, one MP, and a public representative—alongside representatives from the president, attorney general, CSC president, the legal profession, and judges from each level of the courts. [the edition]

Maldives: Senior lawmaker's land deal sparks scrutiny amid broader housing and corruption controversies

(ya/lm) Questions over transparency in financial and housing matters have intensified in the Maldives after multiple high-profile cases involving politicians and senior officials came to light.

The latest controversy centers on Ibrahim Falah, parliamentary group leader of the ruling People's National Congress (PNC), who recently purchased a plot of land in Hulhumalé Phase II, a large reclaimed island development near the capital Malé built to ease population pressure, for MVR 28.8 million (USD 1.86 million). The Civil Court finalized the transfer on September 17.

Falah also declared three new plots on his home island of Innamaadhoo in addition to three properties he already owned there. His financial statement of

September 2 reported annual earnings of MVR 990,000 (USD 64,000) in salary, MVR 900,000 (USD 58,000) from business profits, and MVR 3.2 million (USD 207,000) in rental income, alongside a MVR 15.7 million (USD 1.02 million) loan from the Bank of Maldives, of which only MVR 496,000 (USD 32,000) has been repaid. The discrepancy between declared income, liabilities, and the scale of the land purchase has fueled debate about lawmakers' asset transparency. [The Sun 1]

Former president Abdulla Yameen Abdul Gayoom, now in opposition, seized on the case as an example of why the public has a right to scrutinize leaders' financial dealings. He argued that questioning such transactions does not constitute defamation but is a democratic duty. Yameen also linked the issue to a recently ratified media law, warning it should not be used to suppress scrutiny of public officials. [The Sun 2]

In a separate case, the Civil Court ruled against Major General (ret.) Wais Waheed, now head of the National Counter Terrorism Center, in a dispute over a flat under the SIFCO Hiyaa housing project. The court found his agreement invalid because he owned land exceeding the 600 sq. ft. limit in Greater Malé, a disqualifying condition under the scheme. [The Sun 3]

Meanwhile, the Prosecutor General's Office (PGO) has filed criminal charges against four former officials of the previous Maldivian Democratic Party (MDP) government, including ex-state minister Akram Kamaluddin, for alleged misuse of the "Gedhoruveriya" housing scheme in Hulhumalé Phase II. Investigators say flats were awarded to ineligible recipients, with charges brought under Section 513 of the Penal Code on abuse of authority. The Anti-Corruption Commission and police are continuing probes into both the Gedhoruveriya and Binveriya housing projects, with further charges expected. [The Sun 4]

Maldives: Parliament considers asset disclosure rules

(ya) A lawmaker from the main opposition Maldivian Democratic Party has submitted draft amendments to parliamentary rules that would require MPs, ministers, and heads of state companies to declare their assets, business interests, debts, and liabilities within 30 days of assuming office. The disclosures would need verification by licensed auditors, and penalties would apply for non-compliance. Current rules require annual statements but do not set deadlines tied to the start of a term. The amendments would also apply to senior

officials in independent institutions and state-owned enterprises. [The Sun]

Maldives: President launches digitalization drive under 'Maldives 2.0' agenda

(ya) President Mohamed Muizzu has advanced his "Maldives 2.0" program, presenting it as a plan to curb corruption by automating public services. Speaking during a visit to Mulah in Meemu Atoll, he said that direct interactions between citizens and officials often create opportunities for undue influence, while digital platforms could reduce such risks in both government and private sectors.

Muizzu announced that a substantial share of next year's state budget will be allocated to digitalization, with priorities including nationwide infrastructure, remote access, and standardized systems to replace paper-based and face-to-face transactions. He also said that one-third of government employees will eventually be able to work remotely once the new systems are in place. [The Sun 1]

To oversee the program, Muizzu has established a Digital Transformation Council under his chairmanship. Based on a cabinet recommendation, the council will guide implementation of the "Digital-First Nation" vision, with priorities covering digital identity, open data, cybersecurity, legal frameworks, infrastructure, e-government services, sectoral reforms in health, education, justice, and parliament, as well as strengthening the ICT sector. [The Sun 2]

Maldives: Intellectual property reforms align with global standards

(ya) The Maldives has enacted major intellectual property (IP) reforms, passing the Maldives Intellectual Property Office Act on August 11 and ratifying it on August 21. A day later, the government also acceded to the Berne Convention for the Protection of Literary and Artistic Works, which takes effect on November 22 this year, granting Maldivian creators automatic copyright protection in over 180 jurisdictions.

Alongside a revised Copyright Act and a pending Trademark Bill, these changes bring the Maldives into closer alignment with global IP regimes. The World Intellectual Property Organization (WIPO) has

welcomed the reforms, underscoring their significance for investors and creative industries operating in or with the Maldives. [The Sun]

Maldives: President skips UNGA to embark on nationwide island tour

(lm) President Mohamed Muizzu has opted not to attend the 80th United Nations General Assembly (UNGA) in New York, choosing instead to undertake an eight-day visit to 31 islands across Vaavu, Meemu, Faafu, and Thaa atolls. The tour, framed as part of his initiative to engage councils and residents across all atolls, will see him meet with local island councils and Women's Development Committees to discuss community priorities and development needs. [The Sun]

Foreign Minister Moosa Zameer Khaleel will represent the Maldives at the UNGA in Muizzu's place. [The Sun]

Maldives: Ex-president criticizes government for denying him UN accreditation

(ya) Former president Mohamed Nasheed has expressed disappointment over the government's refusal to issue him a pass to attend the 80th session of the UN General Assembly in New York. In a statement, his office said the Ministry of Foreign Affairs declined to facilitate accreditation despite his current role as Secretary-General of the Climate Vulnerable Forum. Nasheed argued that, as a former head of state and parliament speaker, he should be allowed to represent the Maldives under the national flag and emblem, in line with international custom.

Nasheed, who rejoined the Maldivian Democratic Party in June after a period of political distance, has alternated between praising and criticizing Muizzu's administration. [The Sun]

Maldives: Policeman who denied oath now faces life sentence in drug trafficking case

(lm) A police constable has been charged with drug trafficking and could face life imprisonment along with

a fine between MVR 100,000 (USD 6,500) and MVR 10 million (USD 650,000) if convicted.

Mohamed Sajid, who joined the force in May as a special constabulary constable, was arrested after authorities allegedly found nearly 192 grams of drugs during a search linked to suspected e-cigarette possession. His residence and motorcycle also yielded tobacco, vapes, and cartridges.

The Thinadhoo Magistrate Court initially released him over procedural issues with the arrest warrant, but prosecutors successfully appealed. During the August 7 High Court hearing, Sajid's lawyer argued he was not legally a police officer as he had not taken an oath. Judges dismissed the claim, citing his participation in the oath ceremony, service record, and salary, ruling that he had committed perjury.

Sajid was re-arrested and held for 20 days. He later appealed his detention to the Supreme Court, but the case has since been withdrawn at his own request. [The Sun]

Maldives: Fiscal strain deepens as debt pressures hit construction, transparency disputes, and SOE spending

(lm/ya) The Maldives is facing mounting financial pressures as debt obligations, stalled payments, and rising salary costs strain public finances and the wider economy.

The construction sector contracted by 1.7 percent in 2024, with its real gross value added falling to MVR 4.3 billion (USD 278 million), according to the National Bureau of Statistics. Private contractors report that unpaid government bills have left firms struggling to remain solvent, with former president Abdulla Yameen estimating state arrears at MVR 14 billion (USD 906 million). Officials have neither confirmed nor denied the figure, and attempts to clarify liabilities through the Right to Information Act have failed. The slowdown adds to concern over external debt, which has reached 134 percent of GDP, with USD 500 million due in October 2025, USD 100 million in November, and USD 1.1 billion in mid-2026. [The Sun 1]

Pressure on fiscal transparency has also increased. During a recent Right to Information hearing, the Finance Ministry said it does not keep separate records of salaries and allowances for political appointees, despite President Mohamed Muizzu's electoral pledge to cap them at 700. The government's own July list

recorded 922 appointees, while opposition figures claim the number is closer to 2,000–3,000. The Maldivian Democratic Party has criticized rising expenditure on pay, with state salary spending reaching MVR 4.3 billion (USD 280 million) and allowances MVR 3.84 billion (USD 249 million) by early September—both up from last year. [The Sun 2]

At the same time, state-owned enterprises (SOEs) are being tapped for development projects beyond their core mandates. The Waste Management Corporation (WAMCO), which is primarily responsible for waste collection and disposal services, has been awarded MVR 58.4 million (USD 3.8 million) in contracts to develop health facilities across three islands in Th. Atoll. The Maldives Transport and Contracting Company (MTCC), the country's largest infrastructure and dredging firm, has secured MVR 29.8 million (USD 1.94 million) in contracts for projects in ADh. Kunburudhoo and F. Feeali. [The Sun 3]

Meanwhile, the Sovereign Development Fund (SDF), established in 2017 to service external debt, has grown to MVR 8.9 billion (USD 578.5 million), with MVR 1.4 billion (USD 91 million) deposited so far in 2025—about 60 percent of the annual target. Yet debt repayments remain a heavy burden, projected at MVR 10 billion (USD 650 million) this year, mostly to foreign lenders. Treasury bill sales have also surged to MVR 89 billion (USD 5.8 billion). Preparations for repaying a USD 500 million sukuk maturing in 2026 have not yet progressed. [the edition 1]

Amid these fiscal strains, President Mohamed Muizzu has warned that the financial situation is worse than it appears and criticized the level of allowances granted to former presidents and members of parliament. While supporting dignified treatment of former leaders, he said some benefits should be scaled back given the economic context. Muizzu also questioned the fairness of MPs receiving large allowances during and after their terms, and highlighted concerns over retired government employees collecting pensions while still working. He pledged to introduce legislative changes once parliament reconvenes, a stance that has gained traction amid public criticism of excessive spending, including more than MVR 18 million (USD 1.17 million) spent on health insurance for former MPs over the past decade. [the edition 2]

Maldives: Fish exports rise 58 percent in first half of 2025, surpassing last year's total

(lm) The Maldives recorded USD 87 million in fish exports during the first six months of 2025, a 58 percent increase from the same period last year and already higher than the total for all of 2024, which was the weakest year on record. Central bank data shows that from 2019 to 2023, annual fish exports ranged between USD 130 million and USD 155 million.

So far this year, 60,000 metric tons of fish have been purchased, including 52,000 tons of skipjack tuna, the country's main export species. Export volumes reached 53,000 tons, of which 47,000 tons were raw fish, representing an 80 percent year-on-year increase. Exports of canned fish also rose, with volumes up by about 300 tons. [the edition]

Maldives: President reiterates pledge to fix fish price

(ya) President Dr. Mohamed Muizzu has reiterated his campaign promise to set the purchase price of fish at MVR 20 per kilogram, despite current policy linking fish purchase to fluctuating international market rates. The announcement was made during a tour of Dhiggaru, an island in Meemu Atoll known for fisheries and Rihaakuru production.

Fishermen had raised concerns about declining incomes since the Maldives Industrial Fisheries Company (MIFCO) shifted to international market-based pricing in May of last year, which led to fish being bought for as low as MVR 16 per kg. Muizzu said that while work is underway behind the scenes to fulfill the pledge, some things require time. He also emphasized support measures for fishermen are being expanded, including ensuring more ice supply regionally and subsidizing fuel via the State Trading Organization (STO) rates. [The Sun]

Maldives: State expands food imports to curb prices as demand for aid rises

(ya) The Maldivian government has expanded the role of the state-owned State Trading Organization (STO) in food imports in response to mounting inflation and rising demand for aid. President Mohamed Muizzu defended the move as the result of "careful calculations and research," stressing that the aim is to guarantee access to affordable staples rather than crowd out private businesses.

The STO has broadened its list of imported essentials to 23 items, including fruits, vegetables, lentils, coconuts, eggs, and potatoes, while also acquiring land on islands for cultivation and entering poultry farming. The intervention comes amid a surge in food insecurity. The National Social Protection Agency (NSPA) reported that in August 700 people received MVR 25,720 (USD 1,660) in food assistance, compared to 697 people and MVR 25,600 (USD 1,650) a year earlier. Official data shows food prices in Malé rose 1.62 percent month-on-month and 1.92 percent year-on-year, with fruit prices jumping 6.13 percent in a single month and over 10 percent annually.

Economic Minister Mohamed Saeed said the government aims to cut prices by another 15 percent in October through bulk imports, supported by expanded foreign exchange allocations from the Bank of Maldives. Critics, however, warn that heavy reliance on state imports could squeeze out private traders and discourage investment in domestic agriculture. [The Sun 1] [The Sun 2] [the edition]

Maldives: Government launches nationwide crackdown on expat-run unlicensed businesses

(ya) President Mohamed Muizzu has announced a nationwide crackdown targeting expatriates involved in unlicensed businesses, ordering immediate action to shut down such operations and deport undocumented individuals. Speaking at a rally in F. Nilandhoo, Muizzu framed the move as part of his administration's broader campaign against law-and-order challenges, including drug abuse and gang-related crime.

Maldives Immigration has since begun implementing the directive, with Controller General Ahmed Faseeh confirming that initial searches were carried out on September 21 in nine areas across Malé. While details on arrests or deportations have not yet been disclosed, Faseeh said the operation will expand to other islands and is intended to apprehend both foreign operators and local facilitators involved in illegal trade.

On September 23, Immigration reported that 24 foreign nationals had been detained during the initial 24-hour sweep in Malé. Officials said the operation would be rolled out in phases, beginning in the capital before expanding to larger population centers and eventually smaller islands. Controller General Ahmed Faseeh acknowledged the challenge posed by influential locals suspected of facilitating illegal

businesses but stressed that enforcement would continue despite these obstacles. [The Sun 1]

The initiative builds on earlier efforts to regulate irregular migration, most notably *Operation Kurangi* launched in 2023, which collected biometric data on nearly 179,000 expatriates. To date, over 8,000 undocumented foreigners have been deported. Authorities say the latest crackdown reflects the government's determination to curb unregulated commerce and address social issues through strengthened enforcement and new legislation. [The Sun 2] [The Sun 3]

Nepal: Interim cabinet expands as state begins recovery, damage assessments, probes into protest violence

(lm) Nepal is entering a fragile recovery phase after the youth-led Gen Z protests of September 8–9, which toppled the Oli government and left at least 74 people dead, thousands injured, and state institutions in ruins. Protesters destroyed or damaged hundreds of police offices and torched core institutions including Parliament, the Supreme Court, and parts of the Singha Durbar complex, Nepal's main administrative headquarters. Authorities estimate damages in the billions of Nepali rupees, equivalent to hundreds of millions of U.S. dollars.

Interim Prime Minister Sushila Karki has pledged compensation to victims' families and expanded her cabinet to nine ministers, underscoring a focus on continuity and crisis management. The new appointments include figures from diverse professional backgrounds in finance, infrastructure, education, agriculture, and communications, reflecting an effort to bring technical expertise into government. Several appointees have pledged to prioritize reconstruction, support families of those killed in the protests, address farmer grievances, and expand access to digital services. [The Kathmandu Post 1] [The Kathmandu Post 2]

Alongside the new appointments, the government announced major reshuffles in key institutions: Manoj Silwal was named head of the Nepal Electricity Authority, replacing Hitendra Dev Shakya; and AIG Manoj KC, who previously investigated the Bhutanese refugee scam—a fraud involving fake resettlement documents that implicated senior officials—was appointed chief of the Central Investigation Bureau. [The Kathmandu Post 3] [The Kathmandu Post 4]

To address accountability, a three-member judicial commission led by former Special Court chair Gauri Bahadur Karki has been mandated to investigate the killings, arson, and vandalism, with three months to submit findings. Former prime minister KP Sharma Oli, in his first remarks since stepping down, denied that his government ordered police to fire on demonstrators, attributing the violence to infiltration and unauthorized weapons. [The Kathmandu Post 5] [The Kathmandu Post 6]

Looking ahead, the interim government has launched a nationwide reconstruction drive. A dedicated Reconstruction Fund will mobilize domestic and diaspora contributions, including Corporate Social Responsibility funds from banks and enterprises, with oversight by a new Physical Infrastructure Reconstruction Committee. The finance ministry has begun reallocating resources, suspending smaller and politically motivated projects, and estimates savings of NPR 120 billion (USD 880 million) to redirect toward rebuilding and preparations for the March 2026 elections. Engineering teams are already inspecting over 160 fire-damaged structures; several ministries and courts have been declared uninhabitable, with experts warning that half of Singha Durbar may require major repair or demolition. [The Kathmandu Post 7] [The Kathmandu Post 8] [The Kathmandu Post 9]

Nepal: Reform inertia persists within establishment while interim leadership tests constitutional order

(lm) The youth-led uprising of September 8–9 toppled the KP Sharma Oli government and opened a new political chapter in Nepal. Yet the country's dominant parties—the Nepali Congress, the Communist Party of Nepal (Unified Marxist–Leninist) (CPN-UML), and the Communist Party of Nepal (Maoist Centre)—show little sign of reform despite years of promises to renew leadership and work on constitutional improvement. Instead, the most decisive break with the status quo has come through the appointment of Sushila Karki as interim prime minister, a move taken outside the charter's eligibility rules and one that has already shifted the constitutional trajectory.

The Nepali Congress, the largest party in the now-dissolved parliament, has resisted calls for leadership change despite internal voices such as general secretary Gagan Thapa urging a party convention and deeper introspection. Senior leaders, however, rejected such proposals, choosing instead to

emphasize unity while continuing to back long-time leader Sher Bahadur Deuba. The CPN-UML likewise remains firmly behind Oli, despite his resignation amid public outrage over police killings during the protests. Party figures argue that infiltration and misinformation, not leadership failure, were to blame. [The Kathmandu Post 1]

By contrast, the Maoist Centre has signaled readiness for at least partial restructuring. Chair Pushpa Kamal Dahal has put forward a four-point plan to dissolve current party committees and convene a general convention by year's end with greater representation for youth, women, Dalits, and marginalized groups. If approved, the Maoists would become the first major party to reorganize in direct response to the protests. [The Kathmandu Post 2]

At the same time, youth activists remain vocal. Sudan Gurung, coordinator of the Hami Nepal group that has claimed a leadership role in the protests, defended his controversial attendance at a Constitution Day reception at the President's Office. He insisted he had gone not to celebrate but to warn traditional leaders against returning to power, stressing that old elites showed no remorse for the killings. Gurung, who played a mediating role between protesters, the army, and the interim government, argued that protecting the constitution was essential to prevent a power vacuum and foreign intervention. [The Kathmandu Post 3]

The crisis has also pushed Nepal's decade-old constitution to a critical juncture. The appointment of interim prime minister Sushila Karki—who is neither an MP nor constitutionally eligible as a former chief justice—was an extra-constitutional step taken to stabilize governance. Demands have since grown for deeper reforms, including a directly elected executive and stronger anti-corruption oversight. Constitutional experts warn that change must occur through legitimate parliamentary procedures to safeguard the charter's survival. Karki, in her Constitution Day remarks, acknowledged governance failures and emphasized that corruption control, accountability, and timely elections are central to preserving democratic stability. [The Kathmandu Post 4]

Nepal: Government prepares voting rights for citizens abroad and younger generation

(lm) The interim government has pledged to extend voting rights to Nepalis abroad, citing a 2017 Supreme

Court verdict. The home minister said legal and technical hurdles would be cleared, with implementation likely beginning in selected countries. The Election Commission has already drafted amendments to election laws, including provisions for diaspora voting through diplomatic missions under the proportional representation system. Officials, however, remain divided over feasibility, particularly in countries unlikely to permit external voting. [The Kathmandu Post 1]

Domestically, a new challenge has emerged after the youth-led protest movement, often referred to as "Gen Z" (the youngest adult generation, broadly those born between the mid-1990s and early 2010s), toppled the Oli-led coalition government within two days over corruption and governance failures. The president subsequently appointed former chief justice Sushila Karki to head an interim administration, tasked with holding elections on March 5. Yet under the current Voter Registration Act, many young citizens who joined the protests would be unable to vote because registration was halted once election dates were announced.

The government now plans to issue an ordinance to reopen registration for these younger voters, with the Election Commission proposing a two-month enrolment window. Despite staff shortages, the commission insists it can manage the process, while the finance ministry has assured that resources for the election will be available. [The Kathmandu Post 2]

Nepal: Provincial leaders resign or backtrack amid fallout from youth-led mass protests

(lm) Political repercussions from the September 8-9 Gen Z protests continue to play out at the provincial level.

In Madhesh Province—Nepal's southern region bordering India, known for its dense population and longstanding demands for greater autonomy—Chief Minister Satish Kumar Singh of the Janamat Party, a regional force that campaigns on Madheshi rights and federal restructuring, reversed his earlier decision to resign. He argued, after consultations with coalition and opposition leaders, that changing provincial leadership during a crisis would jeopardize federalism. Singh, whose party has formally withdrawn support and recalled ministers, now intends to face a vote of confidence in the provincial assembly. [The Kathmandu Post 1]

By contrast, in Bagmati Province—Nepal's most populous province, encompassing the capital Kathmandu and serving as the country's political and administrative center—Assembly Speaker Bhuwan Kumar Pathak of the Rastriya Prajatantra Party (RPP), a conservative party advocating monarchy, Hindu state identity, and centralized governance, formally resigned. He said continuing in office would contradict the grief of the public and the sentiment of the youth after the protests. Pathak had announced his intent to step down on September 9 via social media, but only completed the process later due to procedural delays. [The Kathmandu Post 2]

Nepal: President authenticates citizenship amendment bill

(lm) Nepal's president has endorsed a bill amending the 2006 Citizenship Act after it cleared both houses of parliament. The new law allows children to obtain citizenship through their mothers and gives applicants the option to omit the father's name, surname, or address on certificates. Rights advocates and legal experts, however, argue that the law, while more inclusive in form, still fails to grant mothers equal authority with fathers in passing on citizenship. They caution that discriminatory provisions remain and that the law ultimately continues to reflect patriarchal bias. [The Kathmandu Post]

Nepal: Pokhara ward office settles attempted rape case through local mediation

(lm) In Pokhara, the country's second-largest city and the capital of Gandaki Province in central Nepal, ward officials facilitated a local settlement in a case involving the attempted rape of a minor. The accused, a 30-year-old man, was compelled to perform 25 physical punishments and bow at the victim's feet, after which the case was closed locally without involving the police. The settlement was endorsed by ward representatives, community groups, and the victim's family.

Legal practitioners and rights advocates sharply criticized the move, stressing that under Nepal's Penal Code 2017, attempted rape of a child carries nine to ten years of imprisonment and cannot be settled outside the courts. They also warned that public officials who facilitate such agreements may themselves face punishment, highlighting serious

concerns about elected representatives undermining legal protections for children and enabling impunity in cases of sexual violence. [The Kathmandu Post]

Nepal: Jailbreak and looted weapons following youth-led mass protests

(lm) Amid the major unrest, accompanying the youth-led mass protests, 666 prisoners escaped from Kailali prison in far-western Nepal, one of the country's largest correctional facilities, with 377 still at large and only 289 having returned. [The Kathmandu Post 1]

At the same time, police reports state that more than 1,100 firearms were looted during the Gen Z protests, later updated to 1,276 rifles and pistols with nearly 100,000 rounds of ammunition and over 1,300 rubber bullets unaccounted for. Protesters attacked 455 police offices and barracks across the country, of which 197 were completely destroyed and 258 partially damaged. [The Kathmandu Post 2] [The Kathmandu Post 3]

Pakistan: Supreme Court upholds military trials of civilians but calls for appeal rights

(lm) Pakistan's Supreme Court has ruled that trying civilians in military courts under the Army Act is not unconstitutional, provided such trials remain within statutory limits and follow procedural safeguards. In a 5–2 majority decision, the court overturned an earlier ruling that had deemed the practice unconstitutional, affirming that military tribunals can serve as special forums without violating fair trial standards.

The judgment emphasized that the Army Act provides protections such as the right to counsel, cross-examination of witnesses, and internal appellate review. It noted that international law, including Article 14 of the International Covenant on Civil and Political Rights, does not prohibit military tribunals as long as they ensure fairness and impartiality. The court stressed that military courts operate within a "narrowly defined legal space" tied to national defense and security operations rather than replacing civilian courts.

However, the ruling identified a critical gap: the absence of an independent right of appeal for civilians convicted by military courts. The bench urged Parliament to amend the Army Act within 45 days to

grant such appeals to the High Courts, warning that without this change, the system remains constitutionally incomplete.

Two dissenting judges maintained that military trials of civilians are inherently unconstitutional. [The Express Tribune]

Pakistan: Jailed-ex prime ministers petitions chief justice alleging being denied justice and human rights

(my) Pakistan's jailed former prime minister and main opposition Pakistan Tehreek-e-Insaf (PTI) founder Imran Khan has appealed to Chief Justice Yahya Afridi, alleging political victimization, denial of justice, and deteriorating conditions in detention. The letter, dated September 16, sets out grievances ranging from election rigging to judicial bias and human rights abuses.

Khan claimed he has been held in solitary confinement for more than 770 days in a 9 × 11 foot cell, facing over 300 cases that he describes as politically motivated. He alleged that meetings with his lawyers and family are often cancelled and that phone contact with his sons has been blocked. He also raised concerns over the health of his wife, Bushra Bibi, who is imprisoned in connection with the Al-Qadir Trust case—a corruption case in which Khan and his wife are accused of improperly benefiting from land and funds tied to a charitable trust. According to Khan, she has been denied medical treatment, access to books and television, and basic rights normally granted to female prisoners.

On the legal front, Khan accused the Islamabad High Court under Chief Justice Sarfaraz Dogar of showing bias by failing to schedule hearings in critical cases, including the Al-Qadir Trust matter and the Toshakhana case—a high-profile case involving allegations that Khan failed to disclose or misused luxury gifts received while in office. He argued that the court has abandoned impartiality and become a tool of political persecution. He also criticized the 26th Constitutional Amendment, which altered the composition and appointment process of certain judges, saying it has undermined judicial independence.

Khan reiterated his claim that PTI won a "landslide victory" in the 2024 elections, but that the mandate was stolen "overnight," citing what he described as a suppressed Commonwealth Observer Group report

pointing to widespread irregularities. [Pakistan Today] [The Express Tribune] [The News International]

Pakistan: Five Islamabad High Court judges petition Supreme Court over administrative interference and judicial independence

(my) Five judges of the Islamabad High Court (IHC) have submitted separate petitions to the Supreme Court challenging the authority of Chief Justice Sarfaraz Dogar and alleging unconstitutional administrative interference. The move, unprecedented in Pakistan's judicial history, has highlighted deep institutional rifts. [DAWN]

The petitions, filed under Article 184(3) of the Constitution, argue that the chief justice's use of administrative powers to transfer cases, exclude judges from rosters, and reconstitute benches undermines the principle of judicial independence. The judges contend that such powers should be exercised collectively under Article 202, which empowers high courts to frame their own rules, rather than solely by the chief justice. They also challenge the revival of the "Master of the Roster" doctrine — which allows the chief justice exclusive control over case assignments — despite it having previously been struck down by the Supreme Court.

The judges further argue that the Islamabad High Court Practice and Procedure Rules, 2025, were unlawfully adopted without full court approval, and that administrative committees formed in February and July 2025 were illegally constituted. They emphasize that judges can only be suspended or removed under Article 209 of the Constitution, which places oversight with the Supreme Judicial Council, not through administrative maneuvers.

The crisis comes against the backdrop of Chief Justice Dogar's controversial transfer from the Lahore High Court and elevation to the IHC under the 26th Constitutional Amendment, which altered judicial appointment rules to bypass seniority. His appointment sidelined senior puisne judges and triggered recurring clashes over rosters, case transfers, and internal rules. The situation escalated when Justice Jahangiri, one of the petitioners, was restrained from judicial work over an alleged fake degree case, and Justice Saman Rafat Imtiaz was stripped of her authority to hear a harassment complaint involving the chief justice. [The Express Tribune]

Pakistan: Opposition party warns proposed constitutional amendment could weaken provincial autonomy

(my) On September 18, the Awami Tehreek, a Sindh-based nationalist opposition party that campaigns for provincial autonomy, strongly criticized the government's proposed 27th Constitutional Amendment, claiming it would undermine provincial rights.

According to party representatives, the amendment would grant the federal government authority to alter provincial boundaries and create new provinces, powers that critics argue could centralize decision-making and weaken the rights of existing provinces.

Awami Tehreek leaders stated that such changes would suppress provincial voices and contradict the spirit of the 18th Constitutional Amendment, which devolved greater powers to provinces. They urged political parties and civil society to resist what they described as an attempt to curtail federalism. [DAWN]

Pakistan: Government pushes alternative dispute resolution to ease 2.4 million case backlog

(lm) Pakistan is moving to expand alternative dispute resolution (ADR) mechanisms as part of efforts to ease a judicial backlog of 2.4 million cases. Law Minister Azam Nazeer Tarar announced that while civil disputes in Pakistan's courts can take up to 15 years, ADR processes such as mediation and arbitration typically conclude within 75 days, offering businesses and individuals faster and less costly outcomes.

The initiative follows an internationally accredited mediation training in Islamabad, led by the International Mediation & Arbitration Center (IMAC), with participation from judges, lawyers, officials, and business professionals. The government plans to scale up mediation centers nationwide and position Pakistan as a regional ADR hub, aligning with global business standards and investment needs.

Supreme Court Justice Shahid Waheed described mediation as central to reducing backlogs and improving access to justice. He pointed to current reforms, including drafting a model ADR law,

establishing court-annexed mediation centers, and integrating technology into dispute resolution.

The push comes amid broader judicial reforms and international outreach. Earlier this month, Chief Justice Yahya Afridi emphasized strengthening cooperation with judicial bodies in other Muslim countries, including Saudi Arabia's Muslim World League, to enhance institutional capacity and credibility. [Arab News]

Pakistan: Minority rights bill returned by president, to be decided in joint parliamentary sitting

(my) president Asif Ali Zardari has returned the National Commission for Minorities Rights Bill, 2025 unsigned, meaning it will now be presented in a joint sitting of parliament for a final decision. The bill had already passed both houses before being sent to the president.

The announcement came during a meeting of the National Assembly's Standing Committee on Religious Affairs, where State Minister for Religious Affairs Kesoo Mal Khael Das assured lawmakers that the legislation would move forward. The committee expressed satisfaction with the assurance and closed its review of the bill.

The session also focused on preparations for religious delegations and pilgrim (Zaireen) travel, calling for stronger institutional arrangements and expanded facilities. Recommendations included granting state guest status to official delegations, subsidies to reduce pilgrim costs, direct flights from Karachi to Najaf, permanent facilitation desks at major airports, and restoring Pakistan Houses in Makkah and Madinah to provide dignified accommodation. Lawmakers also urged broader awareness campaigns to educate pilgrims on travel protocols and safety. [The Express Tribune]

Pakistan: TV anchor wounded in gun attack

(lm) Pakistani journalist and television anchor Imtiaz Mir was shot and injured in a targeted attack in Karachi, Pakistan's largest city and economic hub, over the weekend. Mir, who hosts a current affairs program on the private channel *Metro 1 News*, was attacked by

two assailants on a motorcycle. Police confirmed the shooting was deliberate and not related to a robbery attempt.

The incident underscores the persistent dangers faced by media workers in Pakistan. Between 2018 and 2023, watchdog group Freedom Network documented 184 violent incidents against journalists in Sindh province alone, including 10 killings. Journalists in Pakistan frequently cite threats and harassment when reporting on politically sensitive or security-related issues. [Arab News]

Pakistan: Three transgender women found shot dead

(lm) Police in Karachi, Pakistan's largest city and commercial hub, found the bullet-riddled bodies of three transgender women. Authorities said their identities and motive for the killings are still being investigated.

Rights groups, including Amnesty International, have warned of a troubling rise in violence against transgender people in Pakistan, compounded by organized online hate campaigns that erode both their legal protections and physical safety. Activists argue the attacks reflect entrenched prejudice, with some killings linked to reprisals against women who reject advances from men.

Pakistan's landmark 2018 Transgender Rights Act was initially praised globally for expanding protections but later had key provisions struck down by a Sharia court following opposition from religious groups. Despite official support at provincial levels, activists say deep-seated social hostility continues to drive targeted violence. [Arab News]

Pakistan: Government lifts ban on new LNG connections under revised policy

(my) The Government of Pakistan has lifted a longstanding ban on new liquefied natural gas (LNG) connections, approving a revised policy that shifts households to a market-based tariff structure. The federal cabinet authorized the Oil and Gas Regulatory Authority, along with the Sui Northern and Sui Southern gas companies, to begin processing applications under a regulator-determined monthly LNG tariff.

The move represents a major policy change after years of restrictions driven by declining domestic gas reserves. Under the new framework, all new connections will be priced at LNG tariffs rather than subsidized indigenous gas rates. Annual quotas will be set according to LNG availability and the utilities' processing capacity, with priority given to applicants who had already paid for indigenous gas connections if they agree to revised contracts and additional security fees.

Disconnected households without supply for more than a year will also be eligible for reconnection, but only on LNG terms. Half of the yearly quota will be reserved for urgent-fee applications, which must be connected within three months where network facilities exist.

The revised policy raises household connection charges to between PKR 40,000 and PKR 50,000 (USD 140–180). Existing waiting lists for indigenous gas are to be cancelled and replaced with new applications under LNG rules. Authorities said more than 3.5 million applications are pending, highlighting the scale of unmet demand. [DAWN]

Pakistan: Government weighs major cut in tax target

(as) After missing the deadline for the privatization of Pakistan International Airline (PIA), the government is considering multiple scenarios to revise the Federal Board of Revenue's tax collection target for the current fiscal year, including a potential reduction. PIA is the country's struggling state-owned national flag carrier, long burdened by debt and chronic losses. Officials are evaluating a downward adjustment of the annual target from PKR 14.1 trillion (USD 50.3 billion) to a range of PKR 13.5–13.8 trillion (USD 48.2–48.9 billion), in line with changes to the broader macroeconomic framework. At the same time, the government is exploring the introduction of a flood levy to generate funds for rehabilitation and reconstruction, aimed primarily at high-net-worth individuals and selected sectors.

Preliminary estimates of flood damage indicate major losses to key crops. Rice output could fall by 15 percent, sugarcane by 5.7 percent, and cotton by 10 percent. These setbacks are expected to drag GDP growth down from an earlier projection of 4.2 percent to about 3 percent. Inflation, measured by the Consumer Price Index, is also forecast to rise from the 5–7 percent range to around 8 percent.

A senior government official acknowledged that FBR revenues may fall short by about PKR 293 billion (USD 1.05 billion) in the first half of the fiscal year. Independent tax experts warn the full-year shortfall could reach PKR 491 billion (USD 1.76 billion). FBR officials remain cautiously optimistic, suggesting that revenues could recover in the second half (January–June) on the back of stronger wheat yields. [The News International]

Pakistan: Government pushes investment, industry, and tourism to drive recovery

(lm) Prime Minister Shehbaz Sharif has instructed his ministers to urgently identify feasible projects for foreign investment in agriculture, information technology, minerals, tourism, and renewable energy. Speaking ahead of his trip to the UN General Assembly, he emphasized that Pakistan must present a "forward-looking" roadmap that integrates the private sector and prioritizes trade alongside investment. The initiative builds on the Special Investment Facilitation Council (SIFC), established in 2023 to fast-track approvals in key sectors, as Islamabad seeks to shift from loan dependency to export-led and reform-driven growth after narrowly avoiding sovereign default in 2023. [Arab News 1]

Economic indicators suggest early momentum. Large-scale manufacturing expanded 8.9 percent year-on-year in July, the strongest pace in over three years and up 2.6 percent month-on-month. Gains were recorded across multiple sectors, including furniture, automobiles, transport, apparel, cement, paper, food products, textiles, and pharmaceuticals. Officials credit the expansion to reduced capital costs, more predictable taxation, and revived consumer demand, underpinned by a USD 7 billion International Monetary Fund program. [Arab News 2]

Tourism is also being promoted as a long-term growth driver. Authorities say Pakistan could generate USD 30–40 billion annually from the sector, leveraging its mountains, valleys, historic sites, and religious heritage. To showcase this potential, Pakistan will host its first "Tourism Road Expo" in November, with similar events planned abroad. The government also intends to lease unused state properties for up to 60 years to attract domestic and foreign investment in modern facilities, while developing digital portals for travel information. Officials have pledged to enhance services for Sikh pilgrims and restore Buddhist heritage sites, though they caution that climate change and

deforestation remain serious threats to sustainable tourism. [Arab News 3]

Pakistan: Agricultural heartland ends monsoon season, pledges record relief as floods devastate millions

(lm) Punjab, Pakistan's most populous province and its agricultural heartland, has declared the 2025 monsoon season over after floods left more than 1,000 people dead nationwide and uprooted at least 2.6 million residents across 28 districts. Nearly 45 million people in Punjab were affected, with crops on more than 2.5 million acres destroyed, threatening long-term food security.

The floods, driven by heavy monsoon rains and water releases from upstream India, submerged over 4,700 villages and caused widespread damage to rice, corn, sugarcane, and cotton fields. Infrastructure losses included damage to the M5 Motorway linking Multan, a major city in southern Punjab and an important hub for trade and agriculture, with other parts of the province. Relief operations involved relocating more than 2 million livestock and rescuing 2.4 million people.

Punjab's government has announced the largest rehabilitation package in its history, with compensation of PKR 1 million (USD 3,503) for households whose homes collapsed, PKR 500,000 (USD 1,751) for partial damage, and additional payments for lost livestock. A digital survey to verify damages is set to begin on September 24, with payouts promised within two weeks.

While waters are receding in Punjab, Pakistan's Meteorological Department warned that the Indus River in Sindh remains at medium flood levels, underscoring the continuing risk. The crisis recalls Pakistan's 2022 floods, which killed more than 1,700 people and caused over USD 35 billion in losses, highlighting the country's acute vulnerability to climate change despite contributing only about one percent of global greenhouse gas emissions [Arab News 1] [Arab News 2]

Pakistan: Launch of UAE-backed financial institution marks step in digital economy

(as) On September 18, Mashreq Bank, a major United Arab Emirates–based financial institution, launched its

digital retail banking operations in Pakistan. The move is positioned as a key step in expanding the country's digital economy and financial services sector.

Mashreq Digital Bank aims to onboard 10 million new users, targeting the country's large unbanked population. Pakistan's digital transaction volumes have already increased by 35 percent in recent years, but financial inclusion remains limited. [The Truth International]

Pakistan: Railway project approved to connect major copper-gold deposit with national network

(lm) Pakistan has approved a USD 390 million bridge-financing package to construct a 1,350-kilometer railway line linking a vast copper-gold deposit in Balochistan to the national transport network. The Economic Coordination Committee endorsed the plan, with the Ministry of Railways tasked to provide implementation updates by March 2026.

The deposit, known as the Reko Diq mine, is located in Pakistan's southwestern Balochistan province and is considered one of the world's largest untapped reserves of copper and gold. It is co-owned by Canada's Barrick Gold (50 percent) and Pakistan's federal and provincial governments (50 percent), with projected revenues of USD 90 billion over the next 37 years.

Once operational, the new railway from Rohri in Sindh to Nokundi in Balochistan will handle about one million tons of copper annually, replacing an estimated 28,000 truckloads each year. Officials say the project could transform Balochistan's economic landscape by creating jobs, modernizing infrastructure, and boosting foreign exchange earnings at a time of prolonged macroeconomic stress.

However, the mine's location highlights enduring risks. Balochistan, Pakistan's largest but poorest province bordering Iran and Afghanistan, has long faced separatist insurgency and militant attacks on infrastructure and foreign-linked projects, including those tied to the China–Pakistan Economic Corridor (CPEC). [Arab News]

Pakistan: New wastewater plant and high-speed train reflect infrastructure push

(my) Pakistan has taken significant steps in its infrastructure development through a new collaboration with Denmark and progress on a major domestic rail initiative. Pakistan and Denmark have signed a loan agreement to construct a wastewater treatment plant (WWTP) in Faisalabad, the country's third-largest city and a major textile and industrial hub. The project, financed through Denmark's Danida Sustainable Infrastructure Finance, aims to improve wastewater management, protect public health, and strengthen urban resilience. It also marks Denmark's first major development intervention in Pakistan after a long hiatus, underlining renewed international cooperation in sustainable urban infrastructure.

In parallel, Pakistan is advancing the high-speed train project connecting Islamabad, the country's capital, and Rawalpindi, its adjacent garrison city known for military and administrative significance. The project is expected to cut travel time between the twin cities, improve commuter convenience, and stimulate economic activity in the region. [The Express Tribune] [Radio Pakistan]

Pakistan: Escalating violence in Balochistan highlights persistent instability

(my/lm) Balochistan, Pakistan's largest but least developed province, has seen a series of violent incidents in recent days, reflecting the region's ongoing instability. The province borders Iran and Afghanistan, contains significant mineral reserves, and hosts trade routes linked to the China–Pakistan Economic Corridor (CPEC).

On September 17, security forces reported killing five suspected members of Fitna al Hindustan, a group Pakistan describes as an Indian-backed proxy, during an intelligence-led operation in Khuzdar. Weapons and explosives were seized. India has denied allegations of involvement in Balochistan. [The Express Tribune 1] [DAWN] [Radio Pakistan]

The following day, September 18, three major bombings struck across the province. In Turbat district, a suicide car bomber targeted a convoy of paramilitary forces, killing security personnel and injuring 23 others. Hours later, another car bomb exploded in Chaman, a key border city with Afghanistan, killing six civilians. In Dasht, near the Iranian frontier, a suicide blast killed at least five, with the separatist Baloch Liberation Army (BLA) — a group seeking independence for Balochistan — claiming

responsibility. These incidents came after a Daesh-claimed suicide bombing earlier in the week in Quetta that killed 15 people at a political rally. [Arab News 1] [Arab News 2]

On September 19, a grenade attack in Khuzdar targeted the residence of senior figures from the Pakistan Peoples Party (PPP) and Pakistan Muslim League-Nawaz (PML-N). Seven guards were injured, though their condition is stable. Police said motorcycle-borne attackers fled the scene, and a search operation is underway. [The Express Tribune 2]

Amid these incidents, authorities confirmed the killing of a senior district official who had been abducted with his son in early August while visiting a tourist site. His body was later found in Harnai district, while the fate of his son remains unclear. [Arab News 3]

Pakistan: Military-backed operation targets narcotics production in Balochistan

(lm) Pakistan has launched a large-scale operation in its southwestern province of Balochistan to eradicate poppy cultivation and dismantle drug networks. The campaign, led by the Anti-Narcotics Force in coordination with local authorities, is being conducted under the direction of army chief Field Marshal Syed Asim Munir and the provincial government.

The initiative follows growing concern that, after the Taliban's near-total ban on poppy cultivation in Afghanistan, Pakistan has emerged as a major producer of opium. International reporting has warned that Balochistan — already affected by insurgency — risks becoming an "opium production hub" that could both fuel domestic addiction and finance militant groups.

Authorities say the crackdown includes destroying crops, closing drug dens, and offering alternative livelihood opportunities to reduce reliance on narcotics cultivation. Officials frame the effort as part of a broader national campaign against drugs, which have become increasingly widespread, particularly among youth.

Health experts note that while opium remains a key concern, addiction to synthetic drugs such as crystal meth is rising sharply across Pakistan. With no updated national drug survey since 2012–13, policymakers lack precise data, though earlier surveys suggested nearly 7

million users nationwide. A new survey has been commissioned to guide policy. [Arab News]

Pakistan: Militancy surges as police and army intensify nationwide operations

(lm) Pakistan is grappling with a sharp escalation in militant violence, prompting intensified security operations across multiple provinces.

In Punjab — the country's most populous province and economic heartland — police announced the arrest of 89 suspected militants over the past three months in more than 900 intelligence-based raids. Those detained include 55 linked to the Pakistani Taliban (Tehreek-e-Taliban Pakistan, TTP), five to Daesh, and others connected to Al-Qaeda and regional separatist groups. Authorities said the suspects were planning coordinated attacks, with explosives, detonators, and propaganda materials seized. More than 13,000 combing operations have been carried out during the same period, netting over 1,100 additional suspects. [Arab News 1]

The crackdown comes as violence intensifies in Khyber Pakhtunkhwa, the mountainous province bordering Afghanistan that has long been the epicenter of insurgency. On September 22, a blast in the Tirah Valley killed at least 24 people when bomb-making material stored at a TTP compound detonated, destroying nearby homes and killing both militants and civilians. Police accused the group of using civilians as human shields and operating factories for roadside bombs. [Arab News 2]

In the adjacent district of Dera Ismail Khan, the army reported killing seven suspected militants, including three Afghan nationals and two suicide bombers, during an intelligence-based operation. The military urged Afghanistan's Taliban-led government to prevent its soil from being used for cross-border attacks, while also accusing India of backing insurgents — allegations both Kabul and New Delhi deny. [Arab News 3]

The escalation underscores Pakistan's deepening security crisis. According to the 2025 Global Terrorism Index, Pakistan is now the world's second-most affected country by militant violence after Burkina Faso, with deaths rising by 45 percent in 2024 to over 1,000. Militancy has surged since the collapse of a fragile truce between the Pakistani Taliban and Islamabad in late 2022, compounded by a parallel separatist insurgency in Balochistan, the country's largest but least developed province.

Seychelles: Government denies plans for tax reforms

(lm) The Ministry of Finance, National Planning and Trade has dismissed reports circulating on social media that the government is preparing to introduce tax reforms. Officials stated there are no plans to alter the current tax system, describing the claims as unfounded. The clarification comes amid speculation over fiscal policy adjustments, with the government reaffirming its commitment to maintaining the existing framework. [Seychelles Nation]

Sri Lanka: Government led by President Dissanayake faces first-year test of delivery

(lm) The National People's Power (NPP) government led by President Anura Kumara Dissanayake has completed its first year in office, facing scrutiny over whether its reformist campaign rhetoric is translating into delivery. The NPP rose to power in September 2024 on the back of the 2022 economic crisis, promising clean governance, social justice, and sweeping reforms after decades of dominance by the country's two traditional parties.

Economically, the administration pledged to renegotiate the International Monetary Fund (IMF) program but has instead continued with it, citing risks to stability. Revenue collection improved in early 2025, yet projected growth remains below the 5 percent target. Electricity and fuel tariffs have risen under IMF cost-reflective pricing, contradicting campaign promises of cuts.

On governance, progress is mixed. A new law on stolen asset recovery exists but has yet to yield results, though prosecutions have led to the jailing of two former ministers. The government has delivered on trimming perks, removing benefits for former presidents and restricting duty-free vehicle imports for MPs. The cabinet was reduced to 21 ministers, below its original pledge of 25.

Legal and rights reforms are pending. The Prevention of Terrorism Act (PTA) is set to be repealed and replaced, and a Truth and Reconciliation Commission remains only a pledge. No provincial council elections have been scheduled despite assurances, and investigations into the 2015 bond fraud remain stalled,

with ex–central bank governor Arjuna Mahendran still at large in Singapore.

On energy, the government maintains its target of 70 percent renewables, with early projects underway, while simultaneously restructuring the Ceylon Electricity Board (CEB) to address inefficiencies. Anti-crime efforts, including measures against drug trafficking, have shown visible enforcement gains. [Daily Mirror]

Sri Lanka: Former president urges mass opposition protests as opposition party seeks revival

(lm) Sri Lanka's United National Party (UNP), once the country's dominant political force but now reduced to marginal status, held its annual convention on September 20 with a theme of uniting the opposition. Party leader and former President Ranil Wickremesinghe called for 1,000 joint rallies, protests, and satyagrahas (a form of nonviolent civil resistance rooted in South Asian political tradition), warning that the current administration was steering the country toward a "constitutional dictatorship."

In his address, he also referenced his August 2025 arrest by the Criminal Investigation Department over allegations of misusing public funds during overseas travel, which included attending his wife's graduation in London after participating in official summits. He said he would refrain from further comment on legal advice. [Daily Mirror 1]

The convention drew figures from across the opposition spectrum. The Samagi Jana Balawegaya (SJB), a breakaway from the UNP, was formally represented by its general secretary, though other senior members attended independently, highlighting fluid political alignments. Leaders from smaller groups such as the Tamil Progressive Alliance also participated. In parallel, the UNP announced it would reinstate members who had defected to the SJB in 2020, part of its effort to rebuild support after severe electoral setbacks. [Daily Mirror 2] [Daily Mirror 3]

The UNP's decline has been stark. Founded in 1946, it governed Sri Lanka for much of the post-independence period and was long associated with pro-market economic reforms and strong ties to Western partners. However, its dominance has eroded sharply over the past two decades. In the 2020 parliamentary elections, the party won just a single seat — its worst performance in history. By 2024, it was unable to

contest under its traditional elephant symbol and instead joined a coalition under a different banner, reflecting deep internal splits and weakened public support. Wickremesinghe himself lost the September 2024 presidential election to Anura Kumara Dissanayake, whose left-leaning party went on to secure a commanding parliamentary majority in November of that year. [Daily Mirror 4]

Sri Lanka: Northern politicians demand provincial council elections under proportional representation

(lm) A cross-party group of Tamil politicians from Sri Lanka's Northern Province has urged the government to hold long-delayed Provincial Council (PC) elections under the proportional representation system. Representatives from parties including the Illankai Tamil Arasu Kachchi (ITAK), People's Liberation Organisation of Tamil Eelam (PLOTE), Eelam People's Revolutionary Liberation Front (EPRLF), Tamil Eelam Liberation Organization (TELO), and Eelam People's Democratic Party (EPDP) issued the joint appeal, warning of growing doubts over the government's commitment to restoring devolved governance.

The Northern Provincial Council last went to the polls in September 2013, twelve years after its previous election, and has since lapsed without renewal. The group noted that the ruling Janatha Vimukthi Peramuna (JVP), a Marxist-leaning party led by President Anura Kumara Dissanayake has historically opposed the PC system, describing it as costly and ineffective, raising fears that elections may be indefinitely stalled despite constitutional guarantees.

They stressed that while provincial councils are not a full solution to Sri Lanka's ethnic conflict, they remain a vital mechanism for democratic participation and regional representation under the country's devolution framework, first established by the 13th Amendment to the Constitution in 1987. [Daily Mirror]

Sri Lanka: National Audit Act amended to strengthen oversight and accountability

(lm) Sri Lanka has enacted the National Audit (Amendment) Act, No. 19 of 2025, following parliamentary approval earlier this month and final certification by Speaker Jagath Wickramaratne on September 22. The amendments establish a Surcharge

Review Committee to decide on penalties recommended by the Auditor General, empower the Auditor General to file complaints directly with law enforcement on fraud or corruption cases, and extend the deadline for submitting the Annual Detailed Management Audit Report from five to six months. Punishments under Sections 42 and 43 of the original 2018 law have also been significantly increased, marking a broader effort to strengthen public financial accountability and enforcement capacity. [Daily Mirror]

Sri Lanka: Asset declarations spark political tensions amid new transparency rules

(lm) Questions over political transparency in Sri Lanka intensified this week as both a cabinet minister and the opposition leader faced scrutiny over asset declarations.

Industry and Entrepreneurship Development Minister Sunil Handunnetti refused to answer questions about his assets during a live television interview, insisting that such matters fall under the remit of the Commission to Investigate Allegations of Bribery or Corruption (CIABOC), the country's anti-graft body. He argued that challenges to asset records should be pursued through CIABOC's formal procedures rather than in media settings. The exchange turned heated as the presenter stressed the public's right to accountability, reflecting broader concerns about credibility in how asset and liability declarations are managed. [Daily Mirror 1]

Meanwhile, Opposition Leader Sajith Premadasa requested more time to comply with CIABOC's new requirement that asset declarations be filed digitally. Premadasa had already submitted his statement of assets and liabilities to Parliament in April 2025, but under updated transparency rules, all declarations must now be uploaded to CIABOC's public website. [Daily Mirror 2]

Sri Lanka: Committee uncovers misuse of USD 27 million at Central Cultural Fund

(lm) A government-appointed committee has revealed that more than LKR 8 billion (USD 27 million) was misused at Sri Lanka's Central Cultural Fund (CCF), which manages funds for the preservation and promotion of the country's cultural heritage, without

the approval of its Board of Governors. The Deputy Minister of Buddhasasana, Religious and Cultural Affairs said the committee's final report will be submitted soon, after which legal action will be taken against those responsible, regardless of position or status. [Daily Mirror]

Sri Lanka: Anti-graft body faces scrutiny over independence and leadership

(lm) Sri Lanka's Commission to Investigate Allegations of Bribery or Corruption (CIABOC) confirmed that its Director General, Ranga Dissanayake, admitted his child to Colombo's leading state school, Royal College, lawfully, following an internal inquiry into a complaint. The Commission stated that the admission complied fully with existing regulations. [Daily Mirror 1]

At the same time, Transparency International Sri Lanka (TISL) has warned that the CIABOC's credibility is at risk without full financial and operational independence. While Parliament's Committee on Public Finance recently approved its 2026 budget estimate and stressed the need for autonomy on par with the Central Bank and Auditor General's Department, the Commission still relies on ministerial approvals. TISL cautioned that such dependence undermines its ability to conduct impartial, resource-intensive investigations that often involve politically powerful figures.

The group emphasized that genuine independence must extend to staffing, administration, and case management, while accountability should remain with Parliament. [Daily Mirror 2]

Sri Lanka: Ex-minister Shashindra Rajapaksa remains in custody over bribery and land misuse charges

(lm) Former State Minister Shashindra Rajapaksa, a member of the powerful Rajapaksa political family, continues to be held in remand custody as multiple cases against him proceed. The Colombo Magistrate's Court most recently extended his remand until September 30 in connection with allegations of illegally constructing a farm building on land belonging to the Sri Lanka Mahaweli Authority, the state agency overseeing irrigation and agricultural settlement around the island's largest river basin. The disputed property is near the Kiriibbanwewa reservoir in

Sevanagala, a region developed under Mahaweli irrigation projects.

Separately, Rajapaksa was earlier arrested by the Commission to Investigate Allegations of Bribery or Corruption (CIABOC) on bribery-related charges. His bail application in that case remains pending. [Daily Mirror 1] [Daily Mirror 2]

Rajapaksa is the son of former Speaker of Parliament Chamal Rajapaksa and nephew of former presidents Mahinda Rajapaksa and Gotabaya Rajapaksa, underlining the high-profile nature of the proceedings.

Sri Lanka: Former immigration chief jailed over visa deal contempt case

(lm) Sri Lanka's Supreme Court has sentenced former Controller General of Immigration and Emigration Harsha Ilukpitiya to two years in prison for contempt of court after he failed to implement an earlier order suspending a controversial visa outsourcing deal.

The case stems from a 2023 agreement under which online visa processing was outsourced to a foreign consortium, triggering higher fees, transparency concerns, and criticism that the move hurt tourism and cost the state revenue. In August 2024, the Supreme Court ordered a return to the previous Mobitel-run system, but Ilukpitiya did not comply, leading to his remand and eventual conviction. [Daily Mirror]

Sri Lanka: Supreme Court ruling leads to removal of Medical Council chairman

(lm) Dr. Vajira Dissanayake, chairman of the SLMC, the country's statutory body regulating medical education, professional standards, and licensing of doctors, resigned on September 19 after a Supreme Court decision upheld a prior Court of Appeal ruling against his appointment.

The case traces back to 2020, when then–Health Minister Pavithra Wanniarachchi dismissed SLMC President Prof. Harendra Silva and four other members. The Court of Appeal later ruled that dismissal illegal and arbitrary. With the Supreme Court dismissing the government's appeal, Dr. Dissanayake's appointment was left without a legal basis.

Although the judgment confirmed that Prof. Silva and the others had been unlawfully removed, their terms

have since expired, making reinstatement impossible. [Daily Mirror]

Sri Lanka: Court orders municipal council to address air pollution

(lm) Sri Lanka's Court of Appeal on September 19 directed the municipal council of Jaffna, a key city in the country's Northern Province, to take steps to reduce air pollution, with specific instructions to stop burning garbage. The court had earlier instructed the Central Environmental Authority (CEA) to assess air quality in the Jaffna area. The CEA report submitted to the court indicated that air quality in several areas of the country, including Jaffna, was not at a satisfactory level. [Daily Mirror]

Sri Lanka: Singapore firm rejects USD 1 billion damages order over 2021 shipwreck pollution

(lm) A Singapore-based shipping company has refused to pay the USD 1 billion in damages ordered by Sri Lanka's Supreme Court for what is considered the country's worst environmental disaster. The case stems from the sinking of the MV *X-Press Pearl* off Colombo in June 2021, after a fire—reportedly sparked by a nitric acid leak—burned for nearly two weeks.

The vessel was carrying 81 containers of hazardous cargo, including acids, lead ingots, and hundreds of tons of plastic pellets, which inundated an 80-kilometre stretch of Sri Lanka's western coast. The spill devastated fisheries and forced months-long bans on fishing. Ports in Qatar and India had earlier denied the ship permission to offload the leaking cargo.

Sri Lanka's top court in July ordered the company to make an "initial" payment of USD 1 billion, with USD 250 million due by September 23, 2025. [Daily Mirror]

Sri Lanka: UN statement by Easter bombing victim's father renews scrutiny of stalled investigations

(lm) At the UN Human Rights Council in Geneva, the father of a victim of Sri Lanka's 2019 Easter Sunday bombings urged an independent and accelerated investigation, warning that key masterminds remain

unidentified nearly a year after President Anura Kumara Dissanayake took office. He also called for comprehensive support for survivors and families. [Daily Mirror 1]

The 2019 bombings killed around 270 people and injured over 500 in coordinated attacks on churches and luxury hotels, carried out by a local Islamist group with links to transnational jihadist networks. Despite repeated inquiries, including a presidential commission and parliamentary investigations, accountability has stalled. Sri Lanka's Supreme Court in 2023 ruled that senior officials, including then-President Maithripala Sirisena, were negligent, but prosecutions of those suspected of planning the attacks have advanced little.

International pressure has mounted as UN bodies and rights groups continue to call for credible investigations, with critics alleging state negligence and cover-ups. Dissanayake came to power promising to reopen probes and deliver justice, but his government has yet to show tangible results. In Colombo, Opposition Leader Sajith Premadasa warned that such criticism at the UN could damage Sri Lanka's international standing. [Daily Mirror 2]

Sri Lanka: Government pushes power sector restructuring despite union resistance

(Im Sri Lanka's government has declared all electricity-related services essential and begun restructuring the state-run Ceylon Electricity Board (CEB) into four new state-owned companies covering transmission, distribution, generation, and grid control, as mandated under the amended Electricity Act. The reforms follow President Anura Kumara Dissanayake's pledge to safeguard energy sovereignty by keeping the sector entirely under state control while eliminating inefficiencies. He has assured that workers' rights, salaries, and entitlements will be preserved during the transition. [Daily Mirror 1] [Daily Mirror 2] [Daily Mirror 3]

Despite these assurances, the reforms have triggered strong resistance. The Ceylon Electricity Workers' Union (CEWU) rejected the gazette order and escalated trade union action, withdrawing from procurement duties and continuing a "work-to-rule" campaign. Unions argue the restructuring risks edging toward privatization and undermining consumer rights. They have issued 24 demands, including overdue

promotions, salary adjustments, and removal of caps on retirement benefits. [Daily Mirror 4]

The opposition has also criticized the process as disorganized, pointing to worker anxiety over pending medical and arrears payments and calling for higher retirement compensation than the current LKR 5 million (USD 17,000). [Daily Mirror 5]

Sri Lanka: Government to launch petroleum exploration with expert backing

(lm) Sri Lanka will begin petroleum exploration efforts supported by scientists and industry experts, President Anura Kumara Dissanayake announced on September 17. Speaking at the inauguration of construction for six new oil storage tanks at the Kolonnawa Petroleum Storage Complex near Colombo, he emphasized that the initiative would rely on professional expertise rather than political promises.

The President noted that previous claims about oil reserves had often surfaced around election cycles, undermining public trust. He stressed that this time the process would be driven by technical professionals, with the government's role limited to providing the necessary facilities and infrastructure. [Daily Mirror]

Sri Lanka: Government expenditure set to rise in 2026 despite lower borrowing limit

(lm) Sri Lanka's government expenditure for 2026 is projected at LKR 4,545.64 billion (USD 15.5 billion), up from LKR 4,218.24 billion (USD 14.4 billion) in 2025, according to the newly gazetted Appropriation Bill. Despite the overall increase, the borrowing limit will be trimmed to LKR 3,800 billion (USD 13 billion) from LKR 4,000 billion (USD 13.7 billion) this year, signaling tighter fiscal controls.

A notable rise is seen in the President's development spending, with capital expenditure climbing to LKR 8.2 billion (USD 27.9 million) in 2026 from just LKR 100 million (USD 340,000) in 2025, while his recurrent expenditure remains steady at LKR 200 million (USD 680,000). In contrast, operational spending for the Prime Minister's Office will drop from LKR 1 billion (USD 3.4 million) in 2025 to LKR 898 million (USD 3.05 million) in 2026.

The Ministry of Defence retains its capital allocation of LKR 60 billion (USD 204 million), but recurrent spending will increase to LKR 395 billion (USD 1.34 billion) in 2026. The Ministry of Health and Mass Media faces significant hikes, with recurrent expenditure climbing to LKR 449 billion (USD 1.53 billion) from LKR 412 billion (USD 1.4 billion) and capital expenditure rising to LKR 105 billion (USD 358 million) from LKR 95 billion (USD 324 million).

The education sector also sees higher allocations, with recurrent spending increasing to LKR 231 billion (USD 788 million) and capital to LKR 70 billion (USD 239 million). The Ministry of Public Security and Parliamentary Affairs will see recurrent expenditure grow to LKR 175 billion (USD 597 million) and capital to LKR 18 billion (USD 61 million).

In infrastructure, the Ministry of Transport, Highways, Ports and Civil Aviation will experience a decline in capital spending, falling from LKR 421 billion (USD 1.44 billion) in 2025 to LKR 390 billion (USD 1.33 billion) in 2026, though recurrent expenditure will rise slightly to LKR 56 billion (USD 191 million).

The budget is scheduled to be presented in Parliament for its first reading on September 26, setting the stage for debate over balancing development priorities with fiscal discipline amid high public debt. [Daily Mirror]

Sri Lanka: Global ratings agency upgrades foreign currency credit score after debt restructuring progress

(lm) S&P Global Ratings — a leading U.S.-based financial ratings agency that evaluates sovereign and corporate credit risk worldwide — has raised Sri Lanka's long- and short-term foreign currency sovereign credit ratings to CCC+/C from selective default (SD). It also affirmed the local currency ratings at the same level, with a stable outlook.

S&P explained that the upgrade reflects progress on debt restructuring, fiscal reforms, and external improvements under Sri Lanka's IMF-backed program. The agency noted successful restructuring of government-guaranteed SriLankan Airlines bonds and earlier Eurobond exchanges, along with fiscal consolidation, stronger reserves, and reforms in state-owned enterprises.

Sri Lanka's economy grew by 4.9 percent in the second quarter of 2025, supported by agriculture, textiles, tourism, and services. S&P forecasts growth of 4.2

percent this year, though it expects medium-term growth to moderate to about 3.5 percent annually due to structural constraints like low capital investment.

Public finances have improved, with revenue up 26.5 percent in the first seven months of 2025 after the lifting of vehicle import restrictions. The government is on track to achieve a primary surplus, though interest costs remain exceptionally heavy at around 50 percent of revenues. Public debt is projected at 101 percent of GDP in 2025, easing to about 93 percent by 2028.

Externally, Sri Lanka has shifted from persistent deficits to current account surpluses since 2023, helped by strong remittances, export recovery, and record tourism earnings. These factors, together with IMF inflows and multilateral financing, have supported reserve rebuilding and reduced short-term liquidity pressures.

In S&P's rating system, CCC+ signals that a country is very high risk, with repayment capacity dependent on favorable economic and financial conditions. It sits just above default territory, meaning Sri Lanka's creditworthiness remains fragile despite recent improvements. [Daily Mirror]

Sri Lanka: Consumer advocates demand food price controls as production trends diverge

(lm) Sri Lanka's National Consumer Front has called on the government to introduce price controls on essential foods, arguing that households remain vulnerable to excessive markups despite lower input costs. The group criticized the administration for failing to amend the Consumer Protection Act a year into office, highlighting that while egg prices have declined, retail costs for related foods such as rolls and hoppers remain inflated, underscoring weak consumer safeguards. [Daily Mirror 1]

The appeal comes against the backdrop of mixed trends in national food production. Fisheries contracted sharply in the second quarter, with deep-sea fishing down 13.1 percent and freshwater fishing plunging 34.8 percent, contributing only LKR 25.8 billion (USD 87 million), or one percent of GDP. Agriculture also showed weaknesses, with rubber output falling 10.8 percent and vegetable cultivation down 3.6 percent, though tea rebounded by six percent after last year's slump. In contrast, animal husbandry expanded by 13.9 percent, with poultry,

eggs, and dairy production all rising on the back of stronger demand. [Daily Mirror 2]

Sri Lanka: Government considers scrapping card payment surcharges as debt growth slows

(lm) Sri Lanka is moving toward a cashless economy, with the Ministry of Digital Economy confirming discussions with the Finance Ministry, Central Bank, and Inland Revenue Department on abolishing extra charges applied to debit and credit card transactions. Officials are also examining mechanisms to offset potential revenue losses and plan to expand QR code–based mobile payment systems as part of the transition.

At the same time, Central Bank data shows credit card debt growth has moderated despite rising consumer spending. Outstanding balances increased by LKR 373 million (USD 1.3 million) in July, down from larger gains earlier in the year, bringing the total to LKR 161.28 billion (USD 548 million). Analysts suggest slower reliance on costly card borrowing—where rates remain around 26 percent—may indicate improved household finances. Banks are nonetheless promoting card usage through installment-based cash advances and continued issuance, with over 79,000 new cards issued in the first seven months of 2025. [Daily Mirror 1] [Daily Mirror 2]

Sri Lanka: Special police unit established to combat foreign employment fraud

(lm) Sri Lanka has set up a new police-led special investigation unit within the Sri Lanka Bureau of Foreign Employment (SLBFE) to address the growing number of fraud cases in the overseas job market. Established in 1985, the SLBFE functions as Sri Lanka's foreign employment regulatory authority. The government is now considering amendments to the bureau's founding act—or introducing a new law altogether—to strengthen oversight and better protect citizens against fraud in the foreign employment sector. [Daily Mirror]

Sri Lanka: Third nano-satellite launched into orbit

(lm) Sri Lanka will place its third nano-satellite into orbit on September 19, marking a new step in the country's space technology program. A nano-satellite is a small, lightweight satellite—typically weighing between 1 and 10 kilograms—used mainly for research, communication, and Earth observation.

The launch builds on Sri Lanka's earlier efforts, following the 2019 *Raavana-1* and the 2022 *KITSUNE* projects. Unlike previous collaborations, this satellite was developed at no financial cost to the Sri Lankan government, thanks to international cooperation with the Japan Aerospace Exploration Agency (JAXA), the Asian Research and Development Center (ARDC), and Japan's Kyushu Institute of Technology. [Daily Mirror]

Sri Lanka: Record narcotics seizures and military weapons scandal expose scale of organized crime

(lm) Sri Lankan authorities are grappling with a surge in organized crime as police and military investigations reveal unprecedented drug hauls and alarming links to the leakage of military weapons.

Police reported that raids conducted since January 2025 have netted 955 kilograms of heroin, 1,422 kilograms of methamphetamine, 471 kilograms of hashish, 29 kilograms of cocaine, 13,773 kilograms of cannabis, and 3.5 million narcotic pills. The nationwide crackdown has also uncovered 1,721 firearms, including 61 T-56 assault rifles and 62 pistols. More than five million people have been searched and over 104,000 arrests made, with 4,630 suspects directly tied to criminal networks. Police also reported 46,909 arrests for drunk driving and 3,404 prosecutions for reckless driving. [Daily Mirror 1]

At the same time, the Sri Lanka Army is in the final stages of a comprehensive island-wide audit of its weapons stockpiles following revelations that military firearms have entered the hands of underworld groups. Army officials said the process, which involves verifying serial numbers, inventory vouchers, and accountability records, is nearly complete and will confirm the exact number and types of weapons missing.

The initiative comes after President Anura Kumara Dissanayake disclosed earlier this year that 73 T56 assault rifles had gone missing from an Army camp, with 38 recovered so far and 35 still unaccounted for. At least 13 soldiers have been arrested in relation to the case. The Defence Ministry has since launched a

broader crackdown on military deserters, citing their growing role in organized crime.

The crisis deepened earlier this month when a Lieutenant Colonel in Mallavi was arrested for allegedly supplying 260 rounds of ammunition to underworld figures. During interrogation, he reportedly revealed details of a planned claymore bomb attack targeting another crime figure. He has since been suspended from service.

Officials have acknowledged that both deserters and some active-duty personnel have been implicated in underworld activity, raising significant national security concerns. The Army has pledged strict disciplinary and legal measures against any implicated personnel, regardless of rank, while cooperating fully with police investigations. [Daily Mirror 2]

Speaking against this backdrop, Sri Lankan President Anura Kumara Dissanayake on September 17 claimed that investigations had uncovered links between certain Members of Parliament and former ministers and prominent underworld figures. According to the President, suspects recently arrested in Indonesia were tied to Sri Lanka's criminal network, allegedly controlling over 50 percent of drug operations and 75 percent of underworld activities in the country. He said evidence showed that some lawmakers had collected cash from these figures regularly, either by visiting their residences or hosting them in their own homes. [Daily Mirror 3]

Sri Lanka: Air Force intelligence officer caught smuggling gold worth USD 68,000 at airport

(lm) Sri Lankan customs authorities arrested a 37-year-old Air Force intelligence corporal at Bandaranaike International Airport (BIA) on September 18 after discovering gold biscuits concealed around his waist. The officer, who has served in the Air Force for 17 years, was intercepted at the staff exit gate, where a body scan revealed 40 gold biscuits of 24-carat purity, weighing 550 grams in total. The haul is valued at around LKR 20 million (USD 68,000). [Daily Mirror]

Sri Lanka: Navy takes over private maritime security functions

(my) On September 23, Sri Lanka announced that all responsibilities previously handled by private maritime security companies have been transferred to the Navy. The decision, made under Section 21 of the Naval Ordinance, was communicated by President Anura Kumara Dissanayake to Parliament. [Daily Mirror]

Sri Lanka: Thousands of LTTE-linked gold items transferred to Central Bank

(lm) Sri Lanka's Criminal Investigation Department (CID) informed a Colombo court that 6,000 out of 10,000 gold items linked to the Liberation Tigers of Tamil Eelam (LTTE) have now been handed over to the Central Bank after examination by the country's state gem and jewelry regulator. The LTTE was a separatist armed group that fought for an independent Tamil state until its defeat in 2009, and it financed much of its campaign through extortion and international networks.

The gold was recovered from former LTTE camps, illegal banks, and other sites in the Northern and Eastern Provinces during and after the final phase of the war. Authorities said the items were either collected voluntarily from residents or seized by force during LTTE rule in those areas. The court had earlier ordered that the state gem regulator assess the gold's content and weight before transferring it to the Central Bank.[Daily Mirror]

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

Brunei: Customer Price Index declines 0.4 percent in August 2025 amid broad-based price drops

(ga) In August 2025, Brunei's Consumer Price Index (CPI) fell by 0.4 percemt year-on-year to 105.8, marking declines across both food and non-food categories, with notable decreases in recreation, miscellaneous goods, and transport, according to Brunei's Department of Economic Planning and Statistics (DEPS).

The CPI dropped from 106.3 in August 2024 to 105.8 in August 2025. From January to August 2025, the average CPI was down 0.4 percent compared to the same period in 2024. Transport (-1.1 percent), Food and Non-Alcoholic Beverages (-0.6 percent), and Recreation and Culture (-1.1 percent) were the main drivers of the overall decline. Conversely, Clothing and Footwear (+1.3 percent), Restaurants and Hotels (+0.3 percent), and Education (+0.3 percent) recorded increases. [Brunei's Department of Economic Planning and Statistics]

Cambodia: ADB approves USD 52.7 million loan for renewable grid upgrade

(gm) The Asian Development Bank (ADB) has approved a USD 52.7 million loan to support Cambodia's Grid Expansion Project, aimed at integrating more renewable energy into the national transmission system.

The project includes the construction of 55 kilometers of 230-kilovolt lines between Pursat and Kampong Chhnang, along with upgrades to nine substations. It is designed to improve reliability, reduce transmission losses, and strengthen capacity to absorb solar and wind power.

The investment aligns with Cambodia's Power Development Master Plan 2022–2040 and National Energy Efficiency Policy 2022–2030. From 2020 to 2024, domestic electricity generation doubled, while imports dropped by nearly half, reflecting increasing energy self-reliance. [Khmer Times]

Cambodia: Government approves modest minimum wage hike

(dql) The government has raised the monthly minimum wage for the garment, footwear, and travel goods sectors to USD 210, effective January 1, marking a modest USD 2 increase. The decision follows extensive discussions between labor representatives, employers, and officials, and received final approval from Prime Minister Hun Manet.

Employers initially advocated for keeping the wage at USD 208, citing global economic challenges, including US tariffs and regional wage comparisons, while unions requested a slight increase. With additional benefits such as meal and transport allowances and attendance bonuses, workers are expected to earn between USD 227 and USD 238 per month.

Union leaders welcomed the adjustment as a step toward improving living standards, retaining skilled labor, and supporting investment. Employers acknowledged the government's efforts but noted challenges from global market volatility and the return of over 920,000 Cambodian migrant workers from Thailand.

Several non-governmental organizations (NGOs) working in the garment, footwear, and travel goods (GFT) sector have urged the government to raise the minimum wage by USD 24, from USD 208 to USD 232 per month, starting in 2026. They argue that this adjustment is necessary to help workers keep up with the actual cost of living in Cambodia. [Kiripost]

Although the wage increase is below projected inflation of 2.3 percent in 2026, government-provided allowances, bonuses, and overtime opportunities are expected to help workers manage rising living expenses. [Khmer Times]

Cambodia: Government launches updated climate plan (NDC 3.0) ahead of COP30

(gm) Cambodia officially launched its third Nationally Determined Contribution (NDC 3.0) on September 18, following submission to the UNFCCC on August 8. Cambodia is the 29th country globally and the fourth in Asia to file on time. Preparation took seven months with input from ministries, development partners, and civil society.

NDC 3.0 reiterates alignment with the Paris Agreement and Cambodia's carbon-neutrality goal by 2050, highlighting rising climate risks to agriculture, fisheries, forestry, infrastructure, and livelihoods. The plan's four messages focus on higher mitigation ambition,

stronger adaptation, enhanced means of implementation, and a comprehensive national report developed through an inclusive process. [Phnom Penh Post]

Cambodia: Water ministry upgrades irrigation and forecasting to boost climate resilience and agriculture

(gm) Cambodia's Ministry of Water Resources and Meteorology (MoWRAM) is advancing irrigation infrastructure and weather forecasting systems to improve agricultural productivity and disaster preparedness, supporting national development and economic stability.

In two meetings held last week, Minister Thor Chetha reviewed progress in managing over 2,000 irrigation systems nationwide, with 584 water user communities established to date. Of these, 301 are fully operational. The ministry plans to strengthen legal and technical frameworks, improve cooperation with provincial departments, and expand public-private partnerships in key provinces.

Separately, Chetha reviewed meteorological operations and called for better integration of automatic station data, satellite inputs from Japan and Korea, and outputs from the Techo Sen Radar Station. He emphasized staff training, regional cooperation, and expanded data collection to align with climate change impacts.

The combined upgrades are expected to support food security, infrastructure planning and risk mitigation, reinforcing Cambodia's long-term development and economic resilience goals. [Khmer Times]

Indonesia: President Prabowo expands cabinet reshuffle

(gp/ms) On September 17, President Prabowo Subianto announced another shake-up in his cabinet, appointing several ministers in what many have deemed a power grab. Following his decision to remove Budi Gunawan from his position as Coordinating Minister for Political and Security Affairs, Prabowo has now replaced him with retired three-star Army general Djamari Chaniago. A former senior field commander and staff officer, Chaniago is known for his close ties to the security establishment and his

emphasis on “order” and inter-agency coordination. His elevation places a career soldier at the apex of Indonesia’s internal security architecture—overseeing defense-police-intelligence coordination, counterterrorism, cyber, and maritime security—at a moment when the military’s footprint in civilian life has been expanding under recent legal and administrative changes. The move is widely read as tightening the executive’s control over the security apparatus and further blurring the civil-military boundary.

Further, Erick Thohir, former Minister of State-Owned Enterprises, has been reassigned to the Youth and Sports Ministry. Prabowo also appointed Afriansyah Noor as deputy manpower minister, succeeding Immanuel Ebenezer, who was arrested on corruption charges in August; the investigation remains ongoing. Meanwhile, Sulaiman Umar was replaced as deputy forestry minister by Rohmat Marzuki, the treasurer of the Central Java branch of Prabowo’s Gerindra Party, and Deputy Communication and Digital Minister Angga Raka—who served on Prabowo’s presidential campaign—was appointed to head the Presidential Communications Office (PCO), replacing Hasan Nasbi.

These moves build on a broader reshuffle just nine days earlier. On September 8, Prabowo removed five ministers, replaced long-serving Finance Minister Sri Mulyani Indrawati with economist Purbaya Yudhi Sadewa, and created a new Ministry of Hajj and Umrah led by Mochamad Irfan Yusuf. Several figures aligned with former presidents were sidelined, and Defense Minister Sjafrie Sjamsoeddin temporarily took over the political and security portfolio—developments that, coming days after violent protests, were widely read as part of a push to consolidate authority and centralize decision-making (see AiR No. 37, September/2025, 3).

Given the nature of some of these new appointees — including military personnel, Gerindra party officials, and Prabowo loyalists — this latest cabinet reshuffle has been widely acknowledged as an effort by the president to consolidate his influence in government following last month's protests. If political unrest continues to rise in Indonesia, Prabowo may not have anyone in government to blame but himself. [Jakarta Globe] [The Jakarta Post]

Indonesia: House of Representatives considering Asset Forfeiture Bill

(gp) Indonesia’s House of Representatives (DPR) is reviving momentum on the long-delayed Asset Forfeiture Bill, placing it in the revised 2025 National

Legislation Program (Prolegnas). The bill, first floated in 2008 and repeatedly stalled, would allow the state to confiscate ill-gotten assets, primarily from corruption cases. The move follows last month's widespread protests, which advocated against government corruption in particular.

Discussions are ongoing about extending its scope to other serious crimes such as drug trafficking and terrorism. Some DPR officials have voiced support for a non-conviction-based mechanism, enabling asset seizure even without a criminal verdict — though this has raised concerns about potential abuse. Lawmakers from major parties, including Gerindra, PDI-P, and PAN, have signalled support for the bill, given that it ensures open, accountable processes to safeguard against misuse. Coordinating Minister for Law, Human Rights, Immigration, and Correctional Institutions Yusril Ihza Mahendra has stressed that the bill contains provisions for a special criminal procedural law, so it requires thorough discussion in accordance with the applicable criminal law regulations. [Indonesia Business Post] [Jakarta Globe] [The Jakarta Post]

Indonesia: Finance minister cracking down on tax amnesties

(gp) Indonesian Finance Minister Purbaya Yudhi Sadewa has firmly rejected the idea of introducing another tax amnesty, warning that repeated forgiveness programs risk eroding compliance and credibility in the tax system. According to a September 19 state, "A tax amnesty every two years creates incentives to cheat. People will assume another one is coming. That's a bad signal."

Instead, Sadewa argues that "the right approach is to run proper tax programs, collect taxes fairly, and penalize violators but not excessively," stressing that Indonesia should create a sustainable, rules-based tax framework. Past amnesty programs saw trillions of rupiah in assets declared and billions in redemption payments, but Sadwea warned they also created loopholes that undermine long-term discipline.

These statements come as some lawmakers in the House of Representatives (DPR) are pushing to include a new Tax Amnesty Bill in the 2025 National Legislative Program (Prolegnas), despite objections from top economic officials. The Prolegnas revisions recently expanded to 198 bills, with 52 marked as priorities — including the proposed amnesty. As such, Sadewa has now positioned the Prabowo administration at direct

odds with several influential DPR officials. [Antara] [Jakarta Globe]

Indonesia: Manpower Ministry launches anti-bribery and fraud controls amid integrity push; major labor blocs rally for reforms

(ms) Indonesia's Ministry of Manpower on September 22 launched two integrity frameworks—the Anti-Bribery Management System (SMAP) and the Fraud Control System (SIKENCUR)—to tighten controls over licensing and certification processes long seen as vulnerable to graft. SMAP, aligned with ISO 37001, will be paired with SIKENCUR's end-to-end tools: fraud-risk mapping across work units, stronger prevention by the Inspectorate General, upgraded whistleblowing and case management, and closer coordination with the Corruption Eradication Commission (KPK), the Supreme Audit Agency (BPK), and the Financial and Development Supervisory Agency (BPKP). The ministry also flagged staff training, tighter digital audit trails for decisions and payments, and publication of service standards to reduce discretion.

The rollout follows a string of corruption cases tied to employment permits and occupational safety and health (K3) certification, including arrests that swept up the former deputy manpower minister. Business surveys likewise point to rising integrity risks for larger firms, especially around operating and construction permits. Secretary-General Cris Kuntadi framed the launch as a first step to overhaul internal systems and rebuild trust after recent scandals, with phased implementation prioritized for high-risk processes.

On the same day, thousands of workers from Indonesia's two largest labor confederations—the Confederation of Indonesian Trade Unions (KSPI) and the Confederation of All-Indonesian Trade Unions (KSPSI)—rallied outside the House of Representatives (DPR) in Jakarta with five headline demands: stronger law enforcement by the National Police (Polri), swift passage of the Manpower Bill, rejection of low-wage policies, abolition of outsourcing, and affirmation of civil supremacy. KSPSI president Andi Gani Nena Wea said the action was coordinated tightly between the two confederations to avoid infiltration by provocateurs, adding that police leadership remains the president's prerogative. KSPI president Said Iqbal reiterated support for the Prabowo administration to advance worker-friendly programs and noted that

House leaders, including Speaker Puan Maharani, were slated to receive a labor delegation.

Together, the ministry's internal clean-up and labor's external pressure underline the same fault line: confidence in how employment rules are made, enforced, and experienced on the ground. If SMAP and SIKENCUR deliver visible improvements—faster, cleaner permits; transparent timelines; credible redress—momentum could build for broader labor-policy compromises in the DPR, including contentious issues around wages and outsourcing. [Antara 1] [Antara 2] [Kompas]

Indonesia: Constitutional Court rejects petitions against military's growing role in civilian life

(gp/ms) On September 17, Indonesia's Constitutional Court has rejected one petition and dismissed four others filed by civil society groups challenging the process behind revisions to the Indonesian National Armed Forces (TNI) Law passed in March. The petitioners argued that the overhaul lacked adequate transparency and public consultation; the Court concluded the legislature met participation standards. The decision was close, with four of nine justices dissenting, but it leaves the law intact and effectively closes off a key legal path to reversing the changes in the near term.

The March amendments reshape both the military's remit and its personnel pipeline. They broaden the TNI's non-combat roles to include newer mission areas such as cyber defense and the protection of Indonesians overseas. They also expand the number of civilian government posts that active-duty officers can occupy across ministries and state agencies, embedding serving officers more deeply within the bureaucracy. In parallel, the revisions raise retirement ages by rank, extending the careers of mid- and senior-level officers and keeping larger cohorts of experienced personnel in circulation.

Taken together, these provisions formalize a wider military footprint in day-to-day governance and tilt Indonesia's civil-military balance toward a more prominent role for the armed forces. With the Court's ruling, any change will now depend on political will in Parliament rather than judicial review, a tall order at a moment when the boundaries between civilian administration and military influence are already being redrawn. [The Jakarta Post] [Tempo]

Indonesia: Government to step up training for migrant workers

(gp) In an effort to strengthen human capital and curb the rampant exploitation of the country's undocumented migrants, Indonesia's government is now pushing for a strategic shift in its migrant worker policy. According to the Migrant Workers Protection Agency (BP2MI), Indonesia sent 296,899 migrant workers abroad last year. However, the majority of these workers (157,182) worked in informal roles, significantly outnumbering those in formal positions (139,717). Many of these informal workers remain trapped in vulnerable, low-wage work — especially manual labor.

As such, some government officials are exploring ways to incentivize upskilling, so more Indonesians can compete for formal, higher-paying jobs. For instance, Rahmat Gobel, a lawmaker from the House of Representatives' (DPR) commission overseeing trade and business competition, has stressed the importance of international collaboration — such as with Japan and South Korea — to train and deploy Indonesian workers, fostering human capital development. Meanwhile, Coordinating Social Empowerment Minister Muhaimin Iskandar has advocated for curriculum reform in vocational schools to meet global market demands, especially in the teaching of relevant international languages. [The Jakarta Post]

Perhaps most notably, BP2MI Minister Mukhtarudin has affirmed the Prabowo administration openness to these proposals, stating on September 17, "The President's directive is clear: the Ministry of P2MI must focus on protecting and developing the capacity of Indonesian migrant workers." His statement continued, highlighting his commitment to "strengthening literacy, outreach, and pre-departure protection to prevent migrant workers from becoming victims of human trafficking or irregular migration." [Antara]

Indonesia: Ministry to reorganize religious education under three new directorates

(ms) Indonesia's Religious Affairs Ministry plans to set up three new directorate generals (DGs) to manage religious education: a DG for pesantren (Islamic boarding schools), a DG for religious higher education

across all six recognized faiths (Islam, Protestantism, Catholicism, Hinduism, Buddhism, Confucianism), and a DG for religious primary and secondary schools. One aim is to inaugurate the pesantren DG on Santri Day (October 22), symbolically underscoring the sector's priority.

Substantively, the reorganization concentrates policy, budgets, and quality control for religious schooling under clearer lines of authority. A dedicated pesantren DG would allow targeted funding for facilities, teacher certification and welfare, curriculum development (including alignment with national standards), and stronger accreditation and safeguarding. The DG for religious higher education would unify governance of faith-based universities and institutes—standardizing accreditation, research support, and staff development—while the basic/secondary DG could rationalize budget flows and oversight for thousands of madrasa and other faith-based schools.

The move fits a broader pattern of elevating Islamic institutions under the current administration. Earlier this month, the government spun off Hajj and Umrah functions into a standalone ministry, raising the profile and resourcing of pilgrimage management. Creating a pesantren DG—framed as a "gift" for Santri Day—furthers that emphasis by giving the country's vast pesantren network a dedicated bureaucratic champion and budget gatekeeper. At the same time, the parallel DGs for non-Islamic religious education are intended to signal administrative parity and improve service delivery across all faiths. [Antara]

Indonesia: 36,000 gender-based violence cases so far in 2025, according to police

(ms) Indonesia's National Police (Polri) report 36,148 gender-based violence cases year to date, with only about 12.8 percent resolved (roughly 4,627 cases). High-profile investigations include a West Java baby-trafficking ring involving 42 infants and a trafficking case in East Nusa Tenggara now with prosecutors. Polri also recorded 353 human-trafficking cases in 2025 with 1,114 victims; among them, 699 Indonesians were repatriated from Myanmar after being forced to work in online scam compounds.

The police tally likely understates the problem. Independent monitoring consistently finds much higher incidence than formal reports: Indonesia's National Commission on Violence Against Women (Komnas Perempuan) counted 289,111 cases in its 2024 annual report—drawn from service providers and

institutions—highlighting large gaps between experience and reporting to law enforcement. Using that benchmark for context, the effective resolution rate relative to estimated total incidents would be below 3 percent so far this year.

The trafficking figures come as authorities try to improve protection and enforcement capacity. A national directorate dedicated to women, children, and trafficking crimes was created in late 2024, and the 2022 Sexual Violence Crimes Law broadened definitions, victim services, and investigative tools intended to raise reporting and conviction rates over time.

Taken together, Polri's data and civil-society reporting suggest Indonesia is surfacing more cases but still struggling to convert complaints into justice—an enforcement challenge increasingly shaped by regional cyber-trafficking networks and chronic underreporting at home. [Antara]

Indonesia: Government opens extra gasoline imports for private retailers to ease shortages

(gp) Indonesia will allow private fuel retailers such as Shell and BP-AKR to bring in additional gasoline through a collaboration with state energy firm Pertamina, after privately run stations began running dry in late August. Energy Minister Bahlil Lahadalia said initial cargoes under the arrangement are expected within seven days. To speed deliveries and keep product handling consistent, Pertamina will supply base (unblended) fuel, while private companies blend their own additives at their facilities. A joint surveyor will certify specifications and help ensure pricing transparency. Volumes for each operator are still being finalized.

Officials say the mechanism taps Pertamina Patra Niaga's unused import quota—around 7.52 million kilolitres—so private retailers can exceed their 2025 allowances, which were already lifted by 10 percent but proved insufficient as demand outpaced supply. The government frames this as an operational fix that avoids reopening individual import approvals while quickly refilling forecourts where inventories have thinned.

The move comes as the antitrust agency has warned that restrictions on unsubsidized fuel imports have limited consumer choice and may constitute an unfair practice. Indonesia formally ended Pertamina's retail

monopoly in 2004, but the company remains the dominant player; channeling extra cargoes via Pertamina is intended to leverage that scale for faster relief rather than to change market structure, officials say. Whether the scheme continues beyond year-end will depend on how quickly supply normalizes and how 2026 quotas are set. [Jakarta Globe 1] [Jakarta Globe 2] [Reuters]

Indonesia: Rate cut and faster fiscal push aim to jump-start credit and growth

(gp/ms) Indonesia is doubling down on demand support. On September 17, Bank Indonesia (BI) trimmed the seven-day reverse repo rate by twenty-five basis points to 4.75 percent—the sixth reduction in twelve months—while holding the deposit and lending facility rates at 3.75 and 5.50 percent. BI framed the move as support for still-soft domestic demand and acknowledged that pass-through from earlier easing to bank lending rates and real activity has been incomplete.

Fresh credit data capture that mixed transmission. Bank lending grew 7.56 percent year on year in August, up from 7.03 percent in July. Yet a large chunk of approved facilities remains undrawn: undisbursed loans stood around IDR 2.37 quadrillion (roughly 22.7 percent of total facilities), concentrated in manufacturing, mining, business services, and trade. Banks report ample liquidity but uneven project pipelines and borrower caution after recent political turbulence. BI has reiterated guidance for full-year credit growth of 8 to 11 percent, conditional on improved transmission.

Fiscal-financial coordination is being used to reinforce the monetary stance. The finance ministry has placed additional public funds with commercial banks—part of a broader liquidity injection of about IDR 200 trillion (around USD 12.2 billion)—to back working-capital and investment loans. Some bank executives have described near-term operational frictions in deploying the new placements at scale, pointing to execution hurdles rather than a shortage of liquidity. Officials say the stimulus should start to show effects in the near term, with fuller transmission in the following months as pipelines firm up.

The headline fiscal picture is also turning more expansionary. January–August central-government accounts show a deficit of roughly IDR 321.6 trillion (around USD 19.7 billion), or about 1.35 percent of GDP, with revenues at IDR 1,639 trillion (about USD

100.3 billion, down 7.8 percent year on year) and spending at IDR 1,960 trillion (around USD 120 billion, up 1.5 percent). The finance ministry has called for faster budget execution into year-end, complementing a roughly USD 1 billion package targeted at the fourth quarter—including rice assistance, selected tax breaks, and temporary jobs in infrastructure—to lift household purchasing power and near-term activity.

Exchange-rate management remains the main constraint on how far and fast policymakers can push. The rupiah has underperformed many regional peers' year to date and has required intermittent central-bank support. The global backdrop offers a modest tailwind as major central banks, including the U.S. Federal Reserve, move into or signal rate-cutting cycles, easing dollar strength and slightly reducing the trade-off for BI. Domestically, however, cabinet changes and a more explicitly growth-oriented policy tilt have prompted some investors to reassess the balance between demand support and currency stability, keeping attention on fiscal credibility and BI's independence.

On the foreign-exchange side, authorities are considering market-based incentives to keep residents' U.S. dollar balances in domestic instruments rather than overseas—aimed at bolstering reserves and ensuring adequate dollar liquidity for investment projects. Design will determine uptake: competitive yields, accessible tenors, and simple participation mechanisms would align the program with BI's existing toolkit and minimize distortions.

In effect, Indonesia is working on three linked challenges. First, private-sector demand is running below potential, warranting easier financial conditions. Second, credit transmission is still incomplete despite comfortable system liquidity, as evidenced by the elevated stock of undisbursed loans. Third, the exchange rate remains sensitive to shifts in external rates and domestic sentiment, requiring careful pacing of easing and clear communication. The current sequence—rate cuts alongside macroprudential incentives, fiscal-liquidity placements in banks, and faster budget execution—seeks to lower borrowing costs, compress lending rates, and convert idle capacity into realized investment and consumption. [Jakarta Globe] [Reuters] [Tempo] [The Jakarta Post] [VOI]

Indonesia: Government revises state budget, bolsters support for localities

(gp) Indonesia's House of Representatives (DPR) approved a proposal by the Prabowo administration on September 18 to increase the 2026 state budget. The envelope rises to IDR 3.84 quadrillion (USD 232.4 billion) and lifts transfers to regional governments to IDR 693 trillion (USD 41.8 billion). The projected budget deficit widens to 2.68 percent of GDP from the previously planned 2.48 percent, while remaining below this year's 2.78 percent.

The larger allocation to localities marks a shift from last year's plan to cut regional transfers by 25 percent, a proposal that prompted some areas to raise property taxes and sparked protests in Pati, Central Java, and elsewhere. The revision aligns with President Prabowo Subianto's and Finance Minister Purbaya Yudhi Sadewa's emphasis on faster economic growth and a greater role for public spending.

In parallel, the Indonesia Investment Authority (INA) says it is prioritizing investment in digital infrastructure —including data centers and subsea cables— healthcare applications of artificial intelligence, and renewables. INA, which now manages roughly IDR 163.4 trillion (about USD 10 billion) and has expanded into hybrid capital and private credit, has announced partnerships to channel more than USD 1.2 billion into Indonesia's technology and AI ecosystem and continues to back projects such as the DayOne data center campus in Batam and renewable ventures alongside international partners. These priorities are intended to draw in foreign co-investment and technical expertise while supporting the administration's growth agenda at the national and subnational levels. [The Jakarta Post] [Reuters] [Tempo]

Indonesia: Air Force's first Rafale Jet makes maiden flight

(ms) Indonesia's first Dassault Rafale F4 for the Air Force (TNI AU) has completed its maiden, with images on September 19 showing twin-seat airframe T-0301 in full TNI AU markings. Jakarta is acquiring 42 Rafales under an USD 8.1 billion program announced in February 2022, comprising 16 dual-seat and 26 single-seat aircraft to equip the 6th Air Wing, with the 12th Air Squadron slated as the first operator.

According to service statements earlier this month, deliveries are planned to begin between February and March 2026 with an initial batch of three aircraft, followed by additional tranches through 2026 until all airframes are delivered. TNI AU has already deployed

four pilots and twelve technicians to France for type conversion and organizational-level maintenance training through December 2025, covering avionics, weapons, and simulator work.

The Rafale introduction is expected to underpin a phased recapitalization of TNI AU fast-jet capability as legacy F-16s and Su-27/Su-30s age, complementing future programs such as the KAI KF-21 and TAI Kaan. Indonesia and France have also expanded defense ties in submarines, radars, and potential follow-on Rafale orders under a recent bilateral letter of intent.

Indonesia: National Police set up reform team to accelerate internal overhaul

(ms) Indonesia's National Police (Polri) has formed an internal Reform and Transformation Team to audit programs, tighten oversight, and channel public input into institutional changes. Police chief Gen. Listyo Sigit Prabowo signed the order on September 17, naming himself patron, deputy chief Comr. Gen. Dedi Prasetyo advisor, and training chief Comr. Gen. Chryshnanda Dwilaksana as team lead. The 52-member unit will review operations, procedures, and supervisory mechanisms across headquarters and regional commands, solicit feedback from citizens and experts, and recommend fixes on discipline, transparency, and service standards.

The move parallels a forthcoming government Police Reform Commission that President Prabowo Subianto is expected to establish; on the same day, he appointed former Polri deputy chief Ahmad Dofiri as special adviser on public security and police reform. Polri says the internal team will work in step with the national commission and with the force's "Grand Strategy 2025–2045."

The initiative follows weeks of heightened scrutiny after nationwide protests, a string of high-profile misconduct cases, and persistent survey signals of eroding public trust. In remarks on Monday, Gen. Sigit said the team will "evaluate all the programs we have implemented," emphasize openness to criticism, and prioritize areas the public most questions—use of force, accountability, internal investigations, and complaint handling.

Deliverables are expected to include a diagnostic of gaps, a timetable for policy and training changes, and tighter data and audit trails for decisions in the field. [Antara] [Indonesia Business Post]

Indonesia: Two Army soldiers among 15 suspects in bank manager's killing

(ms) Indonesian authorities have arrested 15 suspects over the kidnapping and homicide of Muhammad Ilham Pradipta, a Bank Rakyat Indonesia branch head in Central Jakarta, including two members of the Army's Special Forces. At a joint Jakarta Police–Military Police briefing, investigators said the group allegedly planned to coerce Ilham into transferring money from dormant bank accounts to controlled recipients. Chief Sgt. N is accused of leading the abduction, while Second Cpl. FH allegedly recruited accomplices; both were absent without leave at the time.

Ilham was seized on Aug. 20 from the parking lot of PT Lotte Mart Indonesia's head office in Ciracas, East Jakarta. His body was found the next morning about 45 km away in Nagasari village, Bekasi regency, West Java. Military Police chief Col. Donny Agus Priyanto said the probe continues, with civilian and military investigators coordinating on motive, money flows, and possible additional suspects. [The Jakarta Post]

Laos: Clean-energy cooperation charts path to a unified national grid and stronger regional power links

(ms) The Lao Front for National Construction (LFNC) and CGN Energy Technology (Laos) have signed a memorandum of understanding on technical cooperation for clean energy development, aligning CGN's Laos Clean Energy Plan with the country's power strategy.

The agreement's practical outcome is a roadmap to knit Laos into a more unified and resilient power system. CGN's plan envisions projects in generation, transmission, consumption, and storage across the north, center, and south, with the aim of reducing bottlenecks, lowering line losses, and improving reliability. More storage would help smooth seasonal swings in hydropower and enable additional solar and wind, while stronger interconnectors are expected to support cross-border electricity trade.

The relevance is twofold. Domestically, a stronger grid would enhance energy security and make supply more predictable for industry, a prerequisite for attracting investment and jobs. Regionally, better connectivity positions Laos to expand electricity exports to

neighbors, reinforcing its ambition to serve as an energy hub. The plan could also unlock financing by providing a clearer build sequence and technical standards.

However, the MOU is non-binding. Delivery will hinge on project economics, regulatory approvals, and execution by state utility Electricité du Laos, as well as on how Laos manages growing reliance on Chinese technology and capital. [The Lao News Agency]

Laos: State utility to buy more electricity from Nam Theun 2 hydropower plant to ease dry-season shortages and cut imports

(ms) Electricité du Laos will increase purchases from the Nam Theun 2 hydropower plant to 500 gigawatt-hours a year, up from 300 gigawatt-hours. The agreement is the first step toward amending the existing power purchase arrangement.

EDL says the additional supply will help cover dry-season shortfalls, when demand rises and hydropower output declines, reducing reliance on higher-cost imports from neighboring systems. The added domestic supply should support price stability, improve reliability, and provide more predictable service. Khammuan province, where the plant is located, is expected to benefit directly.

The increase in purchases will begin immediately while the parties work to finalize the amended contract by year-end. Nam Theun 2 is one of Laos's largest renewable power assets and a key contributor to national energy security; the higher offtake underscores its role in meeting growing demand. [Vientiane Times]

Laos: Savannakhet wind project 85 percent complete, on track for end-2025 operation

(ms) The Savan 1 wind power project in Savannakhet Province is 85 percent complete and remains on schedule to begin commercial operation by the end of 2025, Savannakhet Radio reported. Phase one spans Phin and Nong districts with 48 turbines totaling 300 megawatts, and will export electricity to Vietnam under a 25-year contract.

Provincial authorities said 29 turbines have been installed, alongside progress on access roads, turbine foundations, a 220-kilovolt transmission line, and substation works. The project's total capacity will reach 495 megawatts after a planned second phase adds 195 megawatts by 2027. Total investment is approximately USD 768 million, including more than USD 490 million for phase one.

The development is expected to diversify Laos' hydropower-heavy generation mix and deepen cross-border electricity trade. It follows the late-August commissioning of the 600-megawatt Monsoon Wind project, which also delivers power to Vietnam. Separately, a 1,200-megawatt wind project in Nong district, led by Chitchareune Construction, targets initial exports by late 2027, with subsequent phases through 2030. [The Laotian Times]

Laos: Tourist arrivals up 15 percent in first eight months

(ms) Tourist arrivals in Laos rose 15 percent in the first eight months of 2025 to 3,061,928, according to the Tourism Development Department. ASEAN travelers remained the largest group, led by Thailand with 977,675 arrivals, followed by Vietnam with 790,403 and China with 750,650. South Korea contributed 127,379 visitors, while the United States sent 49,934. Demand concentrated on nature and cultural sites, with Vientiane Capital, Vientiane Province, Luang Prabang, and Champasack drawing the highest numbers. Luang Prabang recorded more than 2.15 million visitors in the first seven months, an 83.8 percent year-on-year increase. In 2024, Laos received over 4.1 million tourists, generating USD 1.1 billion in revenue. Tourism accounts for about 5 percent of national GDP, and the World Bank says it could rise toward 10 percent with reforms and investment. Authorities target more than 4.3 million visitors in 2025, helped by improved connectivity and regional travel momentum and marketing campaigns. [The Laotian Times]

Malaysia: Government considers widening scope of Anti-Bullying Tribunal Bill

(tl) The Malaysian government is reviewing proposals to expand the scope of the Anti-Bullying Tribunal Bill beyond individuals under 18, following public feedback from town hall sessions and the Institutional Reform Map (PetaRI) portal. Minister in the Prime Minister's

Department (Law and Institutional Reform) Azalina Othman Said said the majority urged for broader scope, as bullying cases are also reported not only in schools but also in universities, police academies, and military colleges. If extended, the bill would involve multiple ministries and institutions, such as the ministry of education,ministry of higher education and police colleges.

Azalina noted that, similar to the Sexual Harassment Tribunal, the mechanism would provide faster resolutions and stronger deterrence against bullying. Public engagement sessions for drafting the Tribunal are set to conclude in September, with the bill expected to be tabled in Parliament in October after Cabinet approval. [Malay Mail]

The death of 13-years old Zara Qairina Mahathir, allegedly linked to bullying and neglect at Sabah boarding school drew nationwide attention, prompting the government to introduce the dedicated legislation to tackle bullying cases. In early September 2025, the Malaysia government set a 6-month timeline for drafting anti-bullying tribunal involving diverse stakeholders' engagements. [The Star]

Malaysia: PAS-Bersatu tussle over prime minister candidate threatens Perikatan Nasional's unity

(tl) The ongoing dispute between PAS (Parti Islam Se-Malaysia; Malaysian Islamic Party) and Bersatu (Parti Pribumi Bersatu Malaysia; Malaysian United Indigenous Party) over Perikatan Nasional's (PN's) prime ministerial candidate has raised concerns about a potential split in the coalition. PN is the second largest political coalition in the House of Representatives with 74 seats after Pakatan Harapan (PH) with 81 seats.

On September 14, PAS announced its plan to contest the 2028 16th General Election under its own leadership, nominating a PAS candidate for prime minister and proposing its green-and-white flag as the coalition's common symbol. PAS spiritual leader Hashim Jasin argued that the party should take the lead within PN due to its larger number of parliamentary seats.

PN, formed in 2020, is led mainly by PAS and Bersatu. PAS, the Islamist party, currently holds the highest number of parliamentary seats among PN members. Meanwhile, Bersatu, founded by former Prime Minister Muhyiddin Yassin, is seen as more moderate,

appealing to Malay nationalists and middle-ground voters. Bersatu was central in forming PN and has generally held leadership positions within the coalition. [The Star]

Malaysia: Ruling Pakatan Harapan coalition urges BN and GRS to respect seat allocations in Sabah

(tl) The ruling Pakatan Harapan (PH) coalition has called on the Barisan Nasional (BN) coalition and Gabungan Rakyat Sabah (GRS), the ruling coalition in Sabah State, to honor agreed-upon seat allocations and avoid contesting constituencies assigned to PH in the upcoming Sabah state elections.

Sabah PKR (Parti Keadilan Rakyat; People's Justice Party) chief Mustapha Sakmud stressed that seats allocated to PH should remain exclusive to PH. The PKR is a major component party of PH.

Talks between PH and BN are reportedly to conclude, with BN expected to contest 40–44 of the 73 state seats, leaving the remaining for PH. On the other hand, negotiations with GRS are ongoing, as PH seeks 23 seats compared to GRS' offer of 18, while PKR aims for at least 13 seats for its candidates within the coalition.

Despite past cooperation in forming the Sabah government, BN and GRS have been political rivals at the state level since January 2023, though both continue as partners in the federal unity government. [Malay Mail]

Malaysia: Migrant workers to receive compensation in wage dispute with Panasonic supplier

(dql) Over 250 Bangladeshi migrant workers who were left unpaid for seven months by Kawaguchi Manufacturing Sdn Bhd, a supplier to Japanese multinational Panasonic, are set to receive significant compensation following a settlement facilitated by Panasonic and the watchdog group International Rights Advocates (IRAdvocates).

The exact settlement amount remains undisclosed, but it includes reimbursement of recruitment fees and additional compensation for the workers' suffering. [Free Malaysia Today]

Malaysia: Government launches nationwide “Safe Internet Campaign”

(tl) The Malaysian government has rolled out the “Safe Internet Campaign” to raise public awareness about digital risks, including online scams, digital gambling, cyberbullying, child sexual abuse content and social media misuse by minors.

Communication Minister Fahmi Fadzil announced this initiative during the Malaysia Day 2025 celebration in Penang, noting its efforts to foster a safer, more inclusive and trusted digital environment.

Fahmi also emphasized the government’s commitment to expanding the digital access through National Dissemination Centers (NADI) MADANI, particularly in rural areas, offering high-speed internet, digital literacy training, and participation in the digital economy. [Malay Mail]

Malaysia: Space ambitions reaffirmed with plan for Southeast Asia’s first rocket launch pad by 2029

(dql) Malaysia has reaffirmed its ambitions in the space sector, aiming to become Southeast Asia’s first country with its own rocket launch pad by 2029. The project, led by the Malaysian Space Agency (MYSA) under the National Space Policy 2030, could contribute over MYR 10 billion (USD 2.38 billion) to the national GDP and position Malaysia as a regional leader in the growing space industry, according to Azlikamil Napiah, MYSA Director General, who highlighted the strategic advantage of Malaysia’s equatorial location, which allows more fuel-efficient rocket launches.

The initiative will include the development of an earth observation satellite, a space city, and commercial rocket launch services. It will proceed as a public-private partnership, with foreign investors required to collaborate with local firms and secure state government approvals. Work is expected to begin in early 2029 after feasibility studies and regulatory clearances are completed.

Beyond the space sector, the project is expected to generate substantial economic spillovers for local communities, including infrastructure, energy projects, and employment opportunities. [Free Malaysia Today]

Malaysia: Immigration cartel uncovered

(tl) Malaysia's Immigration Department has uncovered a long-running cartel involving senior officers who recruited new staff into corrupt practices through a scheme known as "counter setting," which allowed selected travelers to bypass inspections in exchange for bribes. The practice, first exposed in 2017, has persisted despite earlier disciplinary measures, with new officers pressured to comply or risk isolation and boycott from colleagues. Surveillance and evidence-gathering are ongoing, with cases referred to the Malaysian Anti-Corruption Commission (MACC) and police for prosecution. [Free Malaysia Today]

20 officers convicted of involvement in the "cartel" were dismissed, while 227 more remain under investigation. [Malay Mail]

Malaysia: Government confirms readiness to face lawsuit over cancelled helicopters

(tl) Malaysia's Defense Minister Mohamed Khaled Nordin said the government is ready to defend itself against a USD 75 million (MYR 353 million) lawsuit filed by Aerotree Defence and Services Sdn Bhd over the cancellation of a five-year lease for four U.S.-made Black Hawk helicopters.

Speaking at the Civil-Military Cooperation (CIMIC) Carnival marking the 92nd Malaysian Armed Forces (ATM) Day, Khaled stressed that evolving geopolitical and technological threats demand a "whole-of-government and whole-of-society" approach to national defense. He noted that CIMIC initiatives are designed to strengthen public engagement in defense and security, raise awareness of the military's role, and promote recruitment and volunteerism. [Malay Mail]

The USD 39.4 million (MYR 187.5 million) deal, signed in April 2023, under a Private Finance Initiative, with Aerotree responsible for owning, operating, and managing the helicopters. Delivery of helicopters are scheduled in two phases: two within six months and remaining two within nine months, with the additional responsibilities including a USD 411,000 (MYR 1.87 million) non-cancellable bond and industrial training program.

In July 2023, Aerotree concluded a deal with Turkey's Havelsan for 14 Royal Malaysian Pilots (RMAF) to undertake the Blackhawk simulator training. Moreover,

the firm partnered with Slovakia's Training Academy for helicopter upgrades. However, the technical modifications, pilot training and Russia-Ukraine conflict led the company to request for deadline extensions, until 30 October 2025, with the penalty for late delivery (LAD).

Despite these factors, the defense ministry terminated the agreement on October 31, 2024. Aerotree claimed the helicopters were already US-registered and awaiting export approval under the International Traffic in Arms Regulations (ITAR). It argued that the ministry failed to provide required documentation, imposed unfair conditions on deadline extensions, and never signed the main service contract, making compliance impossible.

The firm now faces legal claims from its Slovakian supplier and reputational damage. Adding to the dispute, the government issued a new helicopter rental tender on 4 August 2025, worth USD 39 million (MYR 185.2 million). The lawsuit is scheduled for case management on 23 October 2025. [The Edge Malaysia]

Aerotree Defence & Services Sdn Bhd, a Malaysia company, established in 1988, specializes in defense-related aviation, aircraft leasing and MRO (Maintenance, Repair and Overhaul).

Myanmar: Threshold for parties contesting election lowered

(anl) On 21 September, the military regime announced an amendment to the Political Party Registration Law, easing requirements for parties seeking to contest nationwide in its planned election.

Under the revised rule, parties must now field candidates in at least one-quarter of constituencies across the Pyithu Hluttaw, Amyotha Hluttaw, and the state and regional legislatures, including ethnic representative seats, to remain registered. Previously, nationwide parties were required to contest more than half of all constituencies.

Currently, five parties remain registered to compete nationwide: the Union Solidarity and Development Party (USDP), the People's Pioneer Party (PPP), the People's Party (PP), the National Unity Party (NUP), and the Shan Nationalities Democratic Party (White Tiger Party). Four others, including the National Democratic Force (NDF), were dissolved on September 9.

Since the 2021 coup, more than 60 parties have registered with the Union Election Commission, mostly at the state or regional level. Over 40 others, including the National League for Democracy (NLD), which won the 2020 election, refused to re-register. [Mizzima]

Myanmar: 121 townships excluded from December polls

(su) The Union Election Commission (UEC) has announced that elections will not be held in 121 townships in the upcoming general election scheduled to begin on December 28. The commission cited unsuitable conditions for free and fair voting in these areas.

According to a September 14 statement, the no-election list includes four townships in Kachin State, three in Karenni (Kayah) State, four in Chin State, ten in Sagaing Region, five in Magway Region, three in Mandalay Region, ten in Rakhine State, and seventeen in Shan State.

The commission confirmed that 56 Pyithu Hluttaw (House of Representatives) constituencies, nine Amyotha Hluttaw (House of Nationalities) constituencies under the First Past the Post (FPTP) system, and 56 State/Regional Hluttaw constituencies under FPTP will not hold elections.

The announcement specified that elections would proceed in 274 Pyithu Hluttaw constituencies, 75 Amyotha Hluttaw (FPTP) constituencies, 26 proportional representation constituencies, 266 State/Regional Hluttaw (FPTP) constituencies, 42 State/Regional Hluttaw (PR) constituencies, and 29 ethnic constituencies. [Mizzima]

Myanmar: Two men arrested under new election law

(anl) The Ministry of Information has reported that two men were arrested for posting anti-election materials in Yangon's Hlaing Tharyar Township. The detainees, Aung Ye Htut, 24, and Yan Naing Kyi Win, 23, were apprehended following reports that stickers opposing the election had been placed on a street sign in Shwe Lin Ban village.

According to the military, both men admitted to placing stickers in a dozen public locations across the township to disrupt the upcoming election. They have

been charged under Section 23(a) of the newly enacted Election Protection Law, promulgated on 29 July.

The law imposes harsh penalties: three to five years for election sabotage; five to ten years for damaging ballot boxes or polling stations; life imprisonment if committed collectively; ten to twenty years for causing serious injury; and the death penalty for offenses resulting in fatalities.

Earlier in September, Ko Nay Thway, a 36-year-old blogger from Taunggyi, became the first person sentenced under the law, receiving seven years for mocking the regime's electoral capacity. [The Irrawaddy]

Myanmar: New Supreme Court judges appointed

(su) The National Defence and Security Council announced on September 17 the appointment of three new judges to the Supreme Court of the Union. U Win Myint, Daw Soe Khet Khet, and Daw Thin Thin Cho were appointed under Subsection (b) of Section 427 of the Constitution.

The Council also approved the retirement of U Nyo Tun, a judge of the Yangon Region High Court, citing health reasons. The announcement was issued by order of Council Secretary Aung Lin Dwe. [Eleven Myanmar]

Myanmar: Report documents over 160 civilian deaths in Tamu District since 2021 coup

(su) At least 161 civilians have been killed in Tamu District, Sagaing Region, since the February 2021 military takeover, according to a report released on September 12 by the Kuki Women's Human Rights Organization (KWHRO). The district, located along the India–Myanmar border, has seen repeated clashes between junta forces and resistance groups.

The report, covering incidents from May to August 2025, attributes the deaths to airstrikes, artillery fire, drone bombings, and attacks involving both the Myanmar military and India's Assam Rifles. It also records 136 civilians injured by landmines, bombs, and beatings by junta-backed Pyu Saw Htee militias, along with 176 arrests and the destruction of more than 580

homes. KWHRO estimates that the real figure of destroyed buildings exceeds 1,000.

According to the findings, 23,800 people have been displaced by airstrikes, artillery attacks, and ground fighting, with many fleeing across the border into India. The group has been issuing quarterly reports since 2024, documenting the humanitarian impact of the conflict, including on livelihoods, health, education, women's rights, and displacement. [Mizzima]

The term "Kuki" refers to an ethnic group primarily found in the border regions of Myanmar and India.

Myanmar: Junta tightens restrictions on Thai imports

(su) The military authorities have imposed new restrictions on the import of Thai goods through border crossings in Karen State, disrupting trade routes and contributing to shortages of consumer products. Local traders reported that the tightened controls affect goods transported from Myawaddy and Hlaingbwe to Hpa-an, and onward to Yangon and Mandalay.

Drivers stated that only items deemed for personal use are now permitted, with products such as soap, coffee, snacks, and soft drinks subject to seizure at checkpoints, including the strategically important Thanlwin Bridge, which supports trade and logistics, particularly for agriculture, mining, and cross-border commerce with Thailand (and China). Residents confirmed that inspections are being carried out and that transport of Thai goods now relies mainly on the Salween River waterway or the Hpa-an–Mawlamyine road.

The restrictions follow the temporary closure of the Myanmar–Thai Friendship Bridge No. 2 on August 18, after which authorities declared goods imported through Myawaddy to be illegal. Subsequent measures limited imports via the Mae Sai–Tachileik trade bridge and halted boat trade routes, while water transport from Ranong has also been suspended. Traders reported that these measures have contributed to shortages of Thai-made food and consumer goods in cities across Myanmar. [Mizzima]

Myanmar: Arakan Army denies Bangladesh drug trafficking claims

(dql) The Arakan Army (AA), an ethnic armed organization that operates mainly in Rakhine State in western Myanmar, has firmly denied Bangladesh's claims that it engages in drug trafficking across the border in exchange for supplies, describing the accusations as unfounded and politically driven. The group, which has controlled the full 270-km Myanmar–Bangladesh frontier since late 2024, has accused the Border Guard Bangladesh (BGB) of exploiting the narcotics trade while attempting to shift responsibility onto the AA.

Bangladeshi authorities and media reports allege that the AA traffics drugs sourced from Myanmar's northeastern han State, using much of the revenue to procure weapons, while local syndicates allegedly deliver goods to AA-controlled areas via multiple smuggling routes. Between July and September, the BGB reportedly intercepted millions of yaba tablets and crystal meth, arresting nearly 190 individuals involved in the trade.

The AA refutes these allegations, highlighting that strict BGB border control makes such operations unlikely and asserting that illicit trafficking has largely ceased under AA oversight. The AA claimed that BGB personnel previously profited from the trade under Myanmar's junta and now seek to deflect attention. It also accused Bangladeshi authorities of restricting humanitarian aid to Rakhine and alleged that seized drugs originate from junta-controlled areas and are transported by the military and allied groups.

Further, the AA contends that the BGB has trained and armed extremist groups in refugee camps along the border, enabling a range of cross-border crimes—including killings, abductions, and trafficking—which the AA warns undermines border stability and regional security. [The Irrawaddy]

Myanmar: Military pushes to reclaim southeastern strategic highway

(dql) The military has launched a large-scale push to regain control of Union Highway No. 8, a vital east–west corridor linking Mon State and Tanintharyi Region in southeastern Myanmar, triggering frequent clashes with local resistance forces. The operation involves over 1,000 troops, backed by units from regional military commands and the Mawrawaddy Naval Base, targeting key stretches between the cities and townships Dawei, Kanpauk and Mawlamyine and Ma Hlwe Mountain.

Resistance fighters are believed to still maintain control over the majority of the highway, particularly in Dawei Township and near Thai border points like Htee Khee, despite junta gains in parts of Ye and Yebyu townships.

Airstrikes by the military have reportedly damaged civilian infrastructure, and resistance groups continue to conduct ambushes against reinforcements.

Observers link the offensive to the junta's plan to hold December 28 elections in Kawthoung, Dawei, Bokepyin, and Myeik, suggesting that controlling transport routes and coastal areas is a strategic priority. [The Irrawaddy]

Myanmar: Junta airstrike targets Kachin Independence Army position in Kachin state

(anl) On September 17, junta forces reportedly bombed a position held by the Kachin Independence Army (KIA) in Shwegu Township, Kachin State. The attack killed around 17 people and wounded a dozen others, according to frontline KIA fighters and local media.

Shwegu, located about 36 km west of Bhamo, has been a site of ongoing clashes between the junta and KIA for more than nine months. The township is among five in Kachin State where martial law was imposed by the military on 1 August. [The Irrawaddy]

Meanwhile, on September 22, a military airstrike hit Kyi Su village in southwest Kanbalu Township, Sagaing Region, killing a woman in her 60s and injuring 15 others, including children. The bombs struck the village monastery and school, where many displaced civilians had sought refuge.

Kyi Su, a village of around 800 Buddhist and Muslim households, lies at the junction of Kanbalu, Ye-U, and Khin-U townships. Many residents have fled to forests or towns, while others remain in makeshift shelters. The village was previously raided in July 2022, when junta forces burned homes, monasteries, and mosques, and executed 15 residents. [Mizzima]

Myanmar: Kachin Independence Army headquarters in Laiza targeted by suicide drones

(anl) On September 21, the Kachin Independence Organization/Army (KIO/KIA) reported that its headquarters in Laiza came under two suspected suicide drone attacks.

Laiza, located about 40 miles from Bhamo, where intense clashes continue, has been targeted by suicide drones on multiple occasions, including January 24 and February 25 this year.

Meanwhile, fighting has also flared in Hsawlaw town, part of KIA-controlled Special Region 1, and continues in Bhamo, Hpakant, and Waingmaw. [Mizzima]

Myanmar: PDF seizes strategic Banmauk Town in Northern Sagaing

(anl) On September 22, the National Unity Government (NUG) announced that its No.1 Military Region Command of the People's Defense Force (PDF) captured Banmauk town in northern Sagaing Region on September 20 after a five-day offensive.

A source close to the PDF confirmed that resistance forces now control the town, with no junta troops remaining. However, residents have fled to nearby villages, fearing junta airstrikes and a possible counteroffensive by the Shanni National Army (SNA).

PDF fighters clashed with roughly 400 junta soldiers, police, militias, and SNA troops, eventually seizing 18 regime bases, including three monasteries and a school, along with ammunition, drones, bombs, mines, and firearms. The NUG reported six PDF fighters killed, while seven SNA soldiers, including a lieutenant, were found dead. In response, the junta launched around a dozen airstrikes, supported by drones and artillery.

Military analysts noted that the fall of Banmauk unlocks a key strategic zone for resistance forces in northern Sagaing, where most surrounding towns are already under rebel control. The region's mountainous, forested terrain favors guerrilla operations and places junta-held Homalin, Wuntho, and Paungbyin within striking distance. [The Irrawaddy]

Myanmar: Fighting along Tanintharyi–Mawdaung trade route continues for nine months

(su) Clashes between junta troops and resistance forces along the Tanintharyi–Mawdaung trade route, a key corridor to Thailand, have continued for nine consecutive months, according to reports from both sides. On September 18, the Karen National Union (KNU) stated that two junta soldiers were killed and two others injured in a skirmish, with resistance fighters seizing firearms, ammunition, and supplies.

Hostilities began on December 18, 2024, when the military launched an offensive to regain control over the corridor. Junta forces have since deployed drones, artillery, and airstrikes, reinforced by allied militias such as the Pyu Saw Htee. Despite these efforts, they have not reached Mawdaung, instead holding positions near Theinkhun and surrounding villages where monasteries and schools have been fortified.

Resistance groups report at least ten casualties among Karen National Liberation Army (KNLA) fighters since the conflict began. Civilians have been displaced from multiple villages due to ongoing airstrikes and troop movements, facing shortages of shelter, food, and medicine. [Mizzima]

Myanmar: Five men accused of being informants shot dead in Bago Region

(su) Five men, including two village administrative officials, were killed in separate incidents in Bago Region between September 17 and 19, according to local reports. All were accused by People's Defense Force (PDF) groups of acting as informants for the military. [Myanmar Eleven]

Philippines: ICC charges Duterte with crimes against humanity over drug war killings

Prosecutors at the International Criminal Court have filed three counts of crimes against humanity against former Philippine president Rodrigo Duterte, alleging his involvement in at least 76 murders linked to his anti-drug campaign. A heavily redacted charge sheet dated July 4, released Monday, outlines three clusters of killings: 19 murders in Davao City from 2013–2016 when Duterte was mayor and allegedly oversaw the "Davao Death Squad"; 14 murders of so-called "high-value targets" in 2016–2017 during his first year as president; and 43 murders during nationwide "barangay clearance" operations from 2016–2018.

Prosecutors said the charged incidents represent a fraction of a much larger, “widespread” attack that included thousands of killings.

Duterte, 80, has been in ICC detention in The Hague since March 11, 2025, after his arrest in Manila and immediate transfer to the Netherlands; an earlier warrant issued on March 7 covered one crimes-against-humanity count linked to 43 alleged murders. A confirmation-of-charges hearing set for September 23 was postponed while judges assess his fitness to stand trial. His lawyer has sought an indefinite delay, citing cognitive impairment; at an initial video appearance Duterte appeared frail and spoke little.

In Davao (2013–2016), prosecutors say a recognizable pattern emerged: pairs of gunmen on motorcycles (“riding-in-tandem”) shot suspected petty criminals or drug users in public, then sped off. Bodies were often found with cardboard signs (“pusher,” “thief”), which critics argue served to justify the killing after the fact. The ICC is not trying every killing in Davao; instead, it selected 19 victims across nine incidents as sample cases to show an organized practice—allegedly tolerated or encouraged by city authorities when Duterte was mayor—rather than random street crime. Evidence the ICC typically leans on in such patterns cases can include witness accounts, ballistics linking weapons to multiple scenes, police blotters, and records showing knowledge or approval higher up the chain.

When Duterte became president in 2016, the campaign allegedly scaled nationwide along two tracks. One targeted “high-value” suspects—people police labeled as manufacturers, financiers, or syndicate figures. Prosecutors cite 14 murders here and refer to covert reward systems (per-target bounties). If proven, that kind of incentive scheme suggests advance planning and command responsibility, not spontaneous “shootouts.” The second track operated at the neighborhood level through “Tokhang/Double Barrel” operations. (“Barangay” = the smallest local government unit.) Police compiled watch lists with barangay officials, conducted night raids, and frequently reported that suspects “fought back,” resulting in lethal force. Forensic reviews by rights groups later highlighted repeated red flags—similar wound patterns, absence of officers’ injuries, and recycled narrative language—undercutting self-defense claims. The 43 charged murders (plus attempted murders) from 2016–2018 are presented as representative test cases within what prosecutors argue was a national network involving police, drug-enforcement units, and hired non-police gunmen.

Legally, the ICC's theory is that these were not isolated crimes but part of a "widespread or systematic attack against a civilian population," the threshold for crimes against humanity. The 76 murders charged are exemplar counts used to establish patterns and responsibility; prosecutors state the real scale was "significantly greater." For outside context, the Philippine government has long cited roughly 6,000–7,000 deaths in anti-drug operations during Duterte's term, while independent monitors and rights groups put the toll well above 10,000—often in the 12,000–30,000+ range. [PhilStar] [The Guardian]

Philippines: Updates on flood control corruption scandal

(ghd) New charges, asset freezes, and preventive suspensions marked the past week in the Philippines' flood-control scandal, as the Independent Commission for Infrastructure (ICI) opened a 10-year review and the Department of Public Works and Highways (DPWH) escalated legal action tied to more than 100 alleged "ghost" or substandard projects.

The ICI—created to scrutinize government infrastructure from the past decade—began examining anomalous flood-control contracts. Baguio City Mayor Benjamin Magalong, serving as ICI special adviser and investigator, said DPWH official Brice Hernandez submitted sensitive information not previously disclosed. As a gesture of cooperation, Hernandez turned over one luxury vehicle to the ICI for eventual auction. [Inquirer1] [Inquirer2] [Manila Bulletin1] [Manila Bulletin2]

In addition, DPWH Secretary Vince Dizon has filed criminal charges of graft and malversation against several Bulacan DPWH officials and the owners of four construction firms, including a firm owned by contractor Cezarah Discaya. The charges are related to over 100 "ghost" and "substandard" flood-control projects that were paid for but either incomplete or unperformed. The DPWH has also launched its own investigation into the assets of officials and contractors linked to the anomalies and has vowed to release the results of its probe in the next week or two. The Commission on Audit (COA) has filed a second set of fraud audit reports with the Ombudsman, flagging four more "ghost" projects and detailing recurring red flags such as billing without mobilization and recycled documentation. As a result, the Ombudsman has preventively suspended 16 DPWH personnel in Bulacan for their alleged involvement. Separately, the Court of Appeals, acting on a petition by the Anti-

Money Laundering Council (AMLC), has frozen bank and insurance accounts tied to the probe, while the Department of Justice (DOJ) has committed to filing additional cases and has begun reviewing its own infrastructure deals after links to the Discayas surfaced. [Inquirer3] [Inquirer4] [Inquirer5] [Inquirer6] [Inquirer7] [Manila Bulletin3] [Manila Bulletin4] [Manila Bulletin5] [Manila Bulletin6] [Manila Bulletin7] [Manila Bulletin8]

In the Senate inquiry, contractor Pacifico Discaya and former Bulacan district engineer Henry Alcantara were cited for contempt over inconsistent testimony and placed in Senate detention. Former district engineer Brice Hernandez retracted an earlier statement implicating Senator Jinggoy Estrada and was granted a 12-hour escorted leave on September 20 to secure evidence. The Discayas have asked the DOJ for witness protection; authorities are assessing eligibility (protection provides security but not immunity). [Inquirer8] [Inquirer9] [Inquirer10] [Inquirer11] [Manila Bulletin9] [Inquirer12]

In the House, Speaker Faustino Dy III said the chamber's infrastructure committee should wind down its probe and transmit its records to the ICI, with leaders indicating only wrap-up sessions to endorse documents. By contrast, the Senate will press on: senators identified dismissed DPWH engineer Henry Alcantara as a potential link to higher-level actors, and Brice Hernandez received a 12-hour escorted leave to retrieve files ahead of the next Blue Ribbon hearing. Separately, DPWH opened a case over alleged falsified documents by A.P.O. General Construction for a Negros Occidental flood-control project, which the San Carlos City government says never had a contract. [PhilStar 1]

This scandal is estimated to have cost the Philippines trillions of pesos in wasted funds, according to Dizon. He added that billions have been wasted on projects without a comprehensive master plan. As a result, the DPWH is cutting its proposed 2026 budget by USD 4.4 billion. The DPWH has also lifted its procurement freeze and is implementing stricter transparency rules to prevent future anomalies. The Department of Agriculture (DA) has also stepped in, announcing that it will audit the DPWH's farm-to-market roads that were built as part of the flood control projects. [Inquirer13] [Manila Bulletin10] [Manila Bulletin11] [Manila Bulletin12] [Manila Bulletin13]

Philippines: Flood-control scandal deepens—charges filed, assets frozen;

House to turn over probe to infrastructure commission

(ghd/ms) September 21 – the anniversary of the 1972 declaration of Martial Law by the late President Ferdinand Marcos Sr., which ushered in over a decade of authoritarian rule, mass arrests, and rights abuses until the 1986 People Power revolution – became the focal point of nationwide unrest as tens of thousands rallied against alleged corruption in flood-control projects.

In Manila, organizers estimated around 130,000 gathered at Luneta Park and the EDSA People Power Monument before some groups sought to march to Mendiola near Malacañang. Police now say 244 people were arrested (including 103 minors) after evening clashes around Mendiola and Claro M. Recto; charges being prepared include illegal assembly, direct assault, malicious mischief, arson, and illegal possession of explosives. Authorities also reported one person fatally stabbed and another shot and hospitalized; investigators say police deployed without firearms and are probing the shooting. Officials alleged some "instigators," including a hip-hop rapper, while the Interior Department cited a foiled bomb threat and the tech ministry said it was tracking accounts linked to "Anonymous PH/Black Mask March." Earlier in the day, a barricade truck was set ablaze and a journalist injured, drawing condemnation from the Presidential Task Force on Media Security. Authorities had staged large deployments ahead of the day, including over 3,000 officers in Calabarzon and 4,300 in Eastern Visayas. Officials also warned possible charges of sedition for those who threatened to "burn the Palace," and said claims of outside funding or direction are under investigation. [PhilStar]

Rallies the same day spanned the archipelago. Church-, student-, and labor-led protests drew 5,000 in Baguio; thousands marched in Legazpi and other Bicol cities; demonstrators rallied in Tuguegarao, Iloilo City, Bacolod, Tacloban, Cagayan de Oro, and Misamis Occidental—some calling for the return of lawmakers linked to the scandal and, in Metro Manila, for President Marcos Jr.'s resignation. Supporters of former President Duterte held separate actions in Cebu and Davao. The Palace said there was no military unrest, that the president was unafraid of destabilization attempts, and that he was ready to face any probe into alleged anomalies in Ilocos. Presidential Adviser for Poverty Alleviation Vince Dizon urged an "all involved should be jailed" approach to the flood-control cases. [Inquirer 1] [Inquirer 2] [Inquirer 3] [Inquirer 4] [Inquirer 5] [Inquirer 6] [Inquirer 7]

The September 21 surge capped a week of mounting mobilization. A three-day transport strike (Sept 17–19) by two national transport coalitions—MANIBELA (Federation of Drivers, Commuters, and United Transportation Terminals) and PISTON (Solidarity of Drivers and Operators' Organizations Nationwide)—disrupted commutes and pushed several Metro Manila universities to shift online. (Both groups primarily represent jeepney drivers and operators and have led nationwide actions on fare, franchise, and fleet-modernization issues.) Smaller actions followed: lawyers and clergy rallied in Cagayan de Oro; fisherfolk opposed alleged bogus flood schemes; and Central Luzon groups staged marches and prayer rallies, some outside local DPWH offices. At UP Los Baños, about 7,000 students walked out over corruption and education funding. [Inquirer 8][Manila Bulletin1] [Manila Bulletin2]

Background on the scandal. Protesters cite a widening graft investigation into alleged "ghost" and substandard flood-control projects—contracts paid for but incomplete or nonexistent. The controversy intensified after presidential remarks in July spotlighted the issue and, in September, after contractors publicly accused officials and lawmakers of kickbacks. Parallel probes by the infrastructure department, audit bodies, and the Ombudsman have led to preventive suspensions, asset freezes, and pledges of criminal filings. Critics argue that years of fragmented, contractor-driven projects—often approved without a coherent watershed-level master plan—left communities vulnerable during monsoon flooding, turning technical grievances into a national accountability test.

Philippines: Congress installs new speaker

(ghd) Citing the flood control corruption scandal, former house speaker Romualdez has resigned from his post on September 17. Faustino Dy III of Isabela, the lone nominee after Romualdez's resignation, has subsequently been elected as the new Speaker of the House of Representatives. 253 solons voted for Dy while 28 abstained, and four did not enter a vote.

Romualdez was implicated by Discaya, one of the contractors embroiled in the corruption scandal, as among the lawmakers who requested kickbacks from infrastructure projects. Romualdez has denied these claims. [Inquirer1][Manila Bulletin1]

In his first speech as speaker, Dy vowed to "not defend the guilty and not shield the corrupt". He

acknowledged that the house of representatives has fallen short of its duties, and he asked the public for a chance to regain their trust. He also promised full transparency and accountability, and his first official order was for the house to fully cooperate with the ICI. [Inquirer2]

However, the minority bloc, which is composed of house members who abstained from the vote, remains skeptical. They believe that the change in leadership is merely superficial and is insufficient to satisfy the public's demand for accountability. [Manila Bulletin2]

Dy is a veteran politician from a powerful political dynasty in Isabela. While he has kept a relatively low profile, his new role as the country's fourth most powerful official places him in a position to lead a deeply divided chamber grappling with multiple controversies. Isabela is part of a group of northern provinces allied with the Marcoses, and the Dy family's political rise occurred during the dictatorship of the late president Marcos. There are two other Dys serving in congress, Ian Paul and Faustino Michael Carlos III representing the 3rd and 5th districts of Isabela, respectively. [Inquirer3]

Philippines: Bangsamoro Autonomous Region elections prep suspended

(ghd) The Supreme Court (SC) has issued a temporary restraining order (TRO) on the implementation of the Bangsamoro Autonomy Act (BAA) No. 77, a law that aimed to reallocate seven parliamentary seats for the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) that were originally designated for Sulu province. BAA 77 was enacted in accordance with the Supreme Court's 2024 ruling, which held that Sulu was not a part of the BARMM.

The TRO was issued just weeks before the first BARMM parliamentary elections, which were scheduled for October 13, as a response to two petitions that challenged the new law. The petitioners argued that BAA 77 was unconstitutional as it could cause confusion and disenfranchisement among voters. With the TRO in place, the implementation of BAA 77 is put on hold while the Supreme Court deliberates on the petitions.

Considering the TRO, the Commission on Elections (Comelec) has suspended all preparations for the BARMM elections and is seeking clarification from the Supreme Court on how to proceed. Nevertheless, campaign and election periods will not be lifted, and

the processing of requests for authority related to election prohibitions will continue. While the BARMM's chief minister has welcomed the TRO, President Marcos has expressed concern that it will cause a delay in the elections. [Inquirer1] [Inquirer2] [Manila Bulletin1] [Manila Bulletin2] [Manila Bulletin3] [Manila Bulletin4] [Manila Bulletin5]

Philippines: Supreme Court upholds Duterte-aligned faction as lawful PDP–Laban leadership

(ghd/ms) The Supreme Court has affirmed the Commission on Elections' earlier ruling that the Cusi–Matibag faction constitutes the legitimate leadership of Partido Demokratiko Pilipino–Lakas ng Bayan (PDP–Laban), long chaired by former president Rodrigo Duterte. Petitions by former senators Aquilino "Koko" Pimentel III and Manny Pacquiao, who led a rival faction, were denied.

The dispute dates to the run-up to the 2022 national elections, when PDP–Laban split over its presidential standard-bearer. Pacquiao sought the nomination while party officers aligned with Energy Secretary Alfonso Cusi pursued a different path and kept Duterte as chair. Each camp convened its own assemblies and moved to expel the other's leaders. The Court held that the May 31, 2021 meeting naming Melvin Matibag acting secretary-general was valid—then-chair Duterte had authorized Cusi to act, a quorum existed, and under PDP–Laban's charter defective notice does not void proceedings if a quorum is present. As a result, the faction's subsequent actions—including the July 2021 national assembly electing Cusi party president with Duterte remaining chair—stood. By contrast, the Pimentel–Pacquiao moves to expel Cusi and Matibag and install Pimentel as acting chair were void for violating the party constitution.

The ruling carries practical weight beyond an internal feud. PDP–Laban was the ruling party during 2016–2022 and retains deep local networks; control of its name, organization, and nomination rights shapes coalition-building, ballot access, and campaign resources ahead of future contests. By siding with the Duterte-aligned bloc and reinforcing Comelec's earlier determination, the Court settles which faction commands the party machinery that many local officials still rely on, while sidelining the Pimentel lineage tied to the party's founding. The decision also signals how Philippine courts may approach future intra-party disputes: giving effect to party charters, privileging quorum and authorized acts over

procedural defects, and deferring to Comelec's administrative findings where appropriate.

With leadership resolved, attention now turns to how PDP–Laban positions itself within the current congressional arithmetic and local alliances—whether as a cohesive ally of the administration, an independent bargaining force, or a platform for prospective Duterte-aligned candidates in upcoming races. [Manila Bulletin]

Philippines: Dismissal of case against former justice secretary affirmed

(ghd) The Philippines' anti-graft court, the Sandigabayan, affirmed the dismissal of a civil forfeiture case against former justice secretary Hernando Perez and his brother-in-law, Ramon Antonio Arceo Jr. The court held that the prosecution's motion for reconsideration merely repeated its previous arguments.

This case, which sought the forfeiture of allegedly ill-gotten wealth, stemmed from an accusation that Perez demanded USD 2 million from a former congressman in exchange for his exclusion from the plunder investigation against former president Estrada. The Sandiganbayan dismissed the case as it found that the prosecution's evidence was mere hearsay and grossly inadequate, since the prosecution failed to call the individuals who executed the documents to testify. [Manila Bulletin]

Philippines: Duterte's defense pleads for temporary release

(ghd) The defense of former president Rodrigo Duterte has requested his temporary release from detention by the ICC. In its request dated September 16, the defense argued that delays in the proceedings related to questions about his health should not infringe on his right to liberty. They emphasized that an interim release would not interfere with the ongoing proceedings on Duterte's fitness to stand trial. The petition for temporary release was filed after the Pre-Trial Chamber I (PTC I) postponed the confirmation of charges against Duterte, following the defense's claim that he is unfit due to declining cognitive health and difficulties recalling events and people.

However, his daughter, Vice President Sara Duterte, stated in an interview that her father is “okay”, and that they have conversations on topics such as politics, corruption scandals, and his personal life.

The defense has another pending motion before the PTC I challenging the ICC’s jurisdiction. They are also seeking Duterte’s release to the Netherlands, where he has vowed not to seek asylum. [Manila Bulletin]

Philippines: Deliberation on Ombudsman candidates postponed

(ghd) The Judicial and Bar Council (JBC), a constitutional office which examines applications to and nominates possible candidates to the judiciary and the Office of the Ombudsman, postponed its deliberation to nominate candidates for the Ombudsman position. According to the JBC, this will give Senator Pangilinan more time to review the qualifications of the 17 applicants.

The Ombudsman’s post has been vacant since July 27, following the retirement of then Ombudsman Martires. This position has a fixed term of seven years. Several notable applicants for the position include Justice Secretary Remulla and Sandiganbayan Presiding Justice Econg. The Sandiganbayan is the country’s anti-graft court. The JBC is expected to submit at least three nominees to President Marcos, who will then appoint the next Ombudsman. [Manila Bulletin]

Philippines: Ombudsman lifts preventive suspension of five officials

(ghd) The Ombudsman has lifted the six-month preventive suspension of Government Service Insurance System (GSIS) President and General Manager Veloso and four other officials. The suspension was initially imposed over a USD 25 million share deal with Alternergy Holdings Corp. (AHC). The Ombudsman found that insufficient ground exists to believe that the officials’ presence at work would prejudice the investigation, as all necessary documents and evidence are already on hand. As a result, Veloso and the others have been ordered reinstated.

This case stemmed from the GSIS’ subscription of 100 million AHC preferred shares under a private placement, which took place on November 2023. According to an investigation, this acquisition was

lacked the required approval of the GSIS board of trustees, which violated the 2022 GSIS Investment Policy Guidelines. [Inquirer][Manila Bulletin]

Philippines: President Marcos signs law reforming right-of-way acquisition

(ghd) On September 12, President Marcos signing Republic Act No. 12289, also known as the Accelerated and Reformed Right-of-Way (ARROW) Act. This new law aims to significantly speed up the process of acquiring land for infrastructure projects while ensuring that landowners receive fair compensation. It amends the previous Right-of-Way Act to remove delays that have long hindered major public works.

The ARROW Act expands the scope of right-of-way acquisition to include not only national government projects but also those by government-owned corporations, private entities providing public services like electricity and water, and local government units. The law introduces new compensation rules for negotiated sales, requiring upfront payment of 50 percent for land and 70 percent for improvements. In expropriation cases, agencies must immediately deposit a significant percentage of the property's market value with the court, allowing projects to proceed without delay.

The legislation also mandates the provision of resettlement sites for affected informal settlers and requires implementing agencies to publish information about the acquisition process to ensure transparency. Special provisions are included for foreign-assisted projects, where the guidelines of the funding institution take precedence. This is considered a top priority of the Marcos administration to boost investor confidence and ensure the timely delivery of vital infrastructure projects. [Manila Bulletin]

Singapore: Exports fall 11.3 percent year-on-year

(ms) Singapore's non-oil domestic exports (NODX) declined 11.3 percent in August from a year earlier, according to official data released on September 17. On a seasonally adjusted month-on-month basis, exports fell 8.9 percent, compared with expectations for a 0.4 percent rise, and followed a revised 4.7 percent annual contraction in July.

Both electronics and non-electronics shipments declined on the year. However, Barclays economist Brian Tan estimated that "core" exports were down 4 percent in August on a seasonally adjusted month-on-month basis, while electronics shipments rose 8.3 percent from July. He noted that NODX readings have been volatile in 2025 and cautioned against over-interpreting a single monthly print. The Monetary Authority of Singapore will conduct its next policy review in October.

Enterprise Singapore reported that exports to Indonesia, the United States, and China fell from a year earlier, while shipments to the European Union, Taiwan, and South Korea increased. Exports to the United States dropped 28.8 percent year-on-year in August after a 42.8 percent fall in July. Washington has applied a 10 percent tariff rate to Singapore, despite the bilateral free-trade agreement and Singapore's trade deficit with the United States.

Officials previously said that some firms front-loaded orders in the first half of 2025 to get ahead of tariffs, supporting growth earlier in the year. They have since warned of a softer second half as those effects unwind and external demand remains mixed. Enterprise Singapore maintains a full-year forecast for NODX growth of between 1 percent and 3 percent.

Trade Minister Gan Kim Yong said last week that higher U.S. tariffs on Singapore's trading partners could also weigh on Singapore indirectly, as components shipped abroad and assembled into goods bound for the United States may see weaker demand in coming months.[Department of Statistics, Singapore] [Reuters]

Singapore: Job market showing mixed signals for young workers

(gp) On September 17, Singapore's Ministry of Manpower released its second-quarter labor market report, which demonstrated both challenges and opportunities for young Singaporeans. As of June 2025, 51.9 percent of fresh college graduates had found employment — up from 47.9 percent the year prior. According to Minister for Manpower Tan See Leng "Compared to previous years, more fresh graduates are putting off pursuing further degrees," instead immersing themselves in the job market. Overall, there were more than 30,000 entry-level roles available for these new professionals.

However, it should also be noted that although the unemployment rate remained steady overall at 2

percent, the rate for those below the age of 30 rose from 5.4 percent in March to 5.7 percent in June. Further, while unemployment rates for all other education groups declined in the second quarter, degree holders saw a small increase from 2.8 percent to 2.9 percent in the same period. When assessing those laid off from their jobs, the proportion of those who landed a new job within six months declined from 60.6 percent in the first quarter to 56.3 percent in the second quarter. However, more than 70 percent found work within 12 months.

These reports have elicited mixed reactions, especially among younger Singaporeans, who are struggling to determine the value of a college education, and the ease with which they may be able to switch careers. [The Straits Times] [Channel News Asia]

Singapore: Mandatory AI literacy for all public servants

(ms) Singapore will make an AI literacy course compulsory for all public servants, Deputy Prime Minister Gan Kim Yong announced at the Public Service Leadership ceremony on September 19. Framing AI as "one of the defining technologies of our time," Gan said the program aims to lift responsible use of AI across government and complement existing digital leadership training. About one-third of the 150,000-strong public service already uses the in-house AI assistant Pair, and agencies have built more than 16,000 custom AI bots to automate tasks and improve responsiveness. Gan urged leaders to set the tone by using AI themselves, guiding teams to deploy tools meaningfully, and building the regulatory and operational know-how to mitigate harms. Stronger AI and data capabilities, he said, will help the state detect scams earlier, respond faster to cyber threats, and reduce online harms.

The push to mainstream AI skills comes as Singapore's defense and technology community signals a parallel shift toward speed and experimentation. Speaking the same day at DSTA's 25th anniversary, Senior Minister Lee Hsien Loong said the Defence Science and Technology Agency must accept more risk, adopt agile procurement and iterative development, and widen collaboration with local startups to keep pace with rapid advances in drones, autonomy, and AI. He cited newer defense-tech entrants that field "good enough" software-driven solutions quickly and upgrade continuously, arguing that this "messier" approach better fits today's fast-moving battlefield and should be matched by more field experimentation, including

work on counter-drone capabilities and intuitive human-machine interfaces.

Taken together, the initiatives signal a whole-of-government pivot: build broad AI fluency across the civil service while pushing specialized agencies to shorten development cycles and translate emerging tech into deployable capability. The immediate test will be execution—rolling out the training at scale, updating rules for responsible use, and ensuring that rapid experimentation in defence and other domains is paired with safety, accountability, and measurable gains in service delivery and security. [Channel News Asia 1] [Channel News Asia 2]

Singapore: Two convicted over falsified escrow letters in Singapore-linked Wirecard case

(ms) A Singapore court has convicted two men for falsifying documents tied to collapsed German payments firm Wirecard AG. R. Shanmugaratnam, 59, a director of Citadelle Corporate Services, was found guilty of 13 counts of issuing balance confirmation letters that falsely stated Citadelle held more than USD 1 billion in escrow for Wirecard and related entities between 2015 and 2017. British national James Henry O'Sullivan, 50, was convicted on five counts of abetting the scheme by instigating Shanmugaratnam to issue the letters in 2017.

The District Judge announced the verdicts on September 22 and said full written grounds would follow.

O'Sullivan is a longtime associate of former Wirecard chief operating officer Jan Marsalek, who is wanted internationally following Wirecard's 2020 insolvency and revelations of massive missing cash. Both convicted men return to court in November for mitigation and sentencing. Each offense carries up to 10 years' imprisonment, a fine, or both. [Channel News Asia]

Singapore: Interpol to expand Singapore hub, deepen joint cyber enforcement

(ms) Interpol is enlarging its Singapore footprint and tightening partnerships with local agencies to counter fast-evolving cross-border crime. From its Global Complex for Innovation on Napier Road—home to one

of three 24/7 Command and Coordination Centres—the organisation will add infrastructure, training capacity, and joint projects with the Singapore Police Force, GovTech, Nanyang Technological University, and the Home Team Science & Technology Agency.

Priorities include AI-assisted analytics, digital and blockchain forensics, and tools to detect deepfakes and other synthetic media. Operational protocols such as Faraday-bagging seized devices and using shield rooms to prevent remote tampering will be scaled through regional training. [Channel News Asia]

Thailand: King endorses new prime minister's cabinet as four-month interim government takes office

(lm/acs) Thailand's King has formally endorsed Prime Minister Anutin Charnvirakul's 36-member cabinet, clearing the way for ministers to take an oath on September 24 and present their policy program to Parliament.

Anutin, who also retains the interior portfolio, has appointed a mix of technocrats and veteran politicians: former Revenue Department chief Ekniti Nitithanprapas becomes finance minister, seasoned diplomat Sihasak Phuangketkeow is foreign minister, former PTT Global Chemical CEO Auttapol Rerkpiboon takes the energy portfolio, and Suphajee Suthumpun, with experience in technology and hospitality, becomes commerce minister. Gen Nattaphon Narkphanit, a retired former National Security Council secretary-general, is defence minister, supported by his deputy Lt Gen Adul Boonthamchareon. Legal scholar Borwornsak Uwanno has been appointed deputy prime minister.Gen Nattaphon Narkphanit, a retired general who formerly served as secretary-general of the National Security Council, is the new defence minister, supported by his deputy, Lt Gen Adul Boonthamchareon, a long-serving military officer. Borwornsak Uwanno, a legal scholar and former secretary-general of the King Prajadhipok's Institute, has been appointed one of the deputy prime ministers. [Bangkok Post 1]

Anutin has pledged to stabilize the baht, ease living costs, and reduce household debt while protecting exports and tourism. His Bhumjaithai-led minority government emerged after former premier Paetongtarn Shinawatra was dismissed in August by the Constitutional Court over an ethics violation. Under a memorandum with the main opposition People's Party, which controls 143 seats, the government must

dissolve the House of Representatives within four months of delivering its policy statement—making new elections likely in February or March 2026. [Bangkok Post 2]

The prime minister confirmed this timeline publicly, stressing there would be “no Day 121” beyond the agreed deadline. He said consultations with the private sector were helping shape the government’s policy statement, while opposition parties signaled readiness for a two-day parliamentary debate once it is presented. [Bangkok Post 3] [Bangkok Post 4]

Amid these political shifts, House Speaker Wan Muhamad Noor Matha, whose Prachachat Party has moved into opposition, rejected calls for his resignation. He argued that the speaker’s position is constitutionally nonpartisan. Prime Minister Anutin also dismissed demands for Wan to step down, noting that the House will be dissolved within months. [Bangkok Post 5] [Bangkok Post 6]

The situation comes as both deputy speaker posts are also held by Pheu Thai MPs, even though that party too now sits in opposition. Chaiya Promma became first deputy speaker in August after his predecessor was removed by the Constitutional Court, while Chalad Khamchuang was approved in July as second deputy speaker following the resignation of a Bhumjaithai MP.

Thailand: Main opposition party under fire for deal enabling minority government

(msz/lm) Thailand’s political realignment following the installation of Prime Minister Anutin Charnvirakul’s Bhumjaithai Party government is under strain, as critics question the credibility of the minority-government pact and the role of the main opposition People’s Party in enabling it.

Party leader Natthaphong Ruengpanyawut has rejected speculation of a secret agreement with Bhumjaithai to shield 44 of its MPs—formerly from the dissolved Move Forward Party—who face serious ethical violation probes linked to efforts to amend Section 112 of the Criminal Code, the lese majeste law. If found guilty, the MPs risk losing their seats and facing election bans. Natthaphong insisted no bargain exists and urged the public to judge the party by its actions. [Bangkok Post 1]

The People’s Party has defended its controversial decision to back Anutin as prime minister, stressing

that the arrangement rests on three conditions: Bhumjaithai's pledge to remain a minority government, dissolution of the House within four months to allow fresh elections, and a referendum on drafting a new constitution by an elected assembly. The party emphasized that it would not join the cabinet but would act as a check through parliamentary oversight. Deputy leader Viroj Lakkana-adisorn denied allegations of hidden deals, arguing that suspicion alone should not derail reform. [Bangkok Post 2]

Criticism has nonetheless mounted. Political activist Chuvit Kamolvisit, a former massage-parlor tycoon turned anti-corruption crusader, lambasted the People's Party for betraying its promise of "new politics" and accused it of acting as a stepping stone for Bhumjaithai. He called the memorandum of agreement little more than political theater, warning that the deal has opened the door to "rotten old politics." [Bangkok Post 3]

Those concerns were reinforced by mass defections from rival parties. On September 17, around 50 politicians from Chumphon Province, long a southern stronghold of the United Thai Nation Party—a conservative-nationalist vehicle linked to former prime minister Prayut Chan-o-cha—announced they were joining Bhumjaithai. They followed an earlier wave of 16 United Thai Nation MPs who broke ranks to support Anutin's candidacy. Analysts warn that while resigning MPs technically lose their seats, the steady flow of defectors strengthens Bhumjaithai's networks and undermines the spirit of the minority-government agreement. Reports suggest additional shifts could follow from southern provinces such as Surat Thani, Nakhon Si Thammarat, and Songkhla. [Bangkok Post 4]

Meanwhile, the Pheu Thai Party, ousted from government after the People's Party sided with Bhumjaithai, has rejected joining the People's Party's opposition bloc. Instead, it vowed to act as a fully independent opposition. Secretary-general Sorawong Thienthong framed the decision as one of principle, saying Pheu Thai could not cooperate with the party that enabled a minority government. [Bangkok Post 5]

Thailand: Corruption claims and land controversy cloud early days of new administration

(lm) Thailand's new Prime Minister Anutin Charnvirakul has avoided a potential personal setback after the Constitutional Court dismissed a petition accusing him of misusing public infrastructure for private purposes.

The case, filed by a Pheu Thai supporter, alleged that Anutin authorized a public road in Nakhon Ratchasima Province to be used as an airstrip, constituting a serious ethical breach. On September 17, the court unanimously rejected the petition on procedural grounds, ruling that it had been filed directly with the court rather than first through the Ombudsman as required by law. [Bangkok Post 1]

At the same time, the long-running Khao Kradong land dispute in Buri Ram Province has resurfaced. The State Railway of Thailand (SRT) argues that roughly 9,000 rai of land (roughly 14.4 square kilometers) was originally granted to it by King Rama V but was later subdivided into private plots, some reportedly linked to the family of Newin Chidchob, the influential patriarch of Anutin's Bhumjaithai Party. Khao Kradong, an extinct volcanic site in Buri Ram, is strategically and economically valuable, making the dispute politically sensitive given Bhumjaithai's base in the province. In 2021, the Supreme Administrative Court ordered the Department of Lands (DoL) to revoke the deeds and return the land to the state. However, the DoL recently suspended revocations pending a new court ruling, citing a 2023 judgment that found the deeds legally valid.

Caretaker Interior Minister Phumtham Wechayachai of the Pheu Thai Party, who took over the portfolio from Anutin when the Bhumjaithai Party quit the then-ruling coalition in July, has sharply criticized the suspension, accusing officials of political interference and warning that, without the Constitutional Court's removal of ex-Prime Minister and Pheu Thai leader Paetongtarn Shinawatra last month, the revocations would already have been carried out. With Anutin set to retake the powerful Interior Ministry portfolio — which oversees the DoL — Pheu Thai and civil society groups fear the case could be buried. [Bangkok Post 2]

The controversy is compounded by allegations of Senate election fraud, which activists describe as the largest case of electoral malpractice in Thai history. A petition submitted to the People's Party alleges collusion in the 2024 Senate selection process, implicating 229 people, including 138 senators and figures linked to Bhumjaithai. Petitioners warn that Anutin's premiership could allow undue influence over investigations. The Department of Special Investigation (DSI) has also faced claims that powerful figures obstructed questioning of hundreds of witnesses.

Opposition parties, including the People's Party and Pheu Thai, have pledged to monitor both the land and Senate cases, though they cannot yet challenge the government in parliament until the cabinet is sworn in.

In the meantime, Pheu Thai has launched sharp attacks on Anutin's incoming cabinet, branding it a "Buri Ram power network" tied to influence groups with checkered legal histories. Party officials argue that corruption allegations, conflicts of interest, and unresolved cases such as Khao Kradong and Senate collusion suggest Bhumjaithai's four-month mandate may be designed to protect its ministers from judicial exposure. [Bangkok Post 3] [Bangkok Post 4]

Thailand: Debate over constitutional reform sharpens as parties submit competing models

(msz/bk/acs) Thailand's political debate over constitutional reform has intensified, centering on Section 256 of the 2017 charter, which governs amendment procedures and the creation of a Constitution Drafting Assembly (CDA).

Newly appointed Prime Minister Anutin Charnvirakul and his Bhumjaithai Party, which leads the coalition government with support from the single-largest party in Parliament's lower house, the main opposition People's Party, have pledged to back amendments enabling a rewrite. Yet analysts suggest Bhumjaithai may pursue a "two-faced strategy," publicly supporting reform while counting on conservative Senate allies to delay or dilute it. As any amendment requires one-third of the Senate's 200 members, the upper house remains a pivotal obstacle. [Bangkok Post 1]

The Constitutional Court further complicated matters by ruling that CDA members cannot be directly elected, forcing parties to design hybrid or indirect models. This has spurred a wave of competing proposals. The People's Party recently submitted a revised draft to amend Chapter 15, establishing a dual mechanism: a 35-member Constitution Drafting Committee, chosen by parliament from 70 candidates elected in a party-list style system, and a 100-member Constitutional Advisory Council, directly elected by provincial constituencies. Both bodies would work together over a nine-month period, with their mandate continuing even if parliament dissolves. The draft foresees an initial referendum, to be held alongside the next general election, though the precise questions remain undefined. [Bangkok Post 2] [Thai Enquirer]

Pheu Thai, until recently the coalition-leading party but now in the opposition, has suggested a different model, proposing 140–200 provincially elected candidates from which parliament would select 100 members, alongside 40 representatives from

professional and civic groups. Civil society organizations have warned that if citizens are sidelined, they could mobilize an alternative draft via 50,000 signatures, prolonging the process.

Meanwhile, the Thai Sang Thai Party has tabled a narrower five-point amendment package that avoids a referendum, including stricter anti-defection rules for MPs, requiring the prime minister to come only from elected MPs, stronger citizen rights protections, tighter oversight of independent agencies, and the nullification of decrees from past coup leaders. [Bangkok Post 3]

The timeline remains contested. Bhumjaithai has reaffirmed that a first reading of amendments is expected in October, followed by two readings in December, with a referendum potentially aligned with general elections projected for March or April 2026. The People's Party has pressed Bhumjaithai and Pheu Thai to honor their pledges to submit parallel revisions to Chapter 15/1 and urged Anutin to push for implementation of the coalition memorandum on reform. [Bangkok Post 4]

Thailand: Pressure mounts over ex-prime minister's royal defamation case as appeal deadline looms

(lm/msz) Thailand's Court of Appeal has granted the Office of the Attorney General (OAG) until October 22 to decide whether to challenge former prime minister Thaksin Shinawatra's acquittal in a high-profile lese majeste case. The Criminal Court dismissed the charges on August 22, which included alleged violations of Section 112 of the Criminal Code (lese majeste) and the Computer Crime Act. [The Nation]

The extension follows growing pressure from royalist and conservative activist groups, who rallied outside the OAG in Bangkok urging prosecutors to proceed. Protest leaders submitted petitions calling for an appeal not only on the lese majeste charge but also on related computer crime allegations. They warned that failure to act could expose officials to charges under Section 157 of the Criminal Code, which penalizes misconduct or negligence by state officials. [Bangkok Post 1]

Meanwhile, Thaksin remains in Bangkok's Klongprem Central Prison serving a one-year sentence on separate corruption-related charges. Family visits indicate he is in generally stable condition but is coping with hypertension, fatigue, and cervical spondylosis. Prison

authorities said he maintains a daily routine of exercise and reading, while his family has deposited the maximum allowance of THB 15,000 (USD 450) for daily purchases capped at THB 500 (USD 15). [Bangkok Post 2] [Bangkok Post 3]

Thaksin, widely regarded as the de facto leader of the Pheu Thai Party, had previously avoided serving time by citing medical conditions that kept him at a hospital instead of prison. His detention has become a rallying point for both supporters and critics, with gatherings continuing outside the prison.

Thailand: People's Party leader reiterates cautious stance on royal defamation law

(lm) Main opposition People's Party leader Natthaphong Rueangpanyawut has reaffirmed his long-standing position on Thailand's royal defamation law (Section 112 of the Criminal Code), stressing that while certain provisions remain problematic, any amendment must adhere strictly to Constitutional Court rulings. He told *Time* magazine that reform should place the monarchy above politics while preserving its core institutional role, arguing that modernization is needed for broader public acceptance.

The People's Party is the latest incarnation of Thailand's reformist opposition bloc. Its roots go back to the Future Forward Party, founded in 2018, which rose rapidly on a platform of challenging military influence, decentralizing power, and curbing the role of entrenched elites. Future Forward was dissolved by the Constitutional Court in 2020 for campaign finance violations widely seen as politically motivated. Its members regrouped as the Move Forward Party, which in the 2023 general election won the largest share of seats on a platform that included reform of Section 112. The Constitutional Court ruled that this advocacy posed a threat to the constitutional monarchy, dissolved the party, and imposed 10-year bans on senior leaders. In response, many MPs and supporters reconstituted themselves as the People's Party.

This continuity makes the movement particularly politically sensitive: Its calls for reform of the lese-majeste law, even when framed within legal constraints, directly touch one of the most sensitive pillars of Thai politics. The Constitutional Court is still reviewing an ethics complaint against 44 former Move Forward MPs, which could result in lifetime bans.

Against this backdrop, Natthaphong acknowledged the risks of what he called “legal warfare,” but insisted his party’s position stems from genuine concern over Section 112’s problematic aspects. He said amendments would depend on coalition negotiations or party stances after the next election. More broadly, he emphasized that constitutional reform is needed to redefine the powers of independent bodies and ensure Thailand’s institutions operate in line with international democratic standards. [Bangkok Post]

Thailand: Democrat Party prepares for leadership vote amid defections and new party formation

(lm) Thailand’s Democrat Party, the country’s oldest political party, will elect a new leader and executive committee on October 18. Acting party leader Pramuan Pongthawaradej confirmed the timeline after an executive committee meeting, stressing that preparations for policy frameworks and election readiness are in place. [Bangkok Post 1]

The Democrat Party, founded in 1946, was once a dominant force in Thai politics and long a leading competitor for power. Its decline began after disappointing results in the 2019 election, when it won only 53 seats, followed by a sharper setback in the 2023 election, when it secured just 25 seats. This collapse in support, particularly in its traditional bases in Bangkok and southern Thailand, has raised questions about the party’s long-term viability and spurred debates over leadership renewal and strategy.

Against this backdrop, the leadership race has reignited speculation about a return by former Prime Minister Abhisit Vejjajiva, who topped a September poll by the National Institute of Development Administration (NIDA) as the preferred choice to lead the party, with 32.9 percent support. Abhisit, party leader from 2005 to 2019 and premier from 2008 to 2011, resigned his Democrat membership in December 2023 after internal disputes but remains influential. [Bangkok Post 2]

While some Democrats hope Abhisit can restore support in traditional strongholds like Nakhon Si Thammarat, others are leaving. Veteran politician Khunying Kalaya Sophonpanich, known for her work in education and technology policy, resigned from the party after more than 25 years to co-found the Thai Kao Mai Party (New Step Thailand Party) with fellow former deputy leader Suchatvee Suwansawat, a past Bangkok governor candidate. Kalaya framed the move

as a call for renewal, saying Thailand needs fresh ideas on education, science, technology, and water management, and argued that the new party would provide space for younger generations while upholding principles of integrity and public trust. [Bangkok Post 3]

Thailand: Senate panel urges rejection of casino bill citing constitutional and social risks

(lm) The Thai Senate is set to debate a committee report recommending rejection of the previous government's casino-entertainment complex bill, a flagship initiative of former prime minister Paetongtarn Shinawatra. The Senate committee, chaired by Senator Veeraphan Suwannamai, concluded that the proposal rests on unproven economic assumptions and warned of severe constitutional, social, and security consequences if implemented.

The report argues that casino complexes would generate little new wealth, instead redistributing money from gamblers, while imposing heavy infrastructure costs on the state. It warns of gambling addiction, family breakdown, crime, money laundering, and national security risks. The committee also highlighted conflicts with constitutional provisions requiring state action for public benefit and adherence to legal principles, adding that the bill's creation of a powerful Entertainment Complex Policy Board—chaired by the prime minister with authority to amend or override laws—would undermine accountability and constitutional checks and balances.

Beyond domestic concerns, the panel cautioned that legalizing casinos could damage Thailand's international reputation by promoting high-risk behavior over sustainable development. It instead recommended alternatives such as wellness complexes to boost tourism. Should the government pursue the bill, the committee insists it must undergo public impact assessments and be subject to a national referendum. If negative impacts occur, the state would be responsible for compensation and remedies. The committee urged the government to revise the draft in line with constitutional principles or, failing that, for the Senate to reject it outright. [Bangkok Post]

Thailand: Plan to cut protected forest sparks backlash over conservation risks

(lm) Thailand's proposal to redraw the boundary of Thap Lan National Park — the country's second-largest national park, located in the Dong Phayayen–Khao Yai Forest Complex, a UNESCO World Heritage Site — has triggered strong opposition from environmental groups and conservationists. The plan would remove more than 260,000 rai (about 416 square kilometers) of protected forest and transfer the land to the Agricultural Land Reform Office.

The National Land Policy Committee (NLPC), working with the Department of National Parks, Wildlife and Plant Conservation (DNP), argues that disputes over overlapping land use should be handled on a case-by-case basis, distinguishing between long-term residents and illegal encroachers. Officials warn that blanket solutions risk rewarding wrongdoers.

Conservationists, led by the Seub Nakhasathien Foundation — one of Thailand's most prominent environmental NGOs — and activist Chaiwat Limlikitaksorn, reject the plan, saying it benefits powerful interests and undermines Thailand's conservation commitments. They cite a DNP survey with nearly one million responses, of which 95 percent opposed the downsizing. UNESCO has also voiced concern that the move could breach heritage obligations. [Bangkok Post 1] [Bangkok Post 2]

Thailand: New digital platform launched to strengthen corruption reporting

(lm) Thailand has introduced *Corruption Watch*, a digital platform developed by Chulalongkorn University in partnership with the Anti-Corruption Organisation of Thailand (ACT), aimed at enabling safer and anonymous reporting of corruption cases. The system allows citizens and officials to submit evidence, track case progress, and ensure transparency through a publicly accessible portal. Reports can be filed via Line or the dedicated website.

Between 2022 and September 2025, more than 400 cases were submitted through the pilot phase, with over 100 referred to the National Anti-Corruption Commission (NACC). The initiative is supported by academic, media, and civil society partners, reflecting efforts to create an integrated anti-corruption ecosystem.

Observers note that while the platform represents a step forward in promoting transparency and accountability, its effectiveness will depend on whether Thailand can guarantee strong protections for

whistleblowers, a longstanding weakness that often discourages individuals from exposing corruption. [Bangkok Post]

Thailand: Police target 20 firms in multimillion-baht investment scam

(lm) Thailand's Cyber Crime Investigation Bureau (CCIB) has launched legal action against 20 companies accused of running an elaborate investment scam that cost one victim THB 26 million (USD 710,000). The fraud began with a Facebook account posing as a well-known analyst and luring people into a Line chat group and Zoom meetings promoting a scheme called "Profit Pulse." Victims were told they could buy off-market stocks cheaply through a fake platform, Saxoplus TH, already known from past cybercrime cases.

The scammers instructed transfers to 21 corporate accounts tied to 20 companies, claiming the funds were fees for analysis, platform access, or account unlocking. When the victim tried to withdraw money, further payments were demanded under threat of account resets. After police traced the money flow, 19 individuals holding director positions in the firms were identified. Arrest warrants have been issued for executives linked to nine companies. [Bangkok Post]

Thailand: Activist and serial petitioner sentenced to jail for extortion

(msz) Thailand's Central Criminal Court for Corruption and Misconduct Cases has sentenced former activist Yoswaris Chuklom, known as "Jeng Dokjik," to six years in prison, and serial petitioner Srisuwan Janya together with three accomplices to four years each, for attempting to extort THB 1.5 million (USD 45,000) from the director-general of the Rice Department.

The case began after Natthakit Khongthip, head of the department under the Ministry of Agriculture, filed a complaint in January 2024 alleging that the group demanded payment in exchange for not pursuing corruption complaints. Srisuwan was caught in a sting operation receiving THB 500,000 (USD 15,000) in cash, with audio, video, chat messages, and marked banknotes later used as key evidence.

Both Yoswaris and Srisuwan deny wrongdoing, claiming political motivation and entrapment, and have appealed the verdict. The court granted conditional

bail of THB 600,000 (USD 18,000) each, secured by land titles, while the case proceeds.

Yoswaris, once a supporter of the red-shirt movement —formally the United Front for Democracy against Dictatorship, which mobilized mass protests in the 2000s and 2010s in support of former prime minister Thaksin Shinawatra and against military-backed governments—later broke with the group and joined the United Thai Nation Party. He has pledged to challenge the court's verdict.

Srisuwan, by contrast, is best known for filing thousands of petitions that have led to the dissolution of political parties and the downfall of senior politicians. He said the conviction has damaged his role as a watchdog but vowed to continue his fight through the appeal process. [Bangkok Post]

Thailand: Supreme Court acquits three former protest leaders in 2008 state TV raid case

(msz) Thailand's Supreme Court on September 19 acquitted three former leaders of the People's Alliance for Democracy (PAD), a now-defunct protest movement, over the 2008 raid on the state-run National Broadcasting Service of Thailand (NBT). The Court ruled that evidence was insufficient to prove that Anchalee Paireerak, Puwadol Songprasert, and Yutthiyong Limlertwathee had directly ordered or participated in the damage to property or forced entry during the protests. In contrast, Chitiphat Limthongkul, the brother of media figure Sondhi Limthongkul, had his conviction upheld but his sentence reduced to six months in prison.

The PAD, also known as the "Yellow Shirts," was an anti-Thaksin Shinawatra protest group active in the 2000s. Its members stormed the broadcaster's headquarters in August 2008 during demonstrations against then–Prime Minister Samak Sundaravej, damaging equipment and disrupting broadcasts. Lower courts had previously sentenced all four defendants to jail terms, but last week's ruling overturned those decisions for three of them while maintaining Chitiphat's conviction. [Bangkok Post] [Thai PBS World]

Thailand: Senate approves amendments to labor bill extending maternity leave to

120 days

(msz) On September 16, Thailand's Senate approved amendments to the Labour Protection Act, expanding maternity leave benefits for female workers. The new legislation grants mothers a total of 120 days of maternity leave, with 60 of those days fully paid. This represents an increase from the previous entitlement of 98 days, of which only 45 were paid.

The updated law also extends protections to contract employees, including compensation for sick days, weekend shifts, and public holidays. In addition, new fathers are entitled to 15 days of paid leave to support their partners. Employers who compel pregnant employees to undertake hazardous work risk fines of up to THB 20,000 (USD 630).

The legislation will come into effect 30 days after its publication in the Royal Gazette. The Labour Welfare and Protection Department will be tasked with informing the private sector, employer associations, and labor unions about the new requirements. [Thai PBS World]

Thailand: Government rejects claims of BBC footage seizure

(lm) Thailand's Ministry of Tourism and Sports has denied allegations that officials seized footage from a BBC crew filming a documentary on sex tourism titled *Thailand: The Dark Side of Paradise*. The dispute arose on September 5 at Soi Cowboy, a well-known nightlife district in Bangkok, after the crew entered a pub without the owner's consent despite holding permits for other locations. Local police mediated between the pub and the crew, but no film was confiscated.

Officials said the government supports foreign productions provided they comply with Thai law and agreed procedures. The pub later filed a complaint after clips were released online. The documentary has also faced criticism for misrepresentation, including from a British YouTuber who participated in the program. [Bangkok Post]

Thailand: Power generation and LNG imports set for record decline in 2025

(lm) Thailand is on track for its sharpest fall in electricity output in nearly four decades, driven by

cooler weather, frequent rainfall, and slowing economic growth. Power production and imports fell 5.4 percent year-on-year in the first seven months of 2025, nearly double the contraction seen during the 2020 COVID-19 lockdowns. Residential demand, which makes up about one-third of consumption, plunged over 7 percent — the steepest drop on record — while industrial and commercial demand fell 2.8 percent.

Natural gas, which accounts for 56 percent of Thailand's power mix, saw a 12 percent decline in generation through July, putting the country on course for its first annual drop in liquefied natural gas (LNG) imports since 2014. LNG shipments between January and August fell 15.3 percent to 7.2 million tons, with utilities hardest hit. Coal-fired power, hydropower, and imports from Laos offset some of the shortfall, as sanctions disrupted pipeline gas from Myanmar.

The World Bank expects Thailand's economy to grow just 1.8 percent in 2025, with tourism, exports, and political uncertainty weighing on demand. Still, analysts forecast a rebound in LNG imports from 2026, supported by term contracts with Oman and the United States. Rising electricity use from transport electrification and new data centers is also expected to drive demand in the medium term. [Bangkok Post]

Thailand: New cabinet faces pressure for short-term economic gains as finance minister pledges currency stabilization

(bk) Thailand's newly endorsed cabinet under Prime Minister Anutin Charnvirakul faces mounting pressure to deliver visible economic results within the next four to six months.

Economists warn that the administration's so-called "economic dream team" must prioritize short-term stabilization to ease cost-of-living pressures and prevent further decline, given the fiscal deficit of 4.5 percent of GDP and public debt at 6.5 percent, the highest in over two decades. Experts urge targeted relief for households and small businesses, efficiency in public spending, and groundwork for long-term competitiveness, such as technology and workforce development. With household debt exceeding 90 percent of GDP and elections expected in early 2026, analysts caution that coalition politics and looming dissolution of parliament may undermine coherent policy execution. [Bangkok Post]

Against this backdrop, newly confirmed Finance Minister Ekniti Nitithanprapas has pledged to work

with the Bank of Thailand to stabilize the baht and monitor unusual capital and gold flows. His statements, made before the cabinet's royal endorsement, included discussions with incoming central bank governor Vitai Ratanakorn on measures to curb appreciation pressures. The Thai baht, trading at 31.88 per USD, is about 8 percent stronger this year, raising concerns for exporters and tourism operators. Authorities are weighing options such as taxing gold trades after an 82 percent year-on-year surge in gold exports, including large shipments to Cambodia. While analysts welcome Ekniti's pledge, they stress that immediate results will be difficult to achieve in the constrained timeframe, and that without continuity, deeper structural reforms may again be postponed. [The Nation]

Thailand: Poverty and student debt pressures force government into sustained fiscal support

(msz/lm) Thailand faces converging financial strains as both poverty reduction and student loan support weigh heavily on the state budget. Research by the Program Management Unit for Area-Based Development (PMU-A) shows that 2.39 million people —3.41 percent of the population—still live in poverty, with the highest concentrations in the Northeast and the lowest in Bangkok. Analysts cite low earnings, heavy household debt, and limited access to opportunities as key drivers. Many poor families have no savings and remain trapped in debt cycles.

In response, PMU-A has launched 299 new poverty-reduction initiatives nationwide and 34 dedicated anti-poverty funds, while a coalition of universities and partner organizations has urged the government to formally designate poverty alleviation as a national priority. Their proposals include establishing a centralized household poverty database, empowering local administrations, and expanding vocational training. [Bangkok Post 1]

At the same time, the government is under pressure to sustain the Student Loan Fund (SLF), which expects to require about THB 20 billion (USD 550 million) in subsidies each year until 2030. The SLF, which has lent THB 820.8 billion (USD 22.5 billion) to 7.1 million borrowers since 1997, faces a default rate of 64 percent and declining revenues due to legal changes that prioritize repayment of loan principal over fines and interest. For fiscal year 2026, the fund is seeking THB 21.9 billion (USD 600 million), up from THB 19 billion (USD 520 million) in 2025, while planning to lend

THB 41 billion (USD 1.1 billion) to about 630,000 students. [Bangkok Post 2]

Thailand: Flooding worsens as dams raise discharge rates

(lm) Severe flooding has spread across multiple provinces as major reservoirs reach capacity and continue to release water. In Ayutthaya, a historic city north of Bangkok and hub of the Chao Phraya River basin, the Chao Phraya Dam has discharged 2,200 cubic meters per second for four consecutive days, inundating eight districts and submerging roads in riverside communities. The Rama VI Dam in Tha Ruea district has also increased releases, affecting downstream areas such as Wat Satue, while in Lop Buri, a central province known for agriculture and historical sites, rising discharges from the Pa Sak Jolasid Dam are expected to raise river levels by up to 1.8 meters, flooding markets and villages.

Flood warnings are in effect in Chiang Rai, Thailand's northernmost province bordering Myanmar and Laos, where the Sai River is nearly overflowing at the Thai-Myanmar Friendship Bridge. In Chaiyaphum, a northeastern province reliant on rice cultivation, nearly two weeks of heavy rain have submerged more than 40,000 rai (roughly 64 square kilometers) of farmland. Two reservoirs there have already exceeded storage capacity, forcing controlled discharges into the Chi River. Authorities warn that Typhoon Ragasa could bring further heavy rainfall from late September into October, raising risks of flash floods, landslides, and wider damage across the Northeast. [Bangkok Post]

Thailand: Public network calls for rethink of Southern Economic Corridor and land bridge project

(bk) Activists from a southern and eastern citizens' network have urged Prime Minister Anutin Charnvirakul and his Bhumjaithai Party to drop or reconsider the Land Bridge project and the Southern Economic Corridor (SEC) from the new cabinet's policy agenda, warning that moving ahead could spark widespread opposition, particularly in the South. The Land Bridge, a trillion-baht plan to connect ports on the Gulf of Thailand and the Andaman Sea as an alternative trade route, is seen by critics as a threat to the environment, land ownership, and local livelihoods.

Around 50 residents from provinces expected to be affected, including Ranong, Chumphon, Nakhon Si Thammarat, Surat Thani, Rayong, and Prachinburi, submitted a petition at Bhumjaithai headquarters in Bangkok. The People Network from the Southern and Eastern Region argued that a short-term government with only four months in office should prioritize urgent national concerns such as constitutional reform, public welfare, border security, and economic stimulus over mega-projects.

The group also warned that new initiatives risk repeating the shortcomings of the Eastern Economic Corridor (EEC), which they say disproportionately benefited foreign investors while sidelining local communities. They called for a full reassessment of both the SEC and the land bridge before any commitments are made, insisting that failure to heed their concerns would trigger a "no vote" campaign in the South and possibly in the East. [The Nation] [Bangkok Post]

Thailand: Royal Thai Navy signs amended submarine deal with Chinese state-owned firm

(bk) Thailand's Royal Navy has signed a revised agreement with Chinese state-owned defense contractor China Shipbuilding & Offshore International Co. (CSOC), resolving a long-running impasse over submarine procurement. The deal, approved by the Thai cabinet in early August and formally signed in Beijing on September 16, amends the 2017 contract for a Yuan-class S26T submarine originally priced at THB 13.5 billion (USD 370 million).

The project had stalled after Germany blocked exports of the MTU396 diesel engine in 2021. Under the amended deal, the submarine will instead be powered by a Chinese-made CHD620 engine, with delivery pushed back by 40 months to late 2028. The new timeline also covers technology transfer, training of Thai maintenance personnel, and crew preparation.

CSOC, which operates under the umbrella of the China State Shipbuilding Corporation (CSSC), a major state-owned conglomerate supervised by China's State Council, pledged to ensure the vessel meets operational standards. The Chinese Ministry of Defense has further committed to supporting training and ensuring quality delivery. [The Nation] [Bangkok Post]

Thailand: Police force embraces drone technology for law enforcement

(msz) Thailand's police force has launched its first dedicated drone unit under the Central Investigation Bureau, with a mandate covering four areas: royal security, criminal investigations, tactical operations, and public safety and rescue. The unit is equipped with a rooftop "drone airfield" and training facility at the bureau's Pracha-Arak building in Bangkok.

Authorities stated that drones will be used to improve surveillance, tactical response, and disaster management. The technology has already been deployed in operations including a 2021 murder investigation in Phuket, crackdowns on organized crime networks, hostage rescue situations, and relief missions during natural disasters. [Bangkok Post]

Timor-Leste: Parliament scraps MPs' car plan after protests, moves to end lifetime pensions

(ms) Timor-Leste has dropped a plan to purchase new vehicles for all 65 lawmakers after large, student-led protests in Dili. Demonstrators burned tyres, set a government vehicle on fire outside the National Parliament, and clashed with police, who responded with tear gas. Parliament voted to cancel the procurement and, a day later, said it would move to repeal the 2006 law granting former MPs lifetime pensions pegged to their salaries.

Crowd estimates were about 1,000 on the first day and roughly 2,000 on the second, with rallies centered around parliament and nearby university areas. Protesters hurled rocks and carried banners accusing officials of self-dealing. Police formed cordons and used dispersal measures, including tear gas. Organizers and students reported minor injuries related to tear-gas exposure; authorities did not immediately release figures on arrests or hospitalizations. Despite the U-turn, demonstrations continued amid skepticism that purchase orders were already in motion; organizers demanded documentary proof that any contracts were voided.

Activists framed lawmakers' perks as a "symbol of injustice" in one of Southeast Asia's poorest countries, arguing funds should go to education, water, sanitation, and jobs. Lawmakers' annual pay—about USD 36,000—far exceeds average incomes near USD 3,000, fueling anger among a predominantly young

population (over 70 percent under 35) confronting unemployment and inequality.

President José Ramos-Horta urged nonviolence, saying protests are legitimate in a democracy but must remain peaceful. Prime Minister Xanana Gusmão, due back from overseas, is expected to oversee follow-through. To rebuild trust, parliament said it would direct the secretariat to keep and maintain existing vehicles and pursue the legal steps to repeal lifetime pensions. Credibility now hinges on transparent cancellation paperwork, a clear repeal timetable, and visible reallocation of savings to public services. [ABC News] [BBC] [Channel News Asia]

Timor-Leste: Government pushes National Press modernization

On September 19, Presidency Minister Agio Pereira met leaders of the National Press of Timor-Leste (INTL, I.P.) to advance a modernization plan. Priorities include repairing facilities, training staff, launching an electronic workflow for *Jornal República*, expanding secure-document printing, and activating a cooperation deal with Portugal's state press. Pereira called INTL strategic, urged Portuguese-language upskilling for staff who handle official texts, and requested a sustainable commercial plan to reduce budget reliance. [Government of Timor-Leste]

Timor-Leste: Council of Ministers reviews budget management decree-law, hears Dili convention center plan

The Council of Ministers met on September 18 at the Government Palace in Dili. Finance Minister Santina José Rodrigues F. Viegas Cardoso presented a preliminary draft Decree-Law to operationalize Law No. 3/2025 (Framework for the General State Budget and Public Financial Management). The measure is intended to ensure full implementation of the framework law and reinforce the IX Constitutional Government's commitment to disciplined, transparent, and results-oriented financial management, with clear accountability and efficient use of public resources.

Vice-Prime Minister Francisco Kalbuadi Lay, who also serves as Minister Coordinator for Economic Affairs and Minister of Tourism and Environment, then outlined a project to build a Dili International Convention Center at the former port area on Dili Bay.

The proposed complex would include a main convention facility with conference rooms, auditoriums, and exhibition pavilions, alongside leisure and tourism amenities such as a pier-side promenade, aquarium, and entertainment and shopping areas. The project aims to revitalize the waterfront, position Dili for major events, and support tourism and job creation. [Government of Timor-Leste]

Vietnam: Roadmap and policies set to transition to green transportation and restrict fossil-fuel vehicles

(hn) Deputy Prime Minister Trần Hồng Hà has directed the Ministry of Finance to study financial support measures for citizens to switch to green vehicles and use public transport. The ministry is also tasked with developing policies on taxes, fees, and incentives to promote a green and circular economy, to be completed by Q4 2025.

Hanoi and Ho Chi Minh City are required to publicly announce roadmaps for transitioning to green transportation with feasible support policies to ensure public and business cooperation. The Ministry of Construction will propose stricter regulations on vehicle emissions inspections, targeting older vehicles that fail environmental standards, and coordinate with both cities on the development of public transport systems such as subways, elevated trains, and clean-energy buses, including mechanisms to attract private investment.

The Ministry of Industry and Trade, in collaboration with the Ministry of Science and Technology and Ministry of Construction, will issue national technical standards for public EV charging stations and apartment buildings with EV chargers by October 15. Urban planning must integrate EV charging and battery swap stations.

The Ministry of Health will develop a national research program on the impact of air pollution on public health and, together with the Ministry of Agriculture and Environment, create an early warning system for pollution-related health risks.

Previously, the Prime Minister mandated that by July 1, 2026, fossil-fuel motorcycles must be banned in Hanoi's inner Ring 1. By January 1, 2028, gasoline-powered motorcycles and cars will face restrictions in Ring 1 and Ring 2, expanding to all fossil-fuel personal vehicles in Ring 3 by 2030. [Vnexpress1, in Vietnamese] [Vnexpress2, in Vietnamese]

Vietnam: National business database approved to enhance transparency and support for enterprises

(hn) On September 17, Deputy Prime Minister Nguyễn Chí Dũng approved a plan to build a National Business Database covering all types of businesses in Vietnam, including private, state-owned, and foreign-invested firms.

The database will integrate six main sources-business registration, tax, import-export, social insurance, credit, and labor or employment to monitor business activities, enhance government support, and improve transparency.

A basic version will launch in 2025 with four sources and a Business Health Index to assess financial and non-financial performance. In 2026, credit and investment data will be added, analyzed using AI and big data tools, and by 2027–2030, additional information on labor, intellectual property, innovation, technology, digital transformation, and sustainability will be included, accessible through open data platforms.

The plan outlines six key tasks, including legal framework, database architecture, IT infrastructure, operations, and IT human resources.

The Ministry of Finance will manage and secure the database, while the Ministry of Public Security will integrate it with the National Integrated Database, creating a comprehensive business big data system by 2030. [Vietnamnews]

Vietnam: Largest oil producer outlines eco-energy hub in Mekong Delta

(ab) The state-owned corporation Petrovietnam, Vietnam's largest oil and second largest power producer, has reaffirmed plans to develop an eco-energy and industrial center in the southern city of Can Tho. The initiative is designed to integrate clean energy, green chemicals, and high-tech services with the region's agricultural strengths.

The project foresees investments of USD 2.9 billion by 2030 in industrial gas and green products, USD 2 billion by 2035 in liquified natural gas and bio-

methanol facilities, and nearly USD 19.4 billion by 2050 in renewable energy projects.

Local authorities welcomed the plan but stressed the need for detailed studies on land use and planning.

The initiative reflects Vietnam's broader strategy to align industrial development with its long-term green energy goals. In recent years, the country has pledged to phase down coal, reach net-zero carbon emissions by 2050, and expand its renewable energy capacity, supported in part by the Just Energy Transition Partnership with international donors. The Mekong Delta project also highlights the growing role of state-owned enterprises in advancing this transition, as Vietnam seeks to balance energy security with sustainability while pursuing its goal of becoming a high-income economy by 2045. [The Investor]

Vietnam: Prime minister orders faster homebuilding, cheaper credit to cool apartment prices

Prime Minister Pham Minh Chinh on September 22 directed ministries, the central bank, and provincial leaders to increase housing supply and cut red tape as apartment prices outpace incomes. Citing affordability strains, he told the State Bank of Vietnam to design policies for "reasonable" mortgage and developer financing rates and urged cities to accelerate social-housing pipelines.

New data underscore the squeeze: average new-build apartment prices in Hanoi and Ho Chi Minh City have risen 5.6 percent this year to about 80 million dong per square meter (around USD 3,028), while the average annual salary is 98.4 million dong. Economists warn of asset-price risks as credit expands; property-related lending stood at roughly 4 quadrillion dong (about USD 153.8 billion) as of July 31, up 17 percent from end-2024 and 23.68 percent of total credit.

Chinh paired the affordability push with macro guardrails, saying stable prices are integral to growth. Vietnam aims to keep 2025 inflation within 4.5–5.0 percent; August CPI was 3.24 percent year on year, with rents and construction materials up 6.99 percent. Authorities will streamline land and project approvals, publish clearer service standards, and lean on targeted facilities to crowd in lower-cost housing—building on a 30 trillion-dong (about USD 1.15 billion) package under Resolution 02 and lending under Decree 100. The housing steering committee must deliver root-cause analysis and 2026 proposals to lift affordable supply,

shorten approval timelines, and align credit tools with verified demand. [Reuters] [Vietnam Law Magazine]

Vietnam: Prime Minister pledges stronger support for private sector

(ab) At the Vietnam Private Sector Forum 2025 in Hanoi, Prime Minister Pham Minh Chinh reaffirmed the Party and Government's commitment to strengthening the private sector as a key driver of growth.

Chinh urged businesses to lead in innovation, digital transformation, and green development while adapting to global shifts by diversifying markets, products, and supply chains. He also acknowledged persistent obstacles in regulatory frameworks, infrastructure, credit access, and administrative procedures.

The government pledged to address these challenges through upcoming policy reforms and major infrastructure projects, including thousands of kilometers of new expressways and expanded rail, port, and air links.

Business leaders welcomed progress from past forums but emphasized ongoing concerns over policy instability, high logistics costs, and limited financing for smaller firms.

Strengthening the private sector is seen as central to Vietnam's ambition of becoming a high-income country by 2045, a goal that requires sustained reforms and closer coordination between state institutions and enterprises. [Vietnamnews]

Vietnam: Government plans tighter security screening for investment projects

(ab) Vietnam's Ministry of Public Security has proposed a decree requiring police approval for investment projects in sectors such as energy, telecommunications, construction, and industrial parks. The draft would expand the ministry's role from consultation to decision-making, giving it effective veto power over projects on security grounds.

The move reflects a broader consolidation of influence by the security apparatus, at a time when both the police and military hold significant stakes in sectors of the economy ranging from banking to telecommunications. Analysts note this raises

questions over potential conflicts of interest, as security bodies could shape the future of foreign investment while also acting as economic stakeholders.

While framed as a way to safeguard national interests, the measure could increase compliance costs, slow project approvals, and create uncertainty for investors in a country that remains highly dependent on foreign capital. [Reuters]

Vietnam: National Assembly panel weighs new e-commerce law and mid-course budget shifts

(ms) Vietnam's National Assembly (NA) Standing Committee on September 22 reviewed a draft Law on E-commerce alongside proposals to reallocate public investment, signaling a dual push to modernize digital-market rules and keep capital spending on schedule. Lawmakers said a dedicated statute is needed to better protect consumers, curb tax leakage, and combat counterfeit or low-quality goods online, while avoiding overlapping mandates and new compliance burdens. They urged clearer scope and placement of the bill within Vietnam's legal hierarchy, tighter rules on e-contracts and platform responsibilities, and alignment with national security, cybersecurity, and digital-transformation objectives. The Ministry of Industry and Trade said revisions will strengthen fraud controls and consumer protection and streamline procedures to support innovation.

The debate reflects Vietnam's fast-growing online economy—where cross-border sellers, fragmented enforcement, and uneven disclosures have exposed gaps in tax and product-safety oversight. A standalone law would move beyond decree-level rules to codify due-diligence standards for marketplaces, complaint handling, and data/document retention, while clarifying how sector regulators share oversight to reduce duplication.

On fiscal matters, the committee backed reallocations to match project readiness. It endorsed VND 1.926 trillion (about USD 72.9 million) from 2022 additional revenues for Phase 1 of the Bao Lộc–Liên Khương expressway in Lâm Đồng under a PPP model. Funds initially assigned but no longer needed at the finance and construction ministries—VND 723 billion—would shift to Quảng Ngãi (VND 150 billion) and Lâm Đồng (VND 573 billion). The Government also proposed trimming VND 3.27 trillion from 2025 central allocations at nine ministries/three localities and

redistributing them to three central agencies and 13 provinces, plus reassigning over VND 703 billion in unused foreign-sourced funds to Tuyên Quang, Ho Chi Minh City, and Tây Ninh. NA leaders urged tighter sequencing of budgets with disbursement capacity, faster execution, and safeguards against waste and corruption. [Vietnam Law Magazine]

Vietnam: Manufacturing company expands in booming EV motorbike market, plans Thailand growth

(ab) Vietnamese electric motorbike startup Dat Bike has raised USD 22 million to scale production and expand retail outlets as demand for cleaner transport rises. Founded in 2019, the company plans to boost annual output from 30,000 to 100,000 units by 2026 and is preparing a pilot entry into Thailand later this year.

Vietnam is now the world's third-largest electric two-wheeler market, with sales nearly doubling in early 2025. Government policies to curb air pollution — including Hanoi's planned ban on gas-powered motorbikes in central districts — are accelerating the transition. Domestic firms such as Dat Bike and VinFast are competing alongside Japanese and Chinese manufacturers, though costs and charging infrastructure remain barriers.

Dat Bike's regional ambitions highlight how Vietnamese companies are becoming tools of business diplomacy, advancing the country's economic presence abroad while aligning with its broader goals for sustainable growth. [Bloomberg]

Vietnam: Khanh Hoa Province approves USD 5.7 million aviation fuel depot to serve Cam Ranh Airport

(hn) Vietnam's Khanh Hoa Province has approved the first phase of the Ba Ngoi aviation fuel depot project, valued at USD5.7 million, to supply fuel to Cam Ranh International Airport and the south-central region.

Developed by Cam Ranh Port JSC in partnership with PVOIL, phase 1 includes reclaiming 20,000 m^2 of land (18,000 m^2 into the sea) and building a 511-meter seawall with related infrastructure, expected to finish within 10 months. Phase 2 will cover two hectares, featuring storage tanks with a 13,500 m^3 capacity for

diesel, gasoline, and Jet A1 aviation fuel, with construction lasting 13 months and a 20-year operation license.

The depot aims to support airport fuel needs and expand PVOIL's regional distribution. An environmental assessment highlighted potential impacts on hydrology and marine ecosystems, with mitigation measures planned for dust, waste, and worker safety. [Tuoitre]

Vietnam: Bumper coffee crop may help ease global supply squeeze

(ab) Vietnam is set to harvest its largest coffee crop in four years, with output for the 2025–26 season projected at 1.76 million tons, up 6 percent from last year. Favorable rainfall has boosted yields in Dak Lak, the country's key growing region.

As the world's largest producer of robusta beans, Vietnam's increased output could ease global supply shortages following weaker crops in recent years and help moderate prices, which surged 42 percent last month. Analysts note that robusta, widely used in instant coffee and espresso, is becoming an attractive alternative as arabica supplies tighten.

Farmers, buoyed by higher prices, have invested in crop management and in some cases expanded cultivation, though excessive rain during the harvest could still impact quality and exports. Rising domestic consumption, expected to grow 22 percent to 4.9 million bags this season, may also offset some export potential.

Vietnam's bumper crop comes at a critical time for global markets, offering relief to roasters and traders facing volatile prices. With demand shifting toward robusta, the harvest underscores Vietnam's central role in stabilizing global coffee supply chains. [Bloomberg]

Vietnam: Vĩnh Long emerges as Mekong Delta's new renewable energy and maritime hub

(hn) Vĩnh Long, newly enlarged through its merger with Bến Tre and Trà Vinh, is positioning itself as a growth pole of the South and a renewable energy hub for the Mekong Delta. With over 130 km of coastline,

expanded waterways, and proximity to Hochiminh City, the province is focusing on marine economy, seaports, and clean energy.

Key strengths include Bến Tre's aquaculture and coconuts, Trà Vinh's wind power and ports, and Vĩnh Long's high-quality agriculture and food processing. The province holds renewable energy potential of 22,100 MW, with 29 approved wind projects and a major green hydrogen plant underway. Plans also include land reclamation, new seaports, coastal roads, and bridges to enhance connectivity and investment appeal.

Authorities are pursuing institutional reforms, creating a streamlined investment environment, and proposing a "Green Investment One-Stop Centre" to attract climate funds, green bonds, and direct power purchase agreements. Experts highlight three priorities: integrated planning and infrastructure, mechanisms for green capital markets and circular economy, and investment in technology and human resources, including training 5,000 engineers annually and applying AI in industry.

Biomass energy from coconuts, rice, and sugarcane could further link agriculture with renewable projects. By combining clean energy, maritime infrastructure, and innovation, Vĩnh Long aims to become a national hub for renewable energy exports and a "living laboratory" for Vietnam's green transition. [Vietnamnews]

Vietnam: Techcom Securities raises USD 410 million in IPO

(ms) Techcom Securities, the brokerage arm of Techcombank, raised 10.82 trillion dong (about USD 410 million) in one of Vietnam's largest listings this year. The firm sold all 231.15 million shares on offer at 46,800 dong each, it said on Friday. Demand came from both local and overseas buyers, with 52.44 percent allocated to domestic investors and 47.56 percent to foreign investors and foreign-controlled entities.

The deal lands as Vietnam seeks an upgrade to "emerging market" status, with officials expressing confidence that FTSE Russell could confirm a reclassification next month—an outcome that would broaden index-driven capital flows. Proceeds are expected to bolster Techcom Securities' capital base amid rising retail participation and product expansion in Vietnam's equity and debt markets.

The company did not specify a listing date. Techcom Securities' parent, Techcombank, is one of Vietnam's largest private lenders by assets and market capitalization.[Reuters] [The Star]

International Relations, Geopolitics and Security in Asia

ASEAN adopts 10-year action plan to combat transnational crime

(ms) Meeting in Malaysia on September 10, the 19th ASEAN Ministerial Meeting on Transnational Crime (AMMTC) endorsed the ASEAN Plan of Action on Combating Transnational Crime 2026–2035, giving the bloc a decade-long roadmap to address evolving threats. Ministers also approved creation of a SOMTC Working Group on Anti-Money Laundering, a new platform to tighten cooperation against financial crime and illicit flows, and adopted an ASEAN Border Management Cooperation Roadmap to improve inter-agency coordination on immigration and border control.

Cyber-enabled crime dominated the agenda. Leaders issued the ASEAN Declaration on Combating Cybercrime and Online Scams, noting the surge in identity theft, phishing, online gambling, ransomware, deepfakes, and crypto-related laundering—often linked to people smuggling and trafficking in persons. Member states pledged to enhance joint investigations, data sharing, and capacity building; strengthen national frameworks; and develop regional data infrastructure. Plans include designated points of contact and anti-scam centers to trace and freeze illicit funds more rapidly.

The meeting released the Melaka Declaration on Combating Transnational Crime alongside statements on countering people smuggling, cybercrime and online fraud, combating money laundering, and strengthening cooperation in apprehending fugitives. Ministers agreed to extend action plans against extremism and to coordinate cross-border, cross-sector measures in response to increasingly sophisticated tactics used by criminal networks.

Delegates backed Vietnam's initiative to table an ASEAN Leaders' Declaration on enhancing fugitive tracking at the 47th ASEAN Summit in October in Malaysia. On the sidelines, bilateral talks advanced practical cooperation: Malaysia and Vietnam discussed cybersecurity under their cross-border MoU; Malaysia said it is acceding to the Budapest Convention on Cybercrime and plans to sign the UN Convention against Cybercrime in Hanoi in October.

In closing, ministers said the new plan builds on a decade of progress while opening a more comprehensive chapter that aligns enforcement, policy, and technology. The priority now is implementation—translating commitments into sustained joint operations, interoperable systems, and faster legal cooperation to keep pace with the region's rapidly changing threat landscape. [Antara] [Vietnam Law Magazine]

ASEAN signs Framework Agreement on Competition (AFAC)

(tl) ASEAN member states have signed the ASEAN Framework Agreement on Competition (AFAC), committing to fairness, transparency, and accountability in regional markets. The signing, held on the sidelines of the 57th ASEAN Economic Ministers (AEM) Meeting, was witnessed by Malaysian Investment, Trade and Industry Minister Tengku Zafrul Abdul Aziz and ASEAN Secretary-General Dr Kao Kim Hourn.

AFAC aims to foster cross-border cooperation, capacity-building, and coordination among ASEAN competition authorities, ensuring all member states advance together.

The framework's negotiations began in September 2022 at the 54th AEM Meeting in Cambodia. Tengku Zafrul said the agreement reinforces ASEAN's reputation as a reliable economic partner on the global stage and strengthens governance, business integrity, and a rules-based regional economy. [Malay Mail]

China reaffirms commitment to Gaza peace amid fresh wave of Palestinian state recognition

(ask/dql) Against the backdrop of a fresh round of recognition of Palestine as a state at the ongoing UN General Assembly, China has reaffirmed its commitment to ending the Gaza conflict and achieving lasting peace. Commenting on this development, the Chinese Ministry of Foreign Affairs stressed that Gaza belongs to the Palestinian people and called for an urgent ceasefire and immediate humanitarian assistance. [Ministry of Foreign Affairs, China 1]

In a thinly veiled reference to the United States, China urged countries with influence over Israel to act responsibly, emphasizing that the rights of "Palestinians governing Palestine" must be respected and safeguarded during post-conflict reconstruction. Beijing underscored that a two-state solution remains the only viable path to peace, warning against unilateral actions and asserting that force alone cannot secure lasting stability.

The remarks followed France's formal recognition of a Palestinian state on September 21, joining a growing list of countries—including the UK, Canada, Australia, Portugal, Belgium, Luxembourg, Malta, Andorra, and San Marino—in taking this diplomatic step. [BBC] [Reuters]

They also came after the U.S. on September 18, the United States vetoed a U.N. Security Council resolution demanding an immediate and permanent ceasefire in Gaza and the release of hostages, citing insufficient condemnation of Hamas and failure to recognize Israel's right to self-defense. Fourteen other council members supported the resolution, which described Gaza's humanitarian situation as "catastrophic" and called on Israel to lift restrictions on aid to the 2.1 million Palestinians in the territory. [UN] [NBC News]

In a separate statement on September 19, Chinese Foreign Minister Wang Yi called on the international community to push for a comprehensive ceasefire in Gaza "with the greatest sense of urgency" and to support full recognition of Palestine. During a meeting with his Moroccan counterpart, Nasser Bourita, in Beijing, Wang urged countries with influence over Israel, as well as the UN Security Council and humanitarian agencies, to take responsibility in alleviating the humanitarian crisis. [Anadolu Agency] [Ministry of Foreign Affairs, China 2]

Chinese Premier Li Qiang arrived in New York on September 22 to participate UN General Assembly's general debate. During his visit, which extends through September 26, when he scheduled to address the Assembly, Li will engage in China-hosted events such as a high-level meeting on the Global Development Initiative and hold discussions with UN Secretary-General António Guterres as well as leaders from other nations.

Li is expected to outline China's assessment of global challenges, the current international order, and the role of the UN, while presenting the country's domestic and foreign policy priorities, the Global Governance Initiative, and other key strategic proposals. [Xinhua] [The New York Times]

Analysts suggest that while China cannot fully reshape the UN to its advantage, it is likely to build alliances among Global South countries and strengthen its normative influence, especially as U.S. credibility and leadership continue to wane. The U.S. retreat has left China in a strategically stronger position on the world stage. [SCMP]

China warns of divided world, reiterates Taiwan threat at Beijing security forum

(dql) China's Defense Minister Dong Jun used the opening of the Beijing Xiangshan Forum to assert Beijing's growing role in global governance and to warn against an "increasingly divided world defined by the rule of the jungle." [Ministry of Defense, China] [Channel News Asia]

Against the backdrop of tensions with the United States and its allies over Taiwan, the South China Sea, and broader economic rivalry, Dong called for dialogue over confrontation and—in a thinly veiled reference to the U.S.—criticized "external military interference, seeking spheres of influence, and coercion" as destabilizing forces.

Dong emphasized that a strong Chinese military would serve as a force for peace while warning that China would never allow Taiwan "separatist" attempts to succeed, framing the island's "return" as integral to the post-World War II international order. His remarks were notably more hawkish than last year, reflecting China's assertive stance in East Asia.

The forum of roughly 1,800 participants from 100 countries follows President Xi Jinping's recent speeches against "hegemonism and power politics," and the

massive September 3 military parade marking the 80th anniversary of the end of World War II, where China showcased advanced weaponry—including hypersonic missiles and tanks—highlighting the country's growing military capabilities and regional influence, and demonstrated its geopolitical alignment with Russia and North Korea with their leaders Vladimir Putin and Kim Jopn-un being guests of honor of the parade.

The event coincides with ongoing U.S.-China diplomacy, including preparations for a potential Xi-Trump summit and agreements such as TikTok's transition to U.S.-controlled ownership. Analysts note that substantive military-to-military engagement remains limited, while most Western nations have sent low-level delegations, primarily to observe China's military developments. [Reuters] [AP News]

Japan signals future recognition of Palestine as prime minister heads to U.N. General Assembly

(dql) Japanese Prime Minister Shigeru Ishiba departed Haneda Airport on September 23 to attend the ongoing U.N. General Assembly in New York, where he will deliver a speech calling for Security Council reform and reflecting on Japan's postwar peace record ahead of the 80th anniversary of World War II's end.

Ishiba plans to meet briefly with U.S. President Donald Trump to convey his resignation and highlight ongoing U.S.-Japan cooperation. During his visit, he is schedule to also hold talks with U.N. Secretary-General Antonio Guterres and leaders from France, Finland, and other countries. [The Japan Times]

Meanwhile, Japanese Foreign Minister Takeshi Iwaya stated on September 22 that Japan's recognition of Palestine is "not a matter of 'if,' but of 'when'" during a high-level U.N. meeting on a two-state solution for Israel and Palestine. [Ministry of Foreign Affairs, Japan]

While Japan has so far refrained from formal recognition, Iwaya reaffirmed Tokyo's consistent support for a two-state framework and emphasized Japan's commitment to a realistic and proactive role in its achievement.

He warned that Japan may take "new measures and a response" if Israel undertakes actions that block the path to a two-state solution in Palestine. He condemned Israel's settlement expansion, annexation steps, and the worsening humanitarian crisis in Gaza,

warning that these developments threaten the foundation of a two-state solution. [Nippon.com] [TRT]

Japan, U.S., and South Korea reaffirm pledge to denuclearize North Korea

(dql) Japan, the U.S., and South Korea reaffirmed their commitment to the complete denuclearization of North Korea in a joint statement on September 22. Meeting on the sidelines of the ongoing U.N. General Assembly session in New York, the three countries' foreign ministers—Takeshi Iwaya, Marco Rubio, and Cho Hyun—also voiced strong opposition to any unilateral actions that could alter the status quo in the Indo-Pacific, implicitly addressing China's assertive moves.

The statement highlighted concerns over North Korea's growing military cooperation with Russia and its cyber operations, while emphasizing continued efforts to maintain peace and stability on the Korean Peninsula through dialogue and diplomacy. [Ministry of Foreign Affairs, Japan] [Nippon.com]

Mongolia elected to the Universal Postal Union's Postal Operations Council for first time

(fs) Mongolia has been elected for the first time to the Postal Operations Council (POC) of the Universal Postal Union (UPU) for the 2026-2029 term.

Established in 1874 and now a United Nations specialized agency, the UPU oversees global postal exchanges among 192 member states. Mongolia, a member since 1963, secured its seat as a representative of landlocked developing countries. [Montsame]

Mongolia, GGGI discuss green development cooperation

(fs) Chair of the Standing Committee on Environment, Food, and Agriculture of Mongolian parliament Beisen Bulan met with Deputy Regional Director of the Global Green Growth Institute (GGGI) Asia Jason Lee on September 18.

Both sides discussed introducing climate-resilient waste management measures and agreed to explore joint projects and programs supporting the green economy.

Bulan highlighted the committee's commitment to advancing green development policies, strengthening climate change adaptation measures, and improving Mongolia's legal framework for sustainable growth, while Lee expressed GGGI's readiness to cooperate with Mongolia, particularly in hazardous waste management initiatives. [Montsame]

The GGGI an intergovernmental organization headquartered in Seoul, South Korea. Established in 2010 and formalized as a treaty-based entity in 2012, GGGI focuses on promoting sustainable economic development in developing and emerging economies. Its mission is to support the transition of member countries toward a green growth model that simultaneously achieves poverty reduction, social inclusion, environmental sustainability, and economic growth.

North Korea condemns Japan-Australia agreement

(sm) North Korea has condemned the latest defense agreement between Japan and Australia, calling it a dangerous military move that threatens stability in the Asia-Pacific.

The criticism followed ministerial "2+2" talks held in Tokyo on September 5, 2025, where Japanese Foreign Minister Iwaya Takeshi and Defense Minister Nakatani Gen met with their Australian counterparts, Penny Wong and Richard Marles. The two sides pledged to expand deterrence, military exercises, and technology sharing, with Japan agreeing to supply Canberra with upgraded Mogami-class frigates. [Australian Minister of Foreign Affairs] [Ministry of Foreign Affairs of Japan]

A commentary released by state-run Korean Central News Agency (KCNA) on September 18 described the gathering as a "confab of diplomatic and military bosses of Japan and Australia under the signboard of defense cooperation." It accused Japan of being "hell-bent on securing an allied army for war" and seeking to "realize the old dream of dominating the East at any cost." [Korean Central News Agency]

The recent Japan-Australia pact also reflects a broader shift in Indo-Pacific security, where U.S. allies are forging more direct ties. Agreements like the 2022

Reciprocal Access Agreement and Australia's role in the 2021 AUKUS partnership do illustrate this trend. While unknown whether it could derail cooperation, Pyongyang's response shows how closely it watches such developments. [Australian Government: Defence]

World Customs Organization backs South Korea in tariff dispute with India over mobile equipment

(mo) The World Customs Organization (WCO) has ruled in favor of South Korea in a dispute with India over roughly USD 580 million in tariffs on mobile base station equipment. The WCO concluded that radio units should be classified as component parts—subject to a 0 percent tariff—rather than as telecommunications equipment, which India had taxed at 20 percent.

Since 2023, India has applied higher tariffs on radio units exported by South Korean firms, arguing they qualified as telecom equipment. Seoul countered that radio units cannot function independently and only work as part of a full base station with other components, thus meriting duty-free status.

Although WCO rulings are not legally binding, they carry strong international weight and are expected to strengthen South Korea's hand in upcoming negotiations with Indian tax authorities. [The Chosun Daily]

Taiwan pledges USD 3 million to Pacific climate and disaster fund

(acl) Taiwan has pledged USD 3 million to the Pacific Resilience Facility (PRF) to support climate and disaster resilience, despite not being invited to this year's Pacific Islands Forum (PIF) Leaders Meeting in the Solomon Islands, held from September 8 to 12.

The contribution, to be disbursed over three years, underscores Taiwan's determination to cooperate with the PIF and regional partners in promoting peace, stability, prosperity and sustainable development.

Taiwan has been a PIF partner country since 1993 and has previously contributed to the bloc. However, this year's summit was limited to its 18 member states after the Solomon Islands refused to invite dialogue partners, citing an ongoing review of partnership

arrangements. Dialogue partners include Chile, China, Cuba, the European Union, France, Germany, India, Indonesia, Italy, Japan, Malaysia, Norway, the Philippines, Singapore, South Korea, Spain, Thailand, Turkey, the United Kingdom, and the United States.

While earlier media reports suggested that Taiwan's exclusion was the result of Chinese pressure—the Solomon Islands switched diplomatic ties from Taiwan to China in 2019—a communiqué issued by PIF members on September 13 reaffirmed the forum's 1992 decision recognizing Taiwan as a "development partner." [Reuters] [Focus Taiwan 1] [Focus Taiwan 2] [Taipei Times]

EU pre-election mission assesses Bangladesh's electoral preparations ahead of February 2026 polls

(lm) A European Union (EU) pre-election observation mission has begun consultations in Dhaka to assess preparations for Bangladesh's 13th national parliamentary election, scheduled for February 2026. The delegation met with Election Commission (EC) officials, including Election Commissioner Abul Fazl Md Sanaullah, on September 22 for detailed discussions on the electoral environment, technical readiness, and safeguards to ensure a free and fair vote.

Talks with the EC covered election management, legal and operational procedures, and the broader political atmosphere before the polls. The mission is also holding meetings with government and non-government stakeholders to evaluate whether the EU will send a full election observation team.

The EC has announced that the election schedule will be released in December, with voting to take place before Ramadan begins in February. [Dhaka Tribune 1] [Dhaka Tribune 2]

EU pushes to finalize trade deal with India despite tensions over New Delhi's Russia ties

(lm) The European Union is intensifying efforts to conclude a free trade agreement with India by the end of 2025, viewing New Delhi as a key partner for reducing reliance on the United States and diversifying supply chains. European Commission President Ursula von der Leyen said she had received assurances from

Prime Minister Narendra Modi in a recent phone call that India was committed to finalizing the deal this year.

Brussels has outlined a broader agenda for cooperation with India, covering defense, technology, investment protection, air transport, green hydrogen, decarbonization of heavy industry, and research and innovation. The EU also signaled interest in extending collaboration with India to projects in Africa and South Asia, and in exploring a defense and security partnership similar to its arrangements with Japan and South Korea.

Tensions remain over India's close ties with Moscow, including increased imports of Russian oil, joint military exercises, and high-profile meetings between Modi and President Vladimir Putin. EU officials acknowledged these disagreements but emphasized that isolating India could drive it further toward Russia and China. Instead, Brussels seeks to anchor India more firmly within the rules-based multilateral order, betting on its projected rise to become the world's third-largest economy by 2030. [Reuters 1] [Reuters 2]

Another sticking point is the EU's Carbon Border Adjustment Mechanism (CBAM), which will impose tariffs on carbon-intensive imports such as steel, aluminum, and cement. About two-thirds of India's steel exports go to Europe, and officials in New Delhi warn that CBAM could significantly erode competitiveness, since most Indian steel is produced using high-emission blast furnaces. India has sought exemptions while also considering safeguard tariffs on cheap imports, particularly from China, to protect domestic producers. The carbon tax dispute has therefore become intertwined with broader trade negotiations, testing how Brussels balances its climate agenda with its strategic interest in deepening ties with India. [Reuters 3]

Terror groups relocate to Pakistan's northwest after Indian cross-border strikes

(lm) Indian intelligence sources report that Pakistan-based militant groups Jaish-e-Mohammed (JeM), a Deobandi jihadist organization active mainly in Kashmir, and Hizbul Mujahideen (HM), one of the largest Islamist militant groups fighting in India's Jammu & Kashmir union territory since the late 1980s, are relocating their bases from Pakistan-administered Kashmir to Pakistan's northwestern province of Khyber Pakhtunkhwa. Khyber Pakhtunkhwa is a mountainous

region along the Afghan border that has long served as a hub for Islamist groups due to its rugged terrain and cross-border networks.

The shift follows *Operation Sindoor*—India's large-scale cross-border strikes launched in May 2025 after a terror attack in Indian-administered Kashmir. The campaign destroyed militant infrastructure in Pakistan and Pakistan-administered Kashmir, including sites in Bahawalpur, Muridke, and Muzaffarabad, and triggered several days of aerial clashes.

Officials said the relocation reflects a tactical adaptation, with militants viewing Pakistan-administered Kashmir as vulnerable to future Indian strikes, while Khyber Pakhtunkhwa provides greater depth and protection from Pakistani state structures. Intelligence reports also highlighted a September 14 recruitment rally in Khyber Pakhtunkhwa led by JeM in coordination with the political-religious party Jamiat Ulema-e-Islam (JUI). The event featured senior JeM figure Ilyas Kashmiri—closely tied to group founder Masood Azhar—appearing publicly under the protection of armed cadres and local police. [The New Indian Express]

China India and U.S. rally behind Nepal's interim government with pledges of support

(lm) In her first week as interim prime minister, Sushila Karki received rare simultaneous outreach from India, China, and the United States, underscoring international attention on Nepal's political transition.

Indian Prime Minister Narendra Modi held a telephone call with Karki, offering condolences for lives lost in the youth-led protests and reaffirming India's support for peace, stability, and strong bilateral ties. [The Kathmandu Post 1]

On the same day, Chinese Ambassador Chen Song and U.S. Ambassador Dean Thompson separately met Karki in Kathmandu. Beijing conveyed congratulations from its leadership, reaffirming respect for Nepal's political choices and pledging continued development support, while Washington stressed its long-term partnership with Nepal, emphasizing democratic governance and economic growth. [The Kathmandu Post 2] [The Kathmandu Post 3]

U.S. engagement centered on the Millennium Challenge Corporation (MCC) Nepal Compact, a U.S. development assistance program that includes

expansion of electricity transmission lines, including cross-border links with India, and road upgrades. The projects are funded by USD 500 million in U.S. support and an additional NPR 27 billion (USD 197 million) from the government of Nepal. Ambassador Thompson pressed for timely implementation and the release of an additional USD 50 million in funds from MCC headquarters. Finance Minister Rameshore Khanal assured there would be no delays, highlighting the transitional government's priority of holding elections by March next year and boosting private sector confidence through reconstruction and concessional packages. [The Kathmandu Post 4]

Karki has reassured partners that her interim administration will prioritize transparent reconstruction and free and fair elections while maintaining Nepal's tradition of balanced diplomacy. [The Kathmandu Post 5]

IAEA praises Pakistan's peaceful nuclear progress as new cooperation framework signed

(my) The International Atomic Energy Agency (IAEA), the United Nations body overseeing nuclear safety and non-proliferation, has endorsed Pakistan's recent progress in civil nuclear technology and finalized a new cooperation framework with Islamabad.

The agreement, signed on the sidelines of the IAEA's 69th General Conference in Vienna, sets priorities for 2026–2031 in five areas: food and agriculture, health and nutrition, water and climate resilience, nuclear power generation, and nuclear safety.

Pakistan is currently expanding capacity through projects such as Chashma Nuclear Power Plant Unit-5 (C-5), where construction advanced in early 2025. The Pakistan Atomic Energy Commission stated that nuclear power remains central to the country's energy diversification and development strategy, while assuring adherence to international safety standards. [The Express Tribune] [Radio Pakistan]

New Pakistan-Saudia Arabia defense pact signals nuclear umbrella and shifting regional alignments

(my/lm) Pakistan and Saudi Arabia on September 17 signed a Strategic Mutual Defense Agreement (SMDA)

in Riyadh, pledging that aggression against one will be treated as aggression against both. The accord, concluded during Prime Minister Shehbaz Sharif's state visit and signed in the presence of Crown Prince Mohammed bin Salman, Defence Minister Khawaja Asif, Army Chief Field Marshal Asim Munir, and Foreign Minister Ishaq Dar, represents the most formal security commitment in the history of the relationship. [DAWN] [Geo News]

While the agreement emphasizes joint training, multilateral exercises, and defense-industrial cooperation, its most striking dimension came when Pakistan's defense minister stated publicly that the country's nuclear deterrent could be extended to Saudi Arabia under the pact. This marks the first explicit acknowledgment of a Saudi "nuclear umbrella," long speculated on due to the Kingdom's historic financial support for Pakistan's weapons program. [Associated Press]

Islamabad has described the pact as purely defensive, not directed against any third country, and intended to promote stability in South Asia and the Middle East. Analysts, however, note it could deepen Saudi Arabia's deterrence posture and possibly open the door for other Arab states to join. Pakistan's deputy prime minister has already said several countries have expressed interest in similar arrangements. [Arab News 1] [Arab News 2]

The timing, just days after Israeli strikes in Doha targeting Hamas leaders, has further sharpened speculation that Riyadh is seeking to diversify its security options amid regional volatility. While both sides stress the pact is defensive and not aimed at any third country, its deterrent implications are evident: Pakistan's Shaheen-3 missile, with a 2,750 km range, places Israel within reach, and Islamabad has long tied its nuclear posture to balancing India, with which it fought a four-day war as recently as May 2025.

For Saudi Arabia, the pact complements Vision 2030, expanding defense-industrial cooperation while securing a credible military partner with nuclear capabilities. For Pakistan, it reinforces economic interdependence with Riyadh, which remains its largest source of remittances, a major energy supplier, and a recurring financial lifeline through loans and deferred oil payments. The announcement triggered a surge in Pakistan's stock market, with analysts anticipating that defense exports—such as the Pakistan-China co-developed JF-17 fighter jet—could be on the table. [Arab News 3]

Observers remain divided on the weight of the deal. Some describe it as a landmark moment cementing Pakistan's status as a Gulf security partner and offering the Kingdom de facto access to nuclear deterrence. Others view it as primarily symbolic—boosting Pakistan's regional relevance while providing Saudi Arabia with optics of association with a nuclear-armed Muslim state. Domestically, the pact is expected to further empower Pakistan's military, already the country's dominant political institution, by expanding its foreign policy clout. [Deutsche Welle]

India, one of Saudi Arabia's largest energy partners, responded cautiously, urging Riyadh to "keep in mind mutual interests and sensitivities" while reviewing the implications for regional stability. [Reuters]

Pakistan deepens economic outreach with Africa as China partnership expands through Gwadar corridor

(my/lm) Pakistan is intensifying efforts to integrate with African markets while simultaneously expanding its strategic partnership with China, positioning itself as a regional trade hub under the China–Pakistan Economic Corridor (CPEC).

At a recent roundtable with African envoys, a senior Pakistani diplomat underscored the government's "Engage Africa" policy, stressing the continent's vast potential for trade and investment. To build momentum, the Trade Development Authority of Pakistan (TDAP) will host a single-country exhibition in Ethiopia in October, featuring more than 100 Pakistani exhibitors. Officials highlighted new air links to Ethiopia and emphasized that bilateral trade could grow far beyond the current USD 5.4 billion annually. [Arab News 1]

Parallel to these outreach efforts, Islamabad is advancing the Gwadar–Africa trade corridor with China under a newly launched five-year Maritime Action Plan (2025–2029). Gwadar, located on Pakistan's Arabian Sea coast near the Strait of Hormuz, is being developed as a "Green Port" with expanded transshipment facilities, bonded warehouses, smart port systems, and links to the New Gwadar International Airport. The plan also includes upgrading road and rail connections to Central Asia, training programs for local workers in fisheries and logistics, and promoting industries such as seafood and petrochemicals in the Gwadar Free Zone. [The Express Tribune] [DAWN] [Profit By Pakistan Today]

The launch of the plan coincided with Pakistani President Asif Ali Zardari's ten-day visit to Xinjiang, where he signed memorandums of understanding to establish a textile industrial park, modernize livestock production, and supply advanced emergency equipment. He also toured the Kashgar Free Trade Zone, which links directly to Gwadar through CPEC, underscoring the corridor's role in connecting Chinese and Pakistani supply chains to African markets. [Arab News 2] [Arab News 3] [Arab News 4]

Zardari said the initiatives would boost exports, create jobs, and strengthen disaster-response capacity, while Chinese officials pointed to new opportunities for cooperation in agriculture, mining, manufacturing, technology, and cultural exchanges. [Arab News 5]

Pakistan's military links Afghan refugees to terrorism and accuses India of state-backed violence

(as/lm) Pakistan's military has claimed that illegal Afghan nationals are involved in terrorism and serious crimes, while also accusing India of sponsoring violence inside Pakistan.

In interviews with international media, Inter-Services Public Relations Director General Lt Gen Ahmed Sharif Chaudhry argued that Pakistan had hosted millions of Afghan refugees for over four decades, but that the original reasons—foreign interference and civil war—no longer exist. He said weapons left behind after the U.S. withdrawal from Afghanistan are now being used by militants in Pakistan, and urged Germany and other states to expedite their refugee intake programs, stressing that Pakistan has repeatedly extended deadlines for humanitarian reasons but cannot indefinitely bear the economic and security burden.

Chaudhry also accused India of backing terrorist networks in Pakistan, saying evidence had been shared internationally, though he acknowledged India's stronger global influence and Western economic ties make Islamabad's case harder to advance. He pointed to heavy militarization in Kashmir and rising Hindu nationalist extremism in India as destabilizing factors. Addressing concerns about non-state actors, he insisted Pakistan rejects all armed groups and conducts over 100 counterterror operations daily. On Balochistan, he said many of those reported as missing were militants linked to separatist groups trained in Afghanistan and India. [Frankfurter Allgemeine, in German] [The Express Tribune]

African Union and COMESA deploy joint election observation mission to Seychelles

(lm) The African Union (AU) and the Common Market for Eastern and Southern Africa (COMESA) have deployed a joint Election Observation Mission (EOM) for the September 27 general elections in Seychelles. The mission, led by former Lesotho Prime Minister Pakalitha Bethuel Mosisili, includes 35 short-term observers from 21 African countries. They will be on the ground until October 1. [African Union]

Sri Lanka ratifies new UN ocean biodiversity treaty

(lm) Sri Lanka has formally become a State Party to the United Nations Convention on the Law of the Sea (UNCLOS) on the Conservation and Sustainable Use of Marine Biological Diversity of Areas Beyond National Jurisdiction, often referred to as the High Seas Biodiversity Treaty. By joining the treaty, Sri Lanka gains access to mechanisms for fair and equitable sharing of resources, including marine genetic resources (MGRs) and digital sequence information (DSI), while also prioritizing technology transfer and capacity building. [Daily Mirror]

Brunei adopts 42 resolutions at ASEAN Inter-Parliamentary Assembly

(tl) Brunei's Legislative Council (LegCo) delegation participated in the 46th ASEAN Inter-Parliamentary Assembly (AIPA) in Kuala Lumpur, where a record of 42 resolutions was adopted, the highest in AIPA's history. The five-day meeting, themed "Parliament at the Forefront for Inclusive Growth and Sustainable ASEAN", addressed key issues across six committees, including political cooperation, economic integration, climate change, human rights, healthcare, and digital transformation.

Brunei representatives contributed to discussions on cybercrime prevention, climate monitoring, trade, green and blue economies, energy security, and social protection. Additional debates focused on women's political participation, bridging the gender digital divide, and youth roles in politics and leadership as well as economic inclusion.

The assembly concluded with the signing of a Joint Communiqué. Malaysia handed over the AIPA chairmanship to the Philippines. [Borneo Bulletin]

Cambodia's trade with ASEAN reaches nearly USD 11 billion in Jan–Aug 2025

(gm) Cambodia's trade with ASEAN member states reached USD 10.96 billion in the first eight months of 2025, up 4.5 percent year-on-year, according to the Ministry of Commerce.

Exports to ASEAN totaled USD 3.98 billion, marking a 16 percent rise, while imports declined slightly to USD 6.98 billion. ASEAN trade accounted for 25.6 percent of Cambodia's total trade volume of USD 42.8 billion during the same period.

Top trading partners included Vietnam, Thailand, Singapore, Indonesia, and Malaysia. Major exports were garments, travel goods, solar panels, tires, and agricultural products such as rice, cassava, and bananas. Officials attributed the growth to regional and bilateral free trade agreements, including ASEAN and RCEP, and highlighted the development of a new FTA portal to support businesses. [Khmer Times]

UN Women calls on Cambodia to address gender issue in environmental and climate policies

(dql) UN Women stressed the urgent need to integrate gender perspectives into environmental and climate policies after its inaugural Gender and Environment Survey for Cambodia shows that nearly all Cambodians face significant exposure to climate-related hazards, with women disproportionately affected. [UN Women]

Conducted in 2024, the survey found that almost 90 percent of the population lives in high-risk areas, and 99 percent experienced at least one disaster in the past year. The findings reveal that women, particularly in rural and displaced communities, face greater barriers to healthcare and hygiene products, with 19 percent of displaced women reporting difficulties compared to 13 percent of the overall population. Disasters also increased unpaid childcare work, affecting 26 percent of women versus 22 percent of men.

Climate hazards have significantly impacted well-being: 77 percent of Cambodians reported worsened mental health, with women more likely to experience stress and anxiety, while physical health problems were reported by nearly half of both women (48 percent) and men (45 percent). [Khmer Times]

Indonesia: EU and Indonesia set to sign long-awaited trade pact, opening markets and reshaping supply chains

(ms) The European Union and Indonesia have concluded negotiations on a comprehensive trade agreement and plan to sign it on September 23, with EU trade commissioner Maroš Šefčovič due in Jakarta for the ceremony. The deal caps nine years of talks and reflects both sides' efforts to diversify away from over-reliance on the United States and China.

Jakarta says the pact will cut tariffs to zero on roughly 80 percent of Indonesia's exports to the EU within one to two years of entry into force, benefiting commodities and manufactures such as palm-derived products, fatty acids, copper ore and footwear. Indonesia—home to the world's largest nickel reserves, vital for electric-vehicle batteries—also expects the agreement to draw more European investment into downstream processing and clean-tech supply chains, where Chinese firms currently dominate steel and mining.

For the EU, Indonesia's market of nearly 300 million consumers and its critical raw materials offer strategic upside. Brussels expects improved access for European industrial and agricultural exports, including cars, machinery and selected farm goods, alongside provisions on labor, environment and Paris Agreement commitments. The deal also includes an updated investor-state dispute mechanism that will only become operative after ratification by all 27 EU member parliaments.

Challenges remain. The pact must clear the European Parliament and a qualified majority of member states —a process likely to take at least a year—and faces potential pushback from green groups and farmers. Tensions over EU unilateral measures, particularly the new deforestation-free supply rules that could burden smallholders in Indonesia's palm sector, still need careful implementation. Ongoing disputes at the WTO —ranging from Indonesia's nickel export curbs to EU biofuel duties—underscore the need for parallel dispute-management channels.

Bilateral trade in goods was about USD 30 billion last year, with the EU Indonesia's fifth-largest trading partner. If ratified on the expected timeline, tariff cuts and clearer rules could start phasing in from 2026, testing whether market openings and sustainability clauses can move investment beyond raw-material extraction toward higher-value, lower-carbon production in Southeast Asia's largest economy. [Financial Times] [Reuters]

Indonesia launches business mission to Brazil, tightens ties with Latin America & the Caribbean

(ms) Indonesia is sharpening its push into non-traditional markets with the INA-LAC Business Mission in São Paulo, Brazil, on September 22–23. Building on last year's forum in Lima, the mission shifts from home-based events to direct, on-the-ground matchmaking.

Under the theme "Charging Towards Sustainable and Resilient Business Partnerships," São Paulo was chosen for its role as Brazil's largest business hub and deep trade–finance ecosystem. The Foreign Ministry is facilitating 15–17 Indonesian companies across energy, automotive, healthcare, food and beverages, defense, and other strategic industries. The program features table-top showcases, pitching, one-to-one matching, networking, and site visits, targeting about 200 pre-screened partners.

The tilt toward LAC reflects rising commercial traction: Indonesia–LAC trade climbed from USD 7.59 billion in 2018 to USD 14.43 billion in 2024, though overall penetration still trails some regional peers. In parallel, Jakarta hosted the first Indonesia–Uruguay Bilateral Consultation Forum (September 16), identifying complementary opportunities in energy, food, and agriculture, and underscoring the importance of accelerating the Indonesia–MERCOSUR CEPA. Both sides also highlighted renewable-energy collaboration, drawing on Uruguay's near-total renewable power mix.

Aviation is a spearhead sector in São Paulo. PT Dirgantara Indonesia (PTDI) is courting maintenance, repair, and overhaul (MRO) contracts for legacy CASA platforms—such as the C-212—still flown in Paraguay, Uruguay, Peru, Ecuador, and Suriname. With NC212i and CN-235 experience, PTDI aims to fill a support gap as original manufacturer services receded after industry restructurings. Sister firm PT Nusantara Turbin dan Propulsi adds turbine and propulsion depth.

Manufacturing and consumer goods broaden the push. Indonesian-assembled Toyota models (Avanza, Yaris Cross) already ship to Mexico, Chile, Peru, and Panama, with room to grow in fuel-efficient ICE and hybrid segments where EV penetration remains low. Pharmaceutical players such as Sanbe are advancing market entries in phases, aligning to local regulation and patient preferences. Herbal/food brands are localizing recipes—e.g., ginger-based beverages and coconut sugar—to meet retail and hospitality demand.

In energy and power services, Pertamina continues to assess upstream prospects in Suriname, Guyana, and Brazil, while PLN Indonesia Power markets O&M expertise, including barge-mounted generation suited to riverine interiors like the Amazon.

Competition from Chinese firms—often bundling turnkey projects with financing—remains strong. Indonesia's response emphasizes co-creation, consistent manufacturing quality, tailored products, and flexible financing via public–private partnerships. The aim is not only near-term deal flow but durable supply links and two-way investment that anchor Latin America and the Caribbean as a lasting pillar of Indonesia's diversification strategy. [Antara] [Foreign Ministry 1, Indonesia] [Foreign Ministry 2, Indonesia] [Jakarta Globe] [Kompas]

ASEAN ministers cancel election-related visit to Myanmar

(su) Foreign ministers from Malaysia, Indonesia, Thailand, and the Philippines canceled a planned visit to Myanmar after the military regime declined to receive their delegation. The visit, led by Malaysia's Foreign Minister Mohamad Hasan in his capacity as ASEAN chair, was scheduled for September 19 and was intended to discuss the junta's planned elections beginning December 28.

According to statements, the delegation had been mandated to examine the poll arrangements and assess their comprehensiveness. ASEAN had agreed in July to hold talks with junta chief Min Aung Hlaing and senior generals, but sources confirmed that the trip was abandoned after Min Aung Hlaing indicated he was unavailable to meet the visiting ministers. Hasan later announced that the mission might be rescheduled for early October.

The election plan, announced by the junta despite losing control of large parts of the country to armed resistance, has been rejected as illegitimate by

opposition groups and several international actors, though China and India have expressed support. [Irrawaddy]

Burma Human Rights Network urges UN to impose global arms and jet fuel embargo on Myanmar

(anl) The Burma Human Rights Network (BHRN) has urged United Nations member states attending the ongoing General Assembly session in New York to impose a global arms and jet fuel embargo on Myanmar's military junta.

The appeal followed a deadly airstrike on September 11 in Thayet Thapin village, Kyauktaw Township, Rakhine State, where two 500-pound bombs struck a private school at night, killing at least 22 students and injuring 26 others.

According to BHRN, junta airstrikes killed at least 284 civilians in August. Its monthly monitoring documented multiple incidents, including an airstrike on a kindergarten in Karenni State that killed five children, one in Kayah State that killed 23 civilians, and another in Sagaing Region that killed seven.

BHRN also called for coordinated national actions—suspending export licenses, blocking aircraft-related transfers and maintenance, denying port and insurance services, and sanctioning companies enabling the junta's operations—saying such measures are vital to stop further war crimes. [Mizzima]

New round of Thailand-EU FTA talks scheduled for Brussels

(lm) Thailand and the European Union (EU) will hold the seventh round of free trade agreement (FTA) negotiations in Brussels from September 29 to October 3, focusing on sensitive chapters such as government procurement, competition policy, state-owned enterprise subsidies, intellectual property, and sustainable trade provisions.

The talks come shortly after the EU concluded an FTA with Indonesia, which Thai officials say will not affect Bangkok's own negotiations. Instead, Thailand intends to study the Indonesia–EU text to inform its approach. Seven of 24 chapters have already been closed, though the earlier target of concluding by December 2025 is

unlikely to be met, with a new timeline pointing to early 2026.

The EU is Thailand's fourth-largest trading partner after China, the United States, and Japan. Bilateral trade reached USD 43.5 billion (THB 1.56 trillion) in 2024, accounting for just over 7 percent of Thailand's total trade. Thai exports worth USD 24.2 billion (THB 870 billion) included computers, gems, jewelry, automobiles, and rubber products, while EU exports to Thailand totaled USD 19.3 billion (THB 694 billion), dominated by machinery, pharmaceuticals, aircraft parts, and chemicals.

The EU already has FTAs with Singapore and Vietnam and is pursuing deals with Thailand, the Philippines, Malaysia, and India. [Bangkok Post]

Malaysian Prime Minister visits Timor-Leste to deepens ties and spotlights ASEAN accession

(ms) Malaysian Prime Minister Anwar Ibrahim begins a two-day official visit to Timor-Leste on September 23, the first by a Malaysian premier in 22 years, with both governments framing the trip as a boost to bilateral cooperation and to Dili's bid to become ASEAN's 11th member at next month's Kuala Lumpur summit. Anwar will be received by President José Ramos-Horta and Prime Minister Xanana Gusmão for a state welcome, courtesy calls and a joint banquet, before a program that includes a keynote at the National Parliament, bilateral talks at the Government Palace, a joint press conference, meetings with the Malaysian community and MTCP alumni, and officiation of the Dili International Convention Centre site.

From Timor-Leste's perspective, the visit underscores regional backing for full ASEAN integration after years of capacity-building and institutional reforms; Dili has been an observer since 2022 and formally applied in 2011. For Malaysia—ASEAN Chair in 2025—the trip signals continuity of support while widening practical ties. Two MoUs with Banco Central de Timor-Leste are slated: one with the Asian Institute of Chartered Bankers to raise professional standards in banking, and another with the Asian Institute of Insurance to strengthen training in the insurance sector.

Economic links are modest but growing: 2024 bilateral trade totaled about USD 18.7 million, some 250 Malaysian firms operate in Timor-Leste across services, construction and trade, and around 150 Malaysians are registered in Dili. People-to-people exchanges have

been eased by visa-free entry for Malaysians since August 16. In recognition of the visit, Ramos-Horta will confer the Grand Collar of the Order of Timor-Leste on Anwar. [ASEAN] [Business Today]

Bangladesh, U.S. air forces conclude joint drill

(lm) Bangladesh and the United States have wrapped up a six-day joint exercise, *Operation Pacific Angel 25-3*, at Bangladesh Air Force (BAF) base Zahurul Haque in Chattogram, the country's principal port city. The drill, managed by the BAF, brought together 150 Bangladeshi and 92 U.S. personnel with multiple aircraft, including BAF's C-130J transport plane and Mi-17 helicopter, alongside two U.S. C-130Js. [The Daily Star]

Bangladesh's Islamist leaders visit Kabul at Taliban's invitation

(lm) A seven-member delegation of Bangladeshi Islamist leaders, led by Bangladesh Khelafat Majlish chief Mamunul Haque, has arrived in Kabul at the invitation of the Taliban government. Khelafat Majlish is a conservative Islamist political party, while Hefazat-e-Islam Bangladesh, also represented in the delegation, is a powerful Islamist pressure group known for its street mobilization capacity.

During their five-day stay, the delegation is scheduled to meet the Afghan Chief Justice, several ministers, and senior Taliban officials. Discussions will focus on expanding cooperation in trade, healthcare, education, and religious scholarship exchanges. The group also said it would assess Afghanistan's human rights and women's rights situation, which has drawn widespread criticism internationally, and visit earthquake-affected areas. [The Daily Star]

Bangladesh and Australia launch Indo-Pacific Endeavour 2025 phase one

(lm) Bangladesh and Australia have launched phase one of the Indo-Pacific Endeavour (IPE) 2025, a defense cooperation program running from September 21 to October 3. Activities began with a seminar on climate security and energy resilience at Bangladesh Air Force

Base Bir Uttam AK Khandaker in Dhaka. [Dhaka Tribune]

Second Bhutan–India committee meeting approves new development projects

(lm) Bhutan and India held the second High Impact Community Development Project (HICDP) Committee Meeting for Bhutan's 13th Five-Year Plan in Thimphu. The Five-Year Plan is Bhutan's national development strategy, setting government priorities and guiding resource allocation over a five-year period. The meeting, co-chaired by Bhutan's foreign ministry and the Indian Embassy, reviewed 283 projects worth BTN 4.17 billion (USD 50 million) already under implementation and approved 297 new projects valued at BTN 4.06 billion (USD 49 million). Priority areas include rural connectivity, water supply, township development, chain-link fencing, and land management.

Of the BTN 85 billion (USD 1.02 billion) India has committed for Bhutan's 13th Plan, BTN 10 billion (USD 120 million) is earmarked for HICDPs, with BTN 8.47 billion (USD 101 million) already allocated through the first two phases. Delegates also inspected ongoing projects in Chhimithangkha and Nyzerkha villages. [Kuensel]

Brunei and China deepen security cooperation

(ga) Brunei reaffirmed its security cooperation with China during the 2025 Global Public Security Cooperation Forum Lianyungang (GPSCFL) held from September 16 to 17. The Brunei delegation, led by Deputy Minister (Security and Law) at the Prime Minister's Office and Deputy Chairman of the National Security Committee Sufian Sabtu, joined discussions on regional and global security challenges including cybercrime, terrorism, and transnational crime.

On the sidelines, the delegation met with Director of the Political Department of China's Ministry of Public Security Jia Lijun, where both sides agreed to strengthen cooperation against online scams, drug trafficking, and to explore advanced policing technologies. The Brunei officials also visited the Public Security Tech Expo to observe developments in law enforcement tools.

Before the forum, from September 12 to 15, the Brunei delegation visited Xi'an, Shaanxi Province, hosted by the Shaanxi Provincial Public Security Department. The visit included briefings on Case Management and Traffic Control Systems and a tour of the Xi'an Drug Control Education Base. [Borneo Bulletin]

Cambodia, India sign MoU to advance mine-free 2030 goal

(dql) Cambodia and India are strengthening their cooperation on landmine clearance with the signing of a new Memorandum of Understanding in Prey Andoung village, Pursat Province.

Under the agreement, the USD 50,000 Quick Impact Project (QIP) will clear approximately 200,000 square meters of land, benefiting nearly 1,000 villagers by transforming hazardous areas into fertile farmland, safe playgrounds, and productive community spaces.

Indian Ambassador Vanlalvawna Bawitlung reaffirmed India's support for Cambodia's goal of becoming mine-free by 2030, highlighting India's long-standing contributions, including training deminers, providing equipment, gifting sniffer dogs, and supporting mine victims.

The Pursat initiative follows previous successful QIPs in Koh Kong Province, which have already cleared multiple villages and directly benefited over 7,000 people. [Khmer Times]

Cambodia, Malaysia discuss defense cooperation, regional security at China-hosted security forum

(dql) On the sidelines of last week's 12th Beijing Xiangshan Forum, Cambodia's Minister of National Defence, Tea Seiha, met with Malaysian Defence Minister Dato' Seri Mohamed Khaled bin Nordin to strengthen bilateral defence ties and address regional security concerns.

During the meeting, Seiha briefed his counterpart on the ongoing Cambodia–Thailand border tensions, highlighting recent incidents of Thai forces using violence against Cambodian villagers in Prey Chan, Banteay Meanchey province. He stressed that Thailand's construction of a new fence in an unsettled area violates the spirit of the General Border

Committee (GBC) agreements, which mandate that unresolved boundary issues be handled through the Joint Border Committee (JBC). [Khmer Times]

Cambodia condemns Thailand's efforts to apply domestic law in disputed border villages

(dql) Cambodia has lodged a formal protest against Thailand's plan to apply Thai domestic law to Cambodian nationals in Chok Chey and Prey Chan villages, Banteay Meanchey province. [Ministry of Foreign Affairs and International Cooperation, Cambodia]

The protest follows Thai security forces' use of tear gas and rubber bullets on September 17, against Cambodian villagers in Prey Chan, and—according to the Cambodian foreign ministry—a subsequent public warning by Thailand imposing severe penalties, including life imprisonment or the death penalty, for alleged "acts against Thai sovereignty."

Cambodia stressed that Thailand's enforcement of its domestic law in a disputed area violates international law, including the UN Charter's obligations to settle disputes peacefully and respect territorial integrity, as well as fundamental human rights, such as the freedom of peaceful assembly protected under the ICCPR and the Universal Declaration of Human Rights. Cambodia also cited breaches of the ASEAN Charter, the Treaty of Amity and Cooperation, and the 2000 Memorandum of Understanding on Border Demarcation, which guide the resolution of unresolved boundary issues. [Khmer Times] [Kiripost]

The Royal Thai Army was quick to dismiss Cambodia's claims that it unlawfully applied domestic law to Cambodian nationals, insisting that the area in question lies entirely within Thai territory and that enforcing Thai law is both legitimate and consistent with sovereign authority.

The Royal Thai Army accused Cambodia of violating UN principles itself, citing incidents of provocation, deployment of armed troops on Thai soil, and planting of anti-personnel mines despite the ceasefire. [The Nation]

France deepens development partnership with Cambodia through major water and

agriculture projects

(dql) France has underscored its role as a development partner in Cambodia with the Agence Française de Développement (AFD)—France's official development finance institution—deepening cooperation with the Southeast Asian nation in critical sectors such as clean water and agriculture.

A cornerstone of this partnership is AFD's collaboration with the Phnom Penh Water Supply Authority (PPWSA), which has transformed the city into a regional model for universal water access. The flagship Bakheng Water Supply Project, co-financed with the European Investment Bank and the European Union, will expand Phnom Penh's clean water capacity by 600,000 cubic meters per day, extend access to more than one million residents, and add 3,000 kilometers of distribution networks by 2027. These investments, worth over USD 660 million, are part of PPWSA's 2016–2030 master plan to achieve 100 percent urban coverage.

In rural areas, meanwhile, AFD has advanced the Water Resources Management and Agricultural Transition project (WAT4CAM), which promotes integrated water management, rehabilitates 20,000 hectares of hydro-agricultural infrastructure, and supports agro-ecological farming practices. The program aims to strengthen food security, bolster the agricultural economy, and build resilience to climate change.

Since its entry into Cambodia in 1993, AFD has provided nearly USD 1.8 billion in financing, making France a central actor in Cambodia's development trajectory. [Khmer Times]

China pledges military cooperation with Singapore

(dql) China's top military officer, General Zhang Youxia, first-ranked vice-chairman of the Central Military Commission, pledged closer cooperation with Singapore to maintain regional stability and maritime security during talks with Singaporean Defence Minister Chan Chun Sing at the Beijing Xiangshan Forum.

Zhang emphasized supporting each other's core interests, promoting bilateral military relations, and safeguarding international fairness and justice. Chan praised the strong military ties, affirmed Singapore's commitment to the one-China policy, and noted that a

stable China contributes to regional and global peace. [SCMP] [Asia News Network]

Chinese, U.S. presidents' phone talk on TikTok ends inconclusive

(dql) On September 19, U.S. President Donald Trump and Chinese President Xi Jinping held their first call in three months, signaling reduced tensions and progress on key bilateral issues. They agreed to meet face-to-face in six weeks in South Korea during the Asia-Pacific Economic Cooperation (APEC) forum to discuss trade, illicit drugs, and Russia's war in Ukraine. Trump also announced plans to visit China early next year, with Xi reciprocating at a later date.

A central focus of the call was a potential agreement on TikTok, amid U.S. congressional orders to shut down the app by January 2025 if ByteDance does not divest its U.S. operations. Trump indicated the TikTok deal was "well on its way."

Beijing, however, appears to be less positive. The Chinese readout of the call made no formal reference to an agreement, merely stating that the "Chinese government respects the wishes of the company in question, and would be happy to see productive commercial negotiations in keeping with market rules lead to a solution that complies with China's laws and regulations and takes into account the interests of both sides." The U.S. side was urged "to provide an open, fair and non-discriminatory environment for Chinese investors." [Ministry of Foreign Affairs, China]

Key issues—such as ownership structure, algorithm control, and potential U.S. oversight—remain unresolved. ByteDance expressed willingness to comply with Chinese law while serving U.S. users. [CNBC] [BBC]

The discussions also touched on trade and fentanyl, with Trump suggesting progress and Xi reportedly favoring an end to the Russia-Ukraine conflict. However, skepticism persists among observers, with analysts noting China benefits from the current dynamic while the U.S. seeks a visible "deal" and political headline. [Reuters]

Prior to the talk between Xi and Trump, China and the U.S. had reached a framework agreement to transfer TikTok's American operations to U.S.-controlled ownership (see AiR No. 37, September/2025, 3). The announcement came after high-level trade talks in Madrid earlier this month, led by Vice Premier He

Lifeng on the Chinese side and Treasury Secretary Scott Bessent on the U.S. side. Following the talks, Bessent and trade representative Jamieson Greer said the commercial terms of the agreement had been agreed and the deal would be finalized when President Donald Trump meets Chinese President Xi Jinping on September 19.

The agreement came just days before a September 17 deadline that requires TikTok's Chinese parent, ByteDance, to sell its U.S. arm or face a nationwide ban. Earlier this year the U.S. Supreme Court upheld the law that mandated divestment, citing what the Justice Department called a national security threat of "immense depth and scale," (see AiR No. 3, January/2025, 3). ByteDance has pushed back, insisting that its American operations are fully independent and that no data has been shared with Beijing. The company argues that banning the app would violate the free speech rights of its 170 million U.S. users. TikTok briefly went offline in January before Trump issued an executive order delaying enforcement of the law.

In the latest development, details of the framework agreement were disclosed this week. According to a senior White House official, the framework agreement allows ByteDance to appoint one of seven board members in a new U.S.-based entity, with Americans holding the remaining six seats. Further key safeguards of the deal include: all U.S. user data will be stored on domestic servers managed by Oracle, and TikTok's content-recommendation algorithm will be retrained and operated under U.S. supervision to prevent foreign influence. Majority ownership of the U.S. TikTok entity will rest with American investors, while ByteDance will hold less than 20 percent. [Reuters 2]

US bipartisan lawmaker delegation visits China for first time in years

(ask) A bipartisan delegation of U.S. House lawmakers is visiting this week Beijing for the first official visit since 2019, aiming to stabilize strained ties between Washington and Beijing. The five-member delegation, led by Representative Darin LaHood, will meet with senior Chinese officials during the week-long trip.

On September 22, the delegation met with Premier Li Qiang, Vice-Premier He Lifeng, who leads the trade negotiations, and Defense Minister Dong Jun. Li urged the U.S. Congress to adopt a "correct view" of China and bilateral relations, encouraging it to foster exchanges, cooperation, and mutual understanding.

Citing recent Trump–Xi phone calls (see article above) that set the tone for future engagement, Li reiterated Beijing's readiness to pursue win-win cooperation. He called on Washington to reciprocate and work with China to manage differences constructively. [The State Council, China 1]

Similarly, He urged Washington to work with Beijing to ensure steady, healthy, and long-term growth in bilateral economic and trade relations and to reduce suspicion in line with mutually beneficial cooperation. He further called on U.S. lawmakers to actively support the advancement of both countries by fostering open channels of communication and promoting constructive exchanges. [The State Council, China 2]

Dong, for his part, reaffirmed China was willing to expand military ties but emphasized safeguarding national sovereignty and security, while calling for the removal of "disruptive factors" in bilateral defense relations. [Xinhua]

Following his meeting with Dong, Smith He stressed that given China's rapidly expanding military and nuclear capabilities, Beijing must increase engagement with other major militaries for deconfliction and transparency. Smith noted that advancements in fields like AI and cyberspace heighten the risk of misunderstanding and emphasized the need for frank discussions, especially on nuclear issues, to avoid unintended conflict. While acknowledging China's pursuit of a strong military as "logical," he underscored that its scale now demands greater dialogue with the U.S. and others.

During a press conference, Smith described the meetings as constructive and reaffirmed the importance of open communication channels to manage disagreements and strengthen overall ties. [SCMP]

The delegation's visit comes amid disputes over trade, tariffs, and the future of TikTok's U.S. operations. It follows months of tense negotiations and recent moves by the Trump administration to press China on technology and market access.

Analysts view the rare congressional outreach as a sign that Washington is seeking to balance tough policies on trade and technology with renewed diplomatic engagement. The visit also highlights bipartisan recognition of the need to manage relations with China, even as tensions remain high over the South China Sea, Taiwan, and broader strategic rivalry. [Al Jazeera] [Reuters 1]

Meanwhile, Representative John Moolenaar, chair of the House committee on China, urged the Trump administration to suspend or restrict Chinese airlines' landing rights in the U.S. unless Beijing restores full access to rare earths and magnets. He also called for a review of export controls on U.S. commercial aircraft, parts, and services, warning that Beijing must not be allowed to cut off critical supplies to U.S. defense industries without consequences to its own sectors. [Select Committee on the CCP, USA]

The remarks follow China's decision in April to add several rare earths and magnets to its export restriction list in retaliation for U.S. tariff hikes. [Reuters 2]

China, U.S. pledge cooperation on fentanyl money laundering

(efg) China and the United States reached an agreement to cooperate on combating money laundering associated to illegal fentanyl production as announced by U.S Treasury Secretary Scott Bessent after last week's Madrid trade talks ended on September 15 (see AiR No. 37, September/2025, 3). Bessent, however, did not unveil details of the agreement. [SCMP]

The U.S. has repeatedly accused China of supplying fentanyl precursors and hosting laundering networks with President Donald Trump citing the issue as a reason to apply a 20 pe cent tariff on Chinese imports. The U.S. believes China has enabled illicit fentanyl production in Mexico by subsidizing the export of the precursor chemicals needed to produce deadly drugs and allowing Chinese companies to sell the latter to known criminal cartels. [State Department, United States]

U.S. prosecutors have since linked Chinese nationals, pharmaceutical firms and linked WeChat to laundering activity and made subsequent arrests due to their involvement.

Washington has tightened financial monitoring and proposed new Treasury powers, while Beijing has revised its anti-money laundering laws to broaden oversight. The amended law, which took effect on January 1, extends compliance obligations to non-financial businesses and professionals and expands the scope of money-laundering offences by adding seven new categories. [The State Council, China]

Meanwhile, a U.S. federal court has sentenced an executive of Wuhan-based Amarvel Biotech, to 25 years in prison for trafficking chemicals used to produce fentanyl. The company's marketing manager received a 15-year sentence in August following their conviction in New York for fentanyl precursor importation and money laundering. Prosecutors said the pair disguised shipments of hundreds of kilograms of precursor chemicals as everyday goods and laundered profits through cryptocurrency. [Department of Justice, USA]

The two were part of a broader indictment in June 2023 targeting eight Chinese nationals and four Chinese companies, the first U.S. case to prosecute Chinese firms for trafficking fentanyl precursors directly into the country rather than to Mexico, traditionally the main source of fentanyl entering the U.S. The move signaled Washington's growing focus on Chinese suppliers amid the opioid crisis. [The Guardian]

China lifts exit ban on U.S. banker

(efg) Wells Fargo banker Chenyue Mao, a U.S. citizen, has been allowed to leave China after being barred from exiting the country for several months, following negotiations between American and Chinese officials.

Mao, who leads the bank's international factoring business and has worked at the U.S.-based financial services company for more than a decade, was previously prevented from leaving due to her involvement in a criminal case, according to China's Foreign Ministry. [Ministry of Foreign Affairs, China]

It remains unclear whether her release was connected to recent talks in Madrid over TikTok's U.S. ownership.

Her departure comes just two weeks after President Donald Trump issued an executive order creating a "state sponsor of wrongful detention" designation, intended to penalize countries engaged in such practices. [Washington Post] [CNN Politics]

The case has raised concerns among business groups and diplomats about the risks faced by foreign executives in China. In recent years, similar incidents have included the detention of Mintz Group employees and travel restrictions placed on other executives, including a senior Nomura banker in 2023. [Reuters]

China announces anti-discrimination investigation into U.S. trade policy over auto industry chips

(efg) The China Association of Automobile Manufacturers (CAAM) announced that it has begun an anti-discrimination investigation into how United States trade policies on semiconductors impact the auto industry. Automakers have been asked to submit their input starting October 13. [Reuters]

This development comes after China's Ministry of commerce (MOFCOM) initiated anti-dumping and anti-discrimination investigations into U.S. chips on September 13, shortly before China-U.S. trade talks in Madrid. CAAM voiced firm backing for MOFCOM's actions, expressing "resolute support" and vowing to cooperate fully with the investigations. [Global Times]

China's Xinjiang province for first time confirms impact of U.S. sanctions

(dql) Xinjiang's Vice-Chairman Chen Weijun has acknowledged for the first time that U.S. sanctions are hurting the region's economy, reducing production capacity, exports, and job opportunities.

While conceding short-term economic setbacks, Chen rejected allegations of forced labor—the main justification for the sanctions—arguing instead that Washington was imposing "forced unemployment" under the pretext of human rights. [SCMP]

The statement highlights the broader geopolitical struggle over Xinjiang, where U.S. sanctions since 2019 have targeted at least 144 Chinese companies across multiple sectors, including cotton, electronics, and steel. Studies indicate significant trade impacts, such as a 17 percent drop in Chinese cotton exports to the U.S. [UHRP]

China, Italy discuss potential auto industry cooperation amid EU tensions

(efg) Italy's Deputy Prime Minister Matteo Salvini has highlighted the "great potential" for cooperation with China in automobiles, smart roads, and transport innovation, despite EU scrutiny of Chinese subsidies. In an interview with Chinese state-run *Xinhua News Agency*, Salvini, who also serves as minister of infrastructure and transport, emphasized China's

advances in high-speed rail, AI, and autonomous driving while attending a reception marking the 55th anniversary of China-Italy diplomatic ties. [Xinhua]

Although Italy supported the 2024 EU tariffs on Chinese electric vehicles, it continues to welcome Chinese investment. Prime Minister Giorgia Meloni further strengthened ties with Beijing during a July visit last year, despite Italy—the EU's third-largest economy—having withdrawn from the Belt and Road infrastructure initiative.

Italy's efforts to balance between fostering ties with China and maintaining its stance within the European Union (EU) come against the backdrop of escalating trade frictions between China and the E.U., with Brussels targeting electric vehicles and Beijing responding with anti-dumping duties on European pork and brandy while investigating its dairy sector. [Reuters] [Devdiscourse]

China-Russia pledge to strengthen legislative cooperation

(efg) China and Russia have agreed to strengthen cooperation between their legislative bodies during a Chinese delegation visit to Russia. Peng Qinghua, vice chairman of China's National People's Congress Standing Committee, co-chaired the fourth meeting of the China-Russia parliamentary cooperation committee. He emphasized that relations are at their best in history and called for deeper legislative collaboration to support high-quality ties.

Russia in turn voiced readiness to continuously strengthen parliamentary exchanges and deepen strategic coordination with China.

The delegation met with Russian officials including State Duma Chairman Vyacheslav Volodin and the Republic of Tartarstan leader Rustam Minnikhanov. [Xinhua]

China pressures Papua New Guinea over defense pact with Australia

(dql) China has cautioned Papua New Guinea (PNG) against signing a defense treaty that could restrict its ability to cooperate with other countries, following Australia's failure to finalize a mutual defense agreement. Beijing stressed that any bilateral treaty should be non-exclusive, avoid targeting third parties,

and respect PNG's sovereignty and long-term interests. [Chinese Embassy, PNG]

The agreement with Australia, which had been expected to be ratified this week, was delayed after PNG's cabinet failed to approve the deal. The treaty is designed to establish joint defense arrangements in the event of an attack and allow citizens to serve in each other's defense forces. Australian Prime Minister Anthony Albanese confirmed the treaty text but noted further cabinet approvals were required. [Al Jazeera]

Concerns over the pact have been voiced by PNG politicians and former military officials. Opposition leader Douglas Tomuriesa emphasized the need for strong partnerships without compromising constitutional authority or independent decision-making. Retired Maj. Gen. Jerry Singirok warned that the treaty could violate PNG's non-alignment principles, while former commanders Maj. Gen. Gilbert Toropo and Peter Ilau stressed the importance of maintaining the country's flexibility to engage with multiple global partners.

Analysts and military figures urged PNG to carefully consider alternatives for strengthening its defense while preserving sovereignty, framing the issue as a balancing act amid intensifying regional competition between major powers, including China and Australia. [The Guardian]

Earlier this month, Vanuatu had postponed signing a similar security and development pact with Australia, citing concerns that the deal could limit the island nation's access to infrastructure funding from other countries. Prime Minister Jotham Napat cited for the delay stems his coalition partner's apprehensions about restrictions on foreign investment, particularly from China, which is Vanuatu's largest external creditor and has funded major infrastructure projects including the presidential office, parliament, and roads.

The Nakamal Agreement, initially agreed upon in August in a ceremonial signing, would have strengthened economic and security ties with Australia, backed by AUD 500 million (USD 329 million) in support for development, workforce training, and infrastructure. [Reuters]

The deals' postponement comes amid Australia's broader push to counter China's expanding security influence in the Pacific.

In a separate development, Chinese Public Security Minister Wang Xiaohong met with Vanuatu's Minister of Internal Affairs Andrew Napuat in Beijing on

September 19 to advance bilateral security cooperation. Wang emphasized implementing the Global Security and Global Governance Initiatives, deepening law enforcement dialogue, and strengthening joint efforts against transnational crimes such as fugitive repatriation and asset recovery.

Napuat, for his part, expressed appreciation for China's support and confirmed Vanuatu's readiness to deepen collaboration in policing and law enforcement, according to the Chinese readout of the meeting. [The State Council, China]

Napuat also announced that China will provide the Vanuatu Police Force (VPF) with police equipment valued at CNY 1 million (USD 140,000), including INTERPOL systems. In addition, China will supply 20 motorcycles, 20 drones, and other policing equipment worth approximately CNY 2 million (USD 280,000) to support Vanuatu's law enforcement capabilities. [Daily Post]

The talks underscored China's broader push to expand its security footprint in the Pacific through institutionalized police cooperation. Notably, the 2022 China-Solomon Islands security agreement is seen as posing a direct challenge to Australia's strategic position in its own neighborhood, with Chinese security forces stationed just 2,000 kilometers from Australia's eastern coast—closer than Darwin is to Perth. [Carnegie]

China reaffirms support for Venezuela amid escalating U.S. military strikes

(dql) China has pledged support for Venezuela, emphasizing solidarity as Caracas faces escalating U.S. military strikes on vessels reportedly linked to drug trafficking. This was announced by Venezuela's Foreign Minister Yvan Gil following a meeting with Chinese Ambassador Lan Hu in Caracas. Gil described Beijing's message as a significant gesture.

Gil reiterated that President Nicolas Maduro remains committed to regional unity and an "authentic battle" against narcotics trafficking, while accusing Washington of using military power for political purposes. The U.S. operations, which killed multiple individuals, were defended by Washington defended the operations as necessary to combat cartels. Critics, including lawmakers and human rights groups, have questioned the legality of the strikes and warned they could amount to extrajudicial killings. [BBC] [Al Jazeera]

The China–Venezuela alignment reflects years of deepening ties, with Beijing having become an indispensable ally in countering U.S. sanctions and military pressure. At the meeting with Ambassador Lan, Gil reiterated Caracas' call for multilateral cooperation with China and other Global South partners to combat narcotics trafficking and external threats. [SCMP]

Tariffs, visas, and trade talks define strained India-U.S. ties

(lm) India–U.S. relations remain caught between confrontation and cautious engagement as tariff hikes, visa restrictions, and stalled trade talks continue to test the partnership.

The latest jolt came when Washington announced a USD 100,000 fee for new H-1B visa applications, a measure that disproportionately impacts India, whose nationals account for more than 70 percent of these skilled-worker permits. The move threatens India's USD 280 billion IT services industry, which relies heavily on U.S. contracts, and could reduce remittance inflows worth nearly USD 35 billion annually. Although the White House later clarified the charge applies only once and only to new applications starting in 2026, the cost burden rattled India's outsourcing model and triggered a USD 10 billion sell-off in technology stocks. [The Hindu] [Reuters 1] [Bloomberg]

The announcement came on the eve of Commerce Minister Piyush Goyal's September 22 visit to Washington to advance negotiations on a long-delayed trade deal, while External Affairs Minister Subrahmanyam Jaishankar met U.S. Secretary of State Marco Rubio in New York. Rubio underscored that India remains a "critical" U.S. partner and emphasized cooperation on defense, trade, energy, pharmaceuticals, and critical minerals, while Jaishankar stressed the importance of sustained engagement. [Reuters 2] [Reuters 3] [Reuters 4] [Reuters 5]

These meetings unfold against the backdrop of tariff frictions that escalated in August, when President Donald Trump doubled tariffs on Indian imports to as high as 50 percent, citing New Delhi's continued purchases of Russian oil. India's exports to the U.S. fell from USD 8.01 billion (INR 667 billion) in July to USD 6.86 billion (INR 571 billion) in August. Washington has pressed India to curb Russian energy imports and urged Group of Seven partners to raise tariffs on India and China for the same reason. New Delhi, however, has insisted it will not halt Russian energy purchases

and has called for the removal of the additional 25 percent penalty tariffs.

Domestically, Prime Minister Narendra Modi has urged Indians to reduce reliance on foreign brands such as McDonald's, Pepsi, and Apple, calling for "Swadeshi" consumption of domestic products to cushion the impact of strained ties. [Reuters 6]

Adding to tensions, the Trump administration revoked visas for several unnamed Indian business executives accused of involvement in trafficking fentanyl precursors, part of Washington's broader crackdown on synthetic narcotics that have fueled an epidemic of overdoses in the U.S. India was also listed among 23 "major drug transit or major illicit drug producing countries." [Al Jazeera]

Despite these frictions, both sides signal an interest in de-escalation. India's chief economic adviser said he was confident the U.S. would soon scrap the extra 25 percent levy and lower reciprocal tariffs to 10–15 percent. Trump recently adopted a more conciliatory tone and spoke by phone with Modi, thanking him for support on efforts to end the war in Ukraine. Both governments have highlighted shared concerns over China and expressed interest in concluding a mutually beneficial trade deal. [Reuters 7]

Still, officials caution that difficult issues remain unresolved. Washington continues to press for greater access to India's agriculture and dairy markets and for limits on Russian oil purchases, while New Delhi resists measures it considers politically or economically sensitive. The coming weeks will test whether the renewed engagement can narrow these divides or whether structural differences will keep the relationship locked in friction.

India and Canada agree to reset ties, prioritize counter-terrorism cooperation

(lm) India and Canada are cautiously rebuilding ties after a two-year rupture, but the two governments remain divided over whether trade negotiations are resuming.

On September 19, New Delhi said recent consultations between senior officials, including Deputy Minister of Global Affairs David Morrison and Indian Foreign Secretary Vikram Misri, had produced agreement to "reactivate bilateral dialogue" across domains ranging from trade and energy to critical minerals and

agriculture. Indian media framed this as the restart of stalled trade talks.

Ottawa quickly tempered expectations. Officials confirmed that while trade was discussed, no negotiations on a free trade agreement are underway under the government's current mandate. Instead, Canadian officials emphasized that security dominated the agenda, pointing to a parallel meeting in New Delhi between National Security and Intelligence Adviser Nathalie Drouin and her Indian counterpart Ajit Doval. The talks, which followed a June meeting between Prime Ministers Mark Carney and Narendra Modi at the G7 summit, focused on counter-terrorism, intelligence sharing, and measures against transnational crime. [CBA] [The Economic Times]

Relations deteriorated sharply in 2023 after then–prime minister Justin Trudeau accused India of involvement in the killing of Sikh separatist leader Hardeep Singh Nijjar in British Columbia, prompting both sides to expel diplomats and freeze trade talks. India has consistently denied the allegation. Carney's election in April 2025 created space for rapprochement, with both countries appointing new high commissioners in August.

UK Prime Minister to visit India in October with focus on defense, education, and fintech

(lm) British Prime Minister Keir Starmer is expected to visit India in early October in what will be his first official trip since taking office in July 2024. He is likely to appear at the Global Fintech Fest in Mumbai from October 7–9, where Prime Minister Narendra Modi is also scheduled to attend, before holding bilateral talks in New Delhi.

The visit comes shortly after the signing of the India–UK Free Trade Agreement (FTA) in July, New Delhi's first such bilateral trade pact with a Western country. The deal will lower average British tariffs on Indian goods from 15 percent to about 3 percent, benefiting exporters in sectors such as agriculture, marine products, plastics, chemicals, and engineering goods. London estimates the agreement could expand bilateral trade by around USD 33 billion annually. A Double Contribution Convention, also concluded alongside the FTA, will exempt Indian workers and employers in the UK from social security contributions for three years, with estimated savings of INR 40 billion (USD 480 million).

With trade negotiations completed, Modi and Starmer are expected to focus on defense, education, and strategic cooperation. Under the Technology Security Initiative launched in 2024, the two governments are working on joint projects in artificial intelligence, semiconductors, advanced materials, critical minerals, and quantum computing. In education, British universities are expanding campuses in India, including the University of Southampton in Gurugram and the University of Liverpool in Bengaluru. [ThePrint]

India to open first overseas defense plant in Morocco amid new cooperation pact

(lm) India's Defence Minister Rajnath Singh has completed a landmark visit to Morocco, the first-ever by an Indian defense minister, underscoring deepening strategic ties between New Delhi and Rabat.

The visit featured the inauguration of Tata Advanced Systems Maroc's new facility in Berrechid near Casablanca, which will assemble the Wheeled Armoured Platform (WhAP) 8x8—an amphibious infantry combat vehicle jointly developed by India's Defence Research and Development Organisation (DRDO) and Tata Advanced Systems Ltd. It marks India's first overseas defense manufacturing plant and a major step in expanding the global reach of India's defense industry under the Atmanirbhar Bharat ("self-reliant India") initiative.

Alongside the plant launch, Singh and Moroccan Defence Minister Abdeltif Loudiyi signed a memorandum of understanding on defense cooperation. The pact creates an institutional framework for collaboration in counter-terrorism, maritime security, cyber defense, industrial partnerships, training, and naval port calls. Singh also held talks with Industry Minister Ryad Mezzour on boosting defence–industrial cooperation and engaged with the Indian community in Rabat. [The Times of India] [News on AIR]

Zimbabwe signs USD 455 million power plant refurbishment deal with Indian company

(lm) Zimbabwe has signed a USD 455 million, 15-year concession agreement with the Africa-focused unit of India's Jindal Steel for the refurbishment of six aging units at the Hwange coal-fired power station, the

country's largest thermal plant. Jindal Steel is one of India's largest steel and energy conglomerates, with global operations in mining, power, and infrastructure. The project, expected to take four years, will be financed by Jindal Africa, which will recover its investment from revenue generated through electricity sales. [Reuters]

Beyond energy, Zimbabwe is strategically significant as one of the world's largest holders of platinum group metals, lithium, chromium, and gold. Its lithium deposits, in particular, have become a global focus as demand for electric vehicle and renewable energy storage rises. China has invested heavily in Zimbabwe's mining sector, creating competition for access to these critical resources. For India, projects like Jindal's Hwange concession not only support local energy needs but also strengthen its economic footprint in a country that could become an important supplier of critical minerals.

India extends USD 50 million treasury bill rollover for Maldives amid mounting fiscal pressures

(ya) India has once again extended repayment of USD 50 million owed by the Maldivian government to the State Bank of India (SBI), providing short-term relief as the country struggles with rising external debt. The treasury bill was part of USD 200 million in budget support provided in 2019, of which USD 50 million was repaid in January 2024. Another USD 50 million tranche had already been extended in May, making this the second rollover this year.

Recent talks also covered implementation of India-backed development projects under its Line of Credit, where both sides discussed challenges and pathways to completion. In addition, India has extended a USD 750 million currency swap facility, of which USD 400 million is already being used. Malé is also in talks with the Reserve Bank of India to draw on the remaining INR 30 billion (USD 360 million).

With nearly USD 500 million in debt obligations falling due this year and another USD 1 billion in 2026, the Maldivian government has stressed that such Indian support is critical to maintaining fiscal stability. [The Sun 1] [The Sun 2]

Japan protests suspected South Korean survey in disputed exclusive economic zone

(dql) The Japanese government lodged a formal protest with Seoul on September 16 over a suspected maritime survey conducted by South Korea within Japan's exclusive economic zone in the Sea of Japan. Japanese officials reported that a wire-like object was observed deployed from the survey vessel, NARA, near disputed islets controlled by South Korea but claimed by Japan.

The latest diplomatic protest follows a similar incident in August, when another South Korean survey ship was seen carrying out a suspected survey west of the disputed islets, known as Takeshima in Japan and Dokdo in South Korea. [The Mainichi]

U.S., Japan train with mobile anti-ship missile system amid China concerns

(dql) The U.S. military in Japan will continue joint exercises with the Japanese Self-Defense Forces (SDF) involving the NMESIS, a mobile ground-based anti-ship missile system, and will collaborate on transporting defense equipment, according to Col. Richard Neikirk, commander of the 12th Marine Littoral Regiment.

First deployed to Japan in July, NMESIS is taking part in the annual Resolute Dragon exercise, which simulates island defense operations. The system carries two missiles on an unmanned, remotely operated vehicle with a range of about 210 kilometers, combining mobility with long-range precision—key capabilities for protecting Japan's Nansei island chain, which stretches toward Taiwan.

Key goal of the drills is to strengthen operational coordination between U.S. and Japanese forces, including logistics like moving equipment. During the exercise, a Japanese C-130 aircraft transported NMESIS from Okinawa to Ishigaki Island, demonstrating this interoperability. [Kyodo News]

Japan, U.S. launch initiative to boost alliance UAV capabilities

(dql) The U.S. Department of War and Japan's Ministry of Defense have formalized the Strategic Advancement of Mutual Runtime Assurance Artificial Intelligence

(SAMURAI) initiative. Signed on 22 September, the agreement establishes a framework for joint research and development of Runtime Assurance (RTA) technology, which enables AI-equipped unmanned aerial vehicles to monitor their performance and ensure safe operation.

Insights from the project are expected to guide the integration of AI-enabled UAVs with next-generation fighter aircraft. The initiative aims to enhance operational safety, strengthen interoperability, and boost the capabilities of the U.S.-Japan Alliance. [Defence Industry Europe]

Croatia, Japan strengthen bilateral ties and people-to-people exchanges

(dql) Japan and Croatia are stepping up people-to-people exchanges as part of their deepening bilateral relations, with Prime Minister Shigeru Ishiba meeting his Croatian counterpart Andrej Plenković in Tokyo on September 19 during Plenković's visit for Croatia's National Day event at Expo 2025 Osaka. [Ministry of Foreign Affairs, Japan]

Ishiba underscored Croatia's importance as a partner sharing common values, and noted the recent entry into force of the Japan-Croatia Air Services Agreement. Plenković emphasized the potential to expand cooperation, particularly in the economic field, with the Expo serving as a platform.

The two leaders welcomed agreement in principle on a Working Holiday arrangement to further strengthen exchanges and reaffirmed their commitment to advancing bilateral ties. They also discussed global challenges, including Russia's war in Ukraine and security issues in East Asia such as North Korea's nuclear and missile programs and the abductions issue, agreeing to enhance coordination in addressing these shared concerns. [Nippon.com] [Kyodo News]

Bahrain, Japan agree on elevating ties to strategic partnership

(dql) During a meeting on September 19, Japanese Prime Minister Shigeru Ishiba and Bahrain's Crown Prince and Prime Minister Salman bin Hamad Al Khalifa agreed to upgrade their nations' ties to a strategic partnership, aiming to expand their

cooperation beyond traditional energy and oil sectors. [Prime Minister's Office, Japan]

Ishiba described the upgrade as a significant step forward in bilateral relations, while Salman bin Hamad Al Khalifa highlighted opportunities to deepen political and economic collaboration. [The Mainichi]

A memorandum of understanding (MoU) to enhance human resources management in Bahrain's government sector was signed between Bahrain's Civil Service Bureau (CSB) and the Japan International Cooperation Centre (JICE).

Under the agreement, Bahraini government employees will gain advanced skills in planning, HR management, digital transformation, organizational performance, and leadership development through training programs, study visits to Japan, and specialized workshops delivered by Japanese experts. [Bahrain News Agency]

In a separate meeting, Foreign Minister Takeshi Iwaya reaffirmed Japan's commitment to further deepening the relationship. He highlighted this month's first Foreign Ministers' Strategic Dialogue with Bahraini Foreign Minister Zayani, describing the discussions as highly constructive and expressing hope for practical collaboration under these frameworks. Salman bin Hamad Al Khalifa, for his part, expressed his desire to maintain close collaboration with Japan.

The two sides also exchanged views on regional security, including developments in Gaza. On the Palestinian issue, they reaffirmed support for a two-state solution and the resolution of disputes through dialogue. Both governments underscored the importance of maritime security and agreed to continue close coordination on the Red Sea situation and other regional challenges. [Ministry of Foreign Affairs, Japan]

Laos, Timor-Leste implement 30-day visa-free travel

(ms) Laos and Timor-Leste have begun reciprocal visa-free entry for holders of ordinary passports, allowing stays of up to 30 days. The waiver took effect on 15 August 2025, expanding a bilateral regime first launched on 8 October 2024 for diplomatic and official passports. The move is part of a broader deepening of ties that also includes a long-term arrangement to exchange land and property to establish embassies in Vientiane and Dili.

Officials say the measure will simplify travel for tourists, students, and business visitors, and support growing air and overland connectivity through the Mekong subregion. It also comes as Timor-Leste, an ASEAN observer since November 2022, is slated to become the bloc's 11th member at the 47th ASEAN Summit in October in Kuala Lumpur, aligning its travel policies more closely with regional partners. In parallel, Laos has been widening its own visa-waiver network, including a recent agreement with Belarus for visa-free travel using national passports. [The Laotian Times]

Laos' Australia-backed education program expands

(ms) Laos and Australia have reaffirmed cooperation to improve primary education, with officials and Australian parliamentarians visiting a Vientiane school to observe lessons under the BEQUAL program's revised curriculum and teacher support. The visit highlighted activity-based teaching and inclusion measures such as the "Spoken Lao" approach for children who do not speak Lao at home.

BEQUAL Phase 2 (July 2022–June 2026) focuses on finalizing the national primary curriculum, upgrading teacher training, and strengthening in-class pedagogical support nationwide.

The cooperation addresses persistent learning shortfalls. The World Bank estimates that 98 percent of Lao children at late-primary age do not read with minimum proficiency, with about 9 percent of primary-age children out of school; only a small share meet reading benchmarks. Adult literacy remains about 87.5 percent (2022), below regional leaders. UNICEF also cites high repetition and dropout in early grades, linked to limited access to pre-primary education.

Officials frame the partnership as a practical response: better teaching materials, ongoing teacher development, and targeted language support to move early-grade reading and participation off a low base, while providing a platform for broader system gains. [Vientiane Times]

Malaysia's military receives drones from Japan under official security assistance framework

(tl) Malaysia has taken delivery of surveillance drones from Japan under the Official Security Assistance framework, aimed at strengthening maritime border security. Of the 14 Japan-made drones pledged, several have already been delivered, with Malaysian military planning to use them for maritime monitoring in areas facing South China Sea. The package, valued at JPY 400 million (USD 2.7 million) also includes rescue boats.

Malaysia was among the first four countries chosen to receive the defense equipment under the security assistant program established in 2023.

This initiative reflects Japan's efforts to strengthen the defense capabilities of the regional partners facing maritime challenges with China over the South China Sea. Malaysia, like Vietnam and the Philippines, faces overlapping claims with Beijing and has expressed concerns about China's assertive approach. [Kyodo News]

Malaysia to exempt customs duties on Palestinian agricultural products

(tl) Malaysia has agreed to exempt certain Palestinian agricultural and food products from customs duties as part of efforts to support Palestine's economic recovery. It was announced by Investment, Trade and Industry Minister Tengku Datuk Seri Zafrul Abdul Aziz during the signing of a memorandum of understanding (MoU) on Trade and Economic Cooperation between the two countries.

The MoU, exchanged by Ministry of Investment, Trade and Industry (MITI) secretary-general Datuk Hairil Yahri Yaacob and Palestinian ambassador Walid Abu Ali, was witnessed by Prime Minister Datuk Seri Anwar Ibrahim.

The MoU focuses on developing industrial zones, boosting small and medium enterprises, and expanding cooperation in halal industry, tourism, energy, and digital economy. Capacity-building initiatives through training, expertise exchange, and private sector partnerships are also included. [Business Today] [Ministry of International Trade and Industry]

Zafrul stressed that Malaysia is committed to helping Palestine rebuild its economy while fostering mutually beneficial trade ties. [Malay Mail]

Maldives-Pakistan parliamentary exchange highlights cooperation and regional concerns

(my) Pakistan and the Maldives have agreed to deepen parliamentary cooperation and expand people-to-people exchanges during a five-day visit of a Maldivian delegation to Islamabad led by the Speaker of the People's Majlis, Abdul Raheem Abdulla. Talks with Pakistan's National Assembly Speaker Sardar Ayaz Sadiq centered on strengthening legislative and institutional linkages, with both sides identifying trade, education, tourism, and climate resilience as areas for closer collaboration.

Speaker Sadiq underscored parliamentary diplomacy as a key tool for peacebuilding and reiterated Pakistan's positions on Palestine and Kashmir, warning that unresolved disputes—along with what he called the Israel–India nexus—threaten regional stability. Speaker Abdulla praised Pakistan's stance on these issues and reaffirmed the Maldives' commitment to expanding inter-parliamentary ties.

The visit also featured meetings with political leaders, exchanges with the Pakistan–Maldives Parliamentary Friendship Group, and cultural visits in Islamabad. [The Express Tribune] [Radio Pakistan]

China, Mongolia to deepen law enforcement cooperation

(fs) Minister of Justice and Internal Affairs of Mongolia Munkhbaatar Lhagva and China's State Councilor and Minister of Public Security Wang Xiaohong met on September 19 to advance cooperation in law enforcement.

The talks were held during the Global Public Security Cooperation Forum, an annual international conference focused on strengthening cooperation to address global public security challenges held in Lianyungang, China.

Both ministers noted the steady expansion of the Comprehensive Strategic Partnership between the Ministry of Justice and Internal Affairs of Mongolia and the Ministry of Public Security of China and praised progress under the 2022-2026 Cooperation Program. They agreed to extend and upgrade the program for 2026-2030 to strengthen institutional capacity, improve crime prevention, and combat transnational offenses.

Priorities include enhancing border control to curb the illegal trafficking of narcotics and psychotropic substances, expanding information exchange on detection and analysis methods, and improving equipment and personnel training. The sides also pledged closer collaboration on cybercrime, investment protection, fraud prevention, and public awareness campaigns.

China's Ministry of Public Security has provided specialized equipment to Mongolian police for United Nations peacekeeping missions, and it will continue to offer training opportunities for Mongolian law enforcement personnel in China. [Montsame]

Mongolia, South Korea strengthen partnership on critical minerals and mining investment

(fs) South Korea's Ministry of Trade, Industry and Energy has urged deeper cooperation with Mongolia in the critical minerals sector during the Mongolia-Korea Critical Minerals and Mining Investment Forum 2025 held in Seoul, a bilateral event to strengthen cooperation between both countries in the mining and critical minerals sectors.

The forum gathered government officials, business leaders, and industry experts to explore opportunities for joint development and investment in resources such as molybdenum, nickel, and tin.

South Korean Vice Minister Lee Ho-hyeon highlighted the urgency of strengthening supply chain security amid global instability, including U.S.-China tensions and China's export controls, noting that Mongolia's abundant reserves and Korea's advanced technologies create mutually beneficial prospects. He pledged expanded Korean government support for overseas resource exploration, financing, and tax incentives to facilitate private investment. [The Korea Times]

During the forum, Erdenes Mongol (Mongolia's largest mining group) and its subsidiary companies signed several memorandums of understanding and contracts with South Korean enterprises to advance joint projects.

Under the agreements, Erdenes Mongol will collaborate with state-owned Korea Mine Rehabilitation and Mineral Resources Corporation on mine rehabilitation and with the Korea Institute of Geoscience and Mineral Resources (KIGAM), South Korea's premier research institution specializing in

geosciences and mineral resources, on critical mineral studies. A partnership with Chonbuk National University will enable 500 Mongolian students to pursue engineering programs focused on mining and mineral processing, contributing to the training of internationally qualified professionals.

Additionally, Erdenes Alt Resource LLC, a subsidiary of Erdenes Mongol, signed a USD 17 million contract with Samsung Group for the supply of silver concentrate. The Development Bank of Mongolia also agreed with Korea Investment & Securities (Asia) to secure low-cost financing for projects in Mongolia. [iToim]

On a separate development, Governor of the Capital City and Mayor of Ulaanbaatar Khishgeegiin Nyambaatar met with a high-level delegation from South Korea led by Park Wan-su, Governor of South Gyeongsang Province, to discuss expanding bilateral cooperation in infrastructure and urban development.

Wan-su reaffirmed South Gyeongsang Province's commitment to strengthening bilateral ties, expressing support for joint industrial and urban development projects. Both parties emphasized the strategic partnership between Mongolia and South Korea and expressed confidence that collaboration would accelerate Ulaanbaatar's urban transformation and enhance sustainable city planning. [UB Post]

Mongolia, Hungary enhance cooperation on immigration and migration policies

(fs) A Hungarian delegation led by Director of the Hungarian National Directorate General for Aliens Policing Sandor Gombos paid an official visit to Mongolia at the invitation of Director General of the Immigration Agency of Mongolia Uuganbayar Nergui. The visit aimed to strengthen bilateral cooperation in immigration management and capacity building.

During the visit, the delegation reviewed the operations of Mongolia's Immigration Agency and discussed joint training programs and professional exchanges.

Nergui highlighted the agency's effective partnership with Hungary, noting that over ten Mongolian staff members have participated in short-term training in Hungary since 2023. He proposed expanding training to include practical components, EU visa policies, and document forgery studies.

The Hungarian delegation was also introduced to Mongolia's fully digitalized visa and permit system, launched in 2024 as part of the government's digital transition agenda. [Montsame]

Mongolia, Saudi Arabia approve air transport agreement to boost aviation links

(fs) On September 17, the Cabinet of Mongolia ratified the Air Transport Services Agreement with Saudi Arabia, signed in Ulaanbaatar in July 2025 (see AiR No. 29, July/2025, 4).

The accord creates a legal framework for direct flights and enhanced air connectivity between the two nations. It aims to expand routes to West Asia, strengthen Mongolia's integration into global transport networks, and stimulate tourism and passenger traffic.

The agreement is also expected to deepen bilateral relations, trade, and economic cooperation. It is in line with the "Years to Visit Mongolia", a government-led initiative aimed to boost tourism the government designated for 2023-2028. [Sonin, in Mongolian]

Myanmar prime minister meets Chinese vice-president at China-ASEAN Expo in Nanning

(anl/su) Myanmar's Prime Minister U Nyo Saw attended the recent 22nd China-ASEAN Expo (CAEXPO) and the China-ASEAN Business and Investment Summit in Nanning.

On the sidelines of the event, U Nyo Saw met on September 17 Chinese Vice-President Han Zheng. Discussions reportedly focused on enhancing bilateral trade and investment, advancing socioeconomic development, and expanding cooperation in combating narcotics, human trafficking, online fraud, and transnational crime. China also pledged continued humanitarian assistance, including support for rehabilitation after the recent Mandalay earthquake. [Mizzima]

At the expo sought to to boost ruby and sapphire exports to China. Commerce Minister Chit Swe told participants that Myanmar's sapphires rank second globally behind Sri Lanka's and expressed confidence that Chinese buyers would be attracted to Myanmar's

gems, as they are to jade. The event was attended by business representatives from Guangxi, Guangdong, Hunan, Yunnan, Hainan, Hong Kong, and Macau.

In addition, the Yangon Region Gems and Jewellery Entrepreneurs Association and the Myanmar Trade Centre (Hainan) signed a memorandum of understanding to cooperate in marketing Myanmar gemstones in China. The sector has been targeted by Western sanctions since the 2021 coup, but the junta continues to seek revenue from gem sales, including through annual expos in Naypyitaw.

Myanmar's rubies and sapphires are mainly sourced from Mogoke in Mandalay Region, an area seized by the Ta'ang National Liberation Army (TNLA) and allied People's Defense Forces in July 2024. Local reports indicate the TNLA has permitted small-scale mining while restricting former military-linked companies, with allegations of large-scale concessions granted to Chinese and Wa State business interests. [Irrawaddy]

Myanmar: Air force chiefs hold bilateral talks with Thailand

(su) The Commander-in-Chief (Air) of Myanmar, General Htun Aung, met with Air Chief Marshal Punpakdee Pattanakul, Commander-in-Chief of the Royal Thai Air Force, in Nay Pyi Taw on September 17 to discuss cooperation and future collaboration between the two sides. [Eleven Myanmar]

Timor-Leste vows to bar Myanmar opposition activities

(dql/anl) Timor-Leste has reportedly pledged to prohibit Myanmar opposition groups from establishing offices or conducting "illegal opposition activities" on its territory. The related statement followed a high-level meeting on September 18 between Timor-Leste's Foreign Minister Bendito dos Santos Freitas and Myanmar's Foreign Minister Than Swe.

During the talks, Timor-Leste offered to host a Myanmar embassy in Dili and discussed broader diplomatic initiatives, including a visa-free arrangement for ASEAN diplomats and a bilateral visa exemption to boost tourism.

The meeting reflects a thaw in bilateral relations after months of tension, stemming from the Myanmar's objections to Timor-Leste's ASEAN accession bid and

Dili's prior engagements with Myanmar's National Unity Government (NUG).

Previously, the NUG announced plans to open a liaison office in Dili in 2024, and Timor-Leste had invited NUG officials to its 2023 government inauguration, prompting the junta to expel the Timorese chargé d'affaires in August 2023. [Mizzima] [The Irrawaddy]

Two Nepali citizens rescued from detention in Ukraine

(lm) Two Nepali citizens detained at the Ukrainian border have been rescued and are returning home with the assistance of the Nepali Embassy in Berlin, which also oversees Ukraine. [The Kathmandu Post]

The development comes against the broader backdrop of Nepal's foreign ministry grappling with the fallout from Nepali nationals recruited into Russia's military to fight in Ukraine. Despite a January 2024 ban on work permits for Russia and Ukraine, reports indicate that several hundred Nepalis have been drawn in through informal brokers, with at least 70 confirmed dead and others captured by Ukrainian forces. Kathmandu has urged Moscow to halt recruitment, repatriate survivors, and provide compensation to families, while also pressing Kyiv for the release of detained Nepali combatants.

North Korea supplies USD 9.8 billion in arms to Russia

(sm) A new report suggests that North Korea has become one of Russia's most significant suppliers of conventional weapons since the start of the war in Ukraine, transferring military goods valued at nearly USD 10 billion. In return, Pyongyang is believed to have gained only about USD 1.2 billion worth of food, fuel and limited equipment, which could be interpreted as a fraction of what it provided. [NK News]

The disparity is seen by analysts as showing how Moscow has secured critical supplies at relatively low cost, while North Korea has carried out the heavier burden of sanctions and resource constraints. For Pyongyang, the payoff appears to be less material than strategic thereby gaining Russian backing at the United Nations and positioning itself as a useful partner in a global conflict. [Reuters]

The scale of the transfers also demonstrates the durability of North Koreas arms industry despite years of sanctions. Yet the one-sided nature of the arrangement may raise questions about sustainability. One being whether Pyongyang can continue to divert such volumes of supplies abroad without weakening its own military's readiness and what deeper reliance on Moscow may mean for its long-term autonomy.

Pakistan ties peace with India to Kashmir as it extends airspace ban

(my) Pakistan's Prime Minister Shehbaz Sharif has reiterated that Islamabad seeks peaceful relations with India but warned that reconciliation is impossible without resolving the Kashmir dispute. Speaking in London on September 21, he said anyone who believes ties can normalize absent such a settlement is "living in a fool's paradise." [Arab News 1]

The comments come as Pakistan extended its airspace ban on Indian aircraft until October 24, reflecting persistent tensions after the four-day military confrontation in May that killed more than 70 people. That escalation, triggered by an attack in Indian-administered Kashmir, saw India strike multiple sites in Pakistan and Pakistan-administered Kashmir, followed by exchanges of drones, missiles, and artillery before Washington brokered a ceasefire on May 10.

Pakistani officials deny involvement in the April attack that sparked the crisis and have called for an international investigation. Islamabad has also warned that any Indian attempt to divert water from the Indus River system under the 1960 treaty would be treated as an "act of war." Meanwhile, the extended airspace ban continues to disrupt Indian carriers' long-haul routes, with Air India alone estimating extra annual costs of about USD 600 million. [DAWN] [Arab News 2] [Pakistan Today]

Sharif also commented on broader regional issues, condemning Israel's ongoing war in Gaza, which he said has killed more than 65,000 Palestinians since October 2023, and urging the Islamic world to advocate for peace.

Pakistan hopes for expanded trade with Syria after U.S. sanctions lifted

(lm) Pakistan's Finance Minister Muhammad Aurangzeb met Syria's ambassador Dr. Ramez Alraee in Islamabad on September 18, expressing optimism that the U.S. decision in June 2025 to lift long-standing sanctions on Damascus would create space for new bilateral trade and investment. The sanctions removal followed the overthrow of Bashar al-Assad earlier this year, ending more than a decade of U.S. financial restrictions that had isolated Syria from international markets.

Aurangzeb said Pakistan supported Syria's reintegration into the global economic system and expected the easing of restrictions to encourage investment flows, particularly in trade and infrastructure. He also reaffirmed Islamabad's willingness to deepen economic and people-to-people ties with Syria, building on historical relations established in 1949. [Arab News]

Pakistan-Iran protocol targets USD 10 billion trade through energy, connectivity, and regulatory reforms

(as) Pakistan and Iran have signed a wide-ranging protocol at the 22nd session of their Joint Economic Commission in Tehran, setting a target of USD 10 billion in annual trade. The agreements focus on dismantling tariff and non-tariff barriers, expanding energy cooperation, and boosting cross-border connectivity.

Key energy provisions include reviving construction of a 220-kilovolt transmission line to Pakistan's Gwadar port, scaling up electricity exchanges, and jointly exploring renewable projects. A Joint Working Group will oversee investment in the power sector.

The two sides also pledged deeper cooperation in agriculture and environmental management, with commitments on veterinary standards, pest control, seed development, and climate adaptation measures such as tackling sand and dust storms and conserving mangrove ecosystems.

Connectivity featured prominently, with plans to strengthen road, rail, air, and maritime links, expand rail cargo capacity, upgrade air navigation, and explore ferry services for religious pilgrims. Proposals also cover simplified visa regimes for businesspeople and drivers.

Other protocols included harmonizing pharmaceutical regulations, joint training in health services,

coordinated disease surveillance, labor mobility programs, and expanded cultural and educational exchanges. On security, both countries agreed to intensify counter-narcotics cooperation and border intelligence-sharing.

Officials stressed that despite past fluctuations in bilateral ties, the agreements represent a decisive shift toward pragmatic cooperation, with trade, energy, and connectivity identified as central pillars for achieving the USD 10 billion goal. [DAWN] [Ministry of Economic Affairs, Pakistan]

Pakistan-Tajikistan tourism and trade cooperation under discussion

(as) Pakistan and Tajikistan are advancing talks on regional cooperation in tourism and trade, following meetings on the sidelines of the International Tourism Investment Forum in Dushanbe.

Pakistan's National Coordinator on Tourism, Sardar Yasir Ilyas Khan, met Tajikistan's Deputy Prime Minister Hokim Kholiqzoda and separately the head of the State Committee for Investment and State Property Management. Discussions focused on direct air links, student exchange programs, and frameworks to expand investment and tourism flows.

Officials emphasized Pakistan's potential to attract global visitors and capital through its cultural heritage, diverse landscapes, and investor-oriented policies, while highlighting shared historical and geographic ties with Tajikistan. The forum, co-hosted by the Tajik government and UN Tourism, gathered ministers, diplomats, and investors to promote regional partnerships. [The News]

Philippines: Vessels collide at Scarborough Shoal amid escalating legal and diplomatic clash

(ghd/ms/ask) A Philippine Bureau of Fisheries and Aquatic Resources (BFAR) vessel was damaged at Scarborough Shoal after repeated water-cannon blasts from two China Coast Guard (CCG) ships, intensifying a long-running dispute over jurisdiction at the contested reef. Manila contends the BRP Datu Gumbay Piang was on a humanitarian run to supply Filipino fishermen when CCG vessels executed blocking maneuvers and raked the ship's bow and stern with high-pressure

streams, shattering bridge windows, disabling air-conditioning, and injuring a crew member. In the ensuing chaos, the Philippine vessel bumped a CCG ship—an impact the Philippines attributes to the force of the water cannons.

The China Coast Guard, by contrast, accused the Philippines of sending more than ten ships to "illegally intrude" into its waters and claimed a Philippine vessel intentionally rammed a Chinese ship. Beijing insisted that its countermeasures were lawful, professional, and necessary to protect sovereignty,

The clash has sharpened opposing legal narratives. The Armed Forces of the Philippines argues that Scarborough Shoal lies within the country's exclusive economic zone, that CCG "regulatory measures" have no basis under international law, and that China's actions violate the 2016 arbitral award under the UN Convention on the Law of the Sea, which invalidated the expansive "nine-dash line" and affirmed traditional Filipino fishing rights around the shoal. Philippine officials also denounced what they described as a live-fire warning from a People's Liberation Army vessel as intimidation contrary to international norms. For its part, China maintains that the area constitutes its territorial waters and that multiple Philippine vessels were conducting aggressive maneuvers.

Manila's diplomatic machinery moved quickly. The Department of Foreign Affairs lodged another protest—its third in a month—accusing China of illegal and hostile actions. The National Security Adviser characterized the reported live-fire threat as a new tactic aimed at deterring Filipinos from their own fishing grounds. The Philippine Coast Guard and military publicly rejected CCG claims that the BFAR vessel caused the collision and reiterated calls for adherence to the arbitral ruling.

International reaction was swift. Envoys from New Zealand, Canada, Australia, Japan, the United States, the European Union, and the United Kingdom voiced concern and urged restraint, respect for international law, and compliance with the 2016 award. The incident also resonated domestically, underscored by the safe return of ten fishermen from Zambales who said a CCG ship shadowed and blocked them as they attempted to get home following an engine failure—an illustration, Philippine officials say, of how "gray-zone" tactics complicate basic safety at sea.

Amid the flare-up, the 14th Manila Forum for Philippines–China Relations proceeded in Taguig City. Former national security adviser Hermogenes Esperon argued that de-escalation requires close ties grounded

in trust, transparency, and shared responsibility, even as Manila practices “assertive restraint” to defend sovereignty without inviting escalation. China’s ambassador warned against proposals for an “Asian NATO,” calling such ideas divisive, while Philippine defense officials have previously said a NATO-style bloc is unrealistic in a region of overlapping alignments. The latest collision underscores how law, coercive maritime tactics, and humanitarian claims now converge at Scarborough, turning routine resupply runs into tests of regional order. [Inquirer] [Manila Bulletin1] [Manila Bulletin2] [Manila Bulletin3] [Manila Bulletin4] [Manila Bulletin5] [Manila Bulletin6] [China Daily] [Al Jazeera]

UK intends to enter forces agreement with Philippines

(ghd) On September 16, Philippine defense secretary Teodoro shared that the UK has formally signified its intent to enter into a Visiting Forces Agreement (VFA) with the Philippines. A VFA allows for the exchange and joint training of military forces to prepare for various threats. The UK would be the seventh country to have a VFA with Manila. The Philippines has VFAs with the US and Australia, and a similar agreement with Japan.

The UK has been a vocal supporter of the Philippines’ stance against China’s activities in the South China Sea. Additionally, this announcement comes six months after both countries signed an enhanced partnership framework to strengthen their ties in multiple areas, including defense. [Manila Bulletin]

Philippines will not pursue new military deals with Israel

(ghd) Philippine defense secretary Teodoro announced that the Philippines will not enter into any new military agreements with Israel. This was in response to lawmakers’ calls for the government to withdraw its military deals with Israel due to the conflict in Gaza. Teodoro also clarified that a recent USD 4.3 million award for howitzer ammunition from Israel was merely the continuation of a preexisting deal between the two countries. As the subject equipment of this preexisting deal was only delivered in 2022, with a lifespan of 20 years, it is more practical to continue using them rather than acquire a new system. [Manila Bulletin]

UAE, Philippine digitalization and business partnership announced

(ghd) The Government Experience Exchange forum, which aimed to provide a venue where the Philippines and UAE can share best governance practices and strengthen institutional cooperation, was held from September 16 to 18. During this event, Philippine budget and management secretary Pangandaman announced an upcoming partnership between the Philippines and the UAE to improve the former's business environment through digitalization and the sharing of governance best practices. Specifically, the UAE will provide technical assistance to make government processes in the Philippines more efficient and faster. Pangandaman noted how the UAE has nearly eliminated the cost and time associated with business permits, and how they consistently rank high in competitiveness surveys. This partnership is the result of a memorandum of understanding signed by the two parties last February. [Manila Bulletin1]

The UAE delegation, which was led by Deputy Minister of Cabinet Affairs for Competitiveness and Experience Exchange Abdulla Nasser Lootah, paid President Marcos a courtesy call on September 18. During the meeting, Marcos expressed gratitude to the UAE for its support of overseas Filipino workers and for engaging in mutually beneficial joint projects. The UAE delegation reaffirmed their desire to expand bilateral cooperation, with Lootah calling the Philippines an "extremely important partner" in the region.

The UAE is home to over 600,000 Filipinos, and remittances from the country are among the highest globally. [Manila Bulletin2]

Singapore to sanction key Israeli groups, signals openness to recognizing Palestinian statehood

(gp) On September 22, Singaporean Foreign Minister Vivian Balakrishnan announced that Singapore will be imposing targeted sanctions on the leaders of right-wing Israeli settler groups responsible for violence against Palestinian civilians in the West Bank. The move follows the Israeli government's recent decision to proceed with its E1 settlement project in the West Bank, further fragmenting the region and threatening the contiguity of any potential Palestinian state.

It should be noted that Israel and Singapore maintain extensive security ties. However, Balakrishnan has

stated that “Singapore will not allow itself to be held hostage” by Israel, further emphasizing, “We call on the Israeli government to cease settlement construction and expansion.” The foreign minister also commented on Israel’s human rights abuses in Gaza, emphasizing that “It must lift all restrictions on its delivery and allow the full and unimpeded flow of humanitarian aid, and Palestinians must be enabled to access this aid safely and with dignity.” [Reuters] [The Straits Times]

Further, Balakrishnan affirmed that Singapore’s recognition of a Palestinian state is a matter of “not if, but when." However, the minister emphasized that "a certain bar" has to be cleared — namely, the establishment of an effective civilian government in Palestine. [Channel News Asia]

Singapore, Egypt to explore feasibility of free trade

Singapore and Egypt agreed to study the feasibility of a free trade agreement (FTA), calling the move “timely” given complementary strengths and strategic locations linking Southeast Asia to Europe, Africa, and the Middle East. The understanding followed talks between President Tharman Shanmugaratnam and President Abdel Fattah al-Sisi in Cairo on September 20, during Tharman’s state visit. Singapore, which has 28 implemented FTAs, covering more than 60 countries, said a pact could ease market entry, lower tariffs, and deepen logistics and services links for firms using Egypt as a base for North Africa and the Suez corridor, while giving Egyptian companies a springboard into ASEAN.

Both leaders witnessed the signing and exchange of seven memorandums of understanding spanning healthcare (non-communicable disease management and hospital information systems), food security, capacity building, social services, and support for SMEs and start-ups. More agreements are expected during the visit, with officials highlighting collaboration in ports, renewable energy, water desalination, and digital transformation. Egypt’s investment authorities pitched opportunities in the Suez Canal Economic Zone as a regional platform for trade and logistics.

Singapore’s direct investment stock in Egypt stands at about USD 530 million, and Egypt is Singapore’s eighth-largest services trade partner in Africa, with bilateral services trade exceeding USD 1.3 billion in 2023. Mr Tharman noted Singapore has been among the largest Asian investors in Egypt over the past decade and urged business communities to scale partnerships,

including port management, technical and vocational training, and technology transfer in logistics.

With the 60th anniversary of diplomatic ties approaching in 2026, both sides framed the prospective FTA and new cooperation tracks as steps toward a comprehensive, future-oriented partnership resilient to rising global protectionism.[Daily News Egypt] [The Strait Times]

China, South Korea discuss strengthening ties and cooperation

(mo) South Korean Foreign Minister Cho Hyun visited China on September 17 for his first official trip since taking office, meeting Chinese Foreign Minister Wang Yi for talks and a working dinner and marking the first direct meeting between the two countries' foreign ministers under President Lee Jae-myung's administration.

The ministers discussed Chinese President Xi Jinping's potential visit to South Korea during the upcoming APEC Leaders' Meeting in Gyeongju (October 31–November 1), with Cho reporting that Xi appears inclined to attend. Plans for Wang Yi to visit Seoul in October were also discussed. North Korea-related issues were a key topic, including Kim Jong-un's recent visit to China and Beijing's activities in the West Sea, where Cho raised concerns about a large steel structure installed by China. Cho also urged China to help restore inter-Korean dialogue, to which Wang reaffirmed China's commitment to maintaining peace and stability on the Korean Peninsula.

Cho said that the government is committed to strengthening the South Korea-US alliance while also advancing the mature development of the 'Strategic Cooperative Partnership between South Korea and China'." Cho emphasized President Lee's intent to deepen bilateral ties, framing the APEC summit as an opportunity to advance South Korea-China relations—the first such engagement since Xi's 2014 visit.

Wang stressed the importance of frequent communication to enhance trust, avoid misunderstandings, and strengthen cooperation, and highlighted China's Global Governance Initiative, advocating multilateralism and an UN-centered international order, interpreted as a push for a non-Western global framework. [Bloomberg] [The Chosun Daily] [The Korea Herald]

Meanwhile, on September 17 and 18, officials and business leaders from China and South Korea met in Seoul to discuss strengthening cooperation in supply chains and emerging industries. Chinese Ambassador Dai Bing emphasized that the two countries' supply and industrial chains are deeply interconnected, benefiting both nations and contributing to regional stability. He called for resisting protectionism and promoting multilateral cooperation. [China Daily] [The Korea Post] [The Korea Times]

South Korea to restore 2018 inter-Korean military act as North Korea tests AI-powered drones

(mo) South Korean President Lee Jae-myung and ruling party leaders called for restoring the 2018 Inter-Korean Military Agreement, on September 19, the seventh anniversary of the signing of the accord. The agreement's primary purpose is to reduce military tensions along the Demilitarized Zone (DMZ) and surrounding areas and prevent accidental clashes between the two Koreas.

Via Facebook, Lee emphasized a gradual approach, aiming to revive the agreement's spirit to halt hostile military actions and ensure lasting stability. The initiative aligns with his broader policy of reducing border tensions, building trust with North Korea, respecting its system, and avoiding forced unification, consistent with the liberal government's five-year plan. Steps include dismantling propaganda loudspeakers and encouraging U.S. engagement as a mediator, reflecting continuity with efforts begun under former President Moon Jae-in.

Lee's remarks implicitly criticized former conservative President Yoon Suk Yeol, whose administration suspended the agreement following North Korea's unilateral actions in 2023—such as suspending joint military communication channels—and whose brief martial law declaration in 2024 heightened inter-Korean tensions.

The president highlighted the importance of peace for economic stability and civilian safety in border areas, signaling a diplomatic and security-focused approach aimed at reducing risks while gradually rebuilding inter-Korean trust. [The Korea Herald]

On the same day, North Korea showcased new unmanned drones, including reconnaissance models resembling the U.S. Global Hawk and suicide attack drones. State media reported that Kim Jong-un

oversaw performance tests on September 18, urging advances in artificial intelligence and operational capabilities. Since late 2023, Kim has accelerated military modernization after labeling the South a hostile state. [The Chosun Daily]

South Korea, Vietnam ink MoU to boost cooperation in semiconductors and AI

(mo) Vietnam and South Korea have signed a memorandum of understanding to expand cooperation in semiconductors and artificial intelligence, two key sectors shaping the global digital economy.

The deal was formalized in Seoul on September 18 between Vietnam's Ministry of Science and Technology and the Korea Fabless Industry Association (KFIA). [VIETNAMNET]

South Korea resists U.S. pressure amid tariff threats and worker raids

(mo) South Korea and the United States are struggling to finalize a trade deal after Seoul resisted U.S. demands to let U.S. President Donald Trump personally decide how USD 350 billion South Korean investments would be allocated in America. [Financial Times] [Al Jazeera]

The deal, first announced in July, was meant to cut U.S. tariffs on Korean exports from 25 percent to 15 percent. However, Seoul has objected Washington's insistence that it follows Japan's model, where Tokyo pledged 550 billion USD and allowed U.S. discretion over project placement.

South Korea argues it cannot mirror Japan's deal due to its smaller foreign reserves, lack of a U.S. currency swap, and risks of destabilizing the Korean won. Officials also highlight that much of the USD 350 billion figure includes loans, guarantees, and previously announced corporate investments, not new direct commitments.

U.S. President Donald Trump said September 19 that he and Chinese President Xi Jinping have agreed to meet during the APEC summit in South Korea later this year, following what Trump described as "very productive" phone talks. Trump also announced plans to visit China early next year, while Xi is expected to

make a reciprocal visit to the United States at a later date. [The Korea Times]

Tensions have been compounded by recent immigration raids in Georgia, where hundreds of Korean workers were detained, souring the climate for South Korean firms.

Meanwhile, internal company documents show that LG Energy Solution—targeted in the raids, with 250 employees and contractors detained—had been relying on the ESTA visa waiver program for short-term assignments in the U.S. well before Donald Trump returned to office. The documents reveal that LG encouraged employees and subcontractors to use ESTA for assignments under one month, avoiding B-1 business visas after frequent rejections. Guidelines advised workers on interview conduct and discouraged mentioning "work," reflecting long-standing difficulties faced by South Korean firms in securing temporary work visas for high-tech operations.

The raid proved that many workers were involved in legally authorized activities such as machinery installation, production setup, and staff training, though some had overstayed or repeatedly used ESTA, prompting U.S. authorities to intervene. All detained workers were subsequently released.

The incident has shaken U.S.-South Korea economic and diplomatic relations, with Seoul emphasizing the need for visa clarity to support investment and high-tech collaboration. LG has called for a new visa category and clearer guidelines, while U.S. Deputy Secretary of State Christopher Landau expressed regret over the raid and urged accelerated consultations between the two governments. [Reuters]

South Korean defense minister touts Soul as key partner in Saudi Vision 2030

(mo) South Korean Defense Minister Ahn Gyu-baek met with Saudi Arabia's Minister of National Guard Abdullah bin Bandar in Riyadh on September 21 to discuss expanding defense and defense industry cooperation. Ahn called Saudi Arabia a "key partner" in Vision 2030, emphasizing Korea's advanced defense technology and readiness to deepen collaboration. [The Korea Post][The Korea Herald]

Both sides agreed to strengthen cooperation through joint defense industry projects, personnel exchanges, and military education programs. Saudi Arabia, whose National Guard is responsible for protecting the royal

family, holy sites, and oil facilities, is pursuing defense localization goals under Vision 2030. [Yonhap News]

South Korean firms such as Hanwha Aerospace see opportunities in Saudi Arabia's modernization drive, with some already setting up local headquarters to participate in the expansion of the kingdom's defense sector. [King Faisal Center for Research and IslamicStudies]

China-Sri Lanka engagement advances through new trade push and resumption of expressway project

(lm) Sri Lanka's Deputy Minister of Industry and Entrepreneurship Development, Chathuranga Abeysinghe, concluded a visit to China's Sichuan Province focused on strengthening trade and investment ties. His engagements with Chinese officials and businesses resulted in plans for an institutional partnership between Sri Lanka's Ministry of Industry and the China Council for the Promotion of International Trade to promote future trade cooperation.

Meanwhile, the Chinese Ambassador in Colombo welcomed the resumption of work on a major Chinese-backed expressway project in Sri Lanka, describing it as a sign of renewed momentum in bilateral cooperation under the current government. [Daily Mirror 1] [Daily Mirror 2]

Sri Lanka's president to visit Japan for summit talks and investment push

(lm) Sri Lankan President Anura Kumara Dissanayake will travel to Japan from September 27–30 on an official visit at the invitation of Tokyo. The program includes an audience with Emperor Naruhito and summit-level talks with Prime Minister Fumio Kishida on bilateral and regional issues.

Dissanayake will also address a business forum in Tokyo aimed at attracting Japanese investment to Sri Lanka, with senior corporate leaders expected to attend. His visit coincides with Sri Lanka Day at EXPO 2025 Osaka, where the country will showcase its cultural heritage and economic opportunities. He will also meet members of the Sri Lankan expatriate community in Japan. [Daily Mirror]

Sri Lanka and U.S. open advanced English training lab in Trincomalee

(lm) The United States Embassy and the Sri Lanka Navy last week inaugurated a new English Language Laboratory at the Naval and Maritime Academy in Trincomalee, a strategic port city on Sri Lanka's northeastern coast that also hosts key naval facilities.

The lab, equipped with multimedia technology and software from the U.S. Defense Language Institute, is designed to enhance English proficiency among naval personnel — considered essential for participation in international operations and training. [Daily Mirror]

Russia signals openness to nuclear energy cooperation with Sri Lanka

(lm) Russia's ambassador to Sri Lanka said Moscow remains ready to support the country's entry into nuclear power generation but emphasized that the decision rests entirely with Colombo. He confirmed he has sought a meeting with Sri Lanka's energy minister to revisit earlier proposals, including a small nuclear plant of 110 megawatts with potential expansion.

Nuclear power has been periodically included in Sri Lanka's energy plans under successive governments, with one administration even suggesting three 900-megawatt plants. Russia's state agency Rosatom has previously been engaged in preliminary discussions.

The ambassador added that Russia values Sri Lanka's neutral stance on the Ukraine war, despite Western pressure, and argued that Moscow cannot be defeated militarily. [Daily Mirror]

Taiwan condemns Chinese pressure behind cancellation of art exhibition in Kazakhstan

(dql) Taiwan's Ministry of Foreign Affairs (MOFA) has condemned China after the abrupt cancellation of a Taiwanese art exhibition at Kazakhstan's Central State Museum. The exhibition, featuring eight Taiwanese artists, was scheduled for September 12–October 1 but was canceled. A sudden renovation was cited as reason. [Ministry of Foreign Affairs, Taiwan]

Taiwan's representative office in Moscow attempted to intervene, but the museum cited scheduling conflicts. Reports later revealed other events were held at the venue, casting doubt on the official explanation.

The ministry accused Beijing of pressuring the museum, calling the cancellation "clearly unreasonable" and a reflection of China's interference in non-political cultural activities. While no evidence was provided, the ministry described the museum's compliance with Chinese intimidation as regrettable. It reaffirmed Taiwan's determination to defend its international presence and expand cultural and diplomatic exchanges despite Beijing's efforts to suppress it. [Focus Taiwan]

Taiwan pledges USD 10 billion in U.S. farm imports over four years

(yl) Taiwan's agricultural trade mission signed three letters of intent on Capitol Hill to purchase more than USD 10 billion worth of American soybeans, corn, wheat, and beef over the next four years. Agriculture Minister Chen Junne-jih said the commitment represents a 25 percent increase compared to previous biennial pledges, raising annual imports to about USD 2.5 billion.

Taiwan's representative to the U.S. Alexander Yui emphasized that the partnership also carries security significance, calling reliable food supplies part of strategic preparedness given tensions in the Taiwan Strait.

The goodwill mission, first launched in 1998, is intended to balance bilateral trade and ease U.S. tariff pressures. This year's delegation will visit eight states to deepen cooperation with local politicians, farmers, and exporters. [Focus Taiwan] [Taipei Times]

Taiwan, US collaborate to help Marshall Islands rebuild parliament, boost resilience

(acl) The US and Taiwan are collaborating to help the Marshall Islands rebuild its recently burnt-down parliament building and enhance the Pacific nation's resilience.

Following US Deputy Secretary of State Christopher Landau's visit to the Marshall Islands on September 18,

the State Department announced that it will provide USD 13 million in funding "in conjunction with support from Taiwan" to rebuild the Nitijela parliament building, which was severely damaged in a fire on August 26.

The department also said, in coordination with Taiwan, that USD 8.3 million will be provided to help replace the Marshall Islands' aging fleet and strengthen disaster relief capacity for its outer islands, including Kwajalein Atoll, where the US maintains key military assets, according to a fact sheet released online. [US Department of State]

The Marshall Islands is one of only twelve countries that maintain formal diplomatic ties with Taiwan. In response to the fact sheet, Taiwan's Ministry of Foreign Affairs (MOFA) said it welcomed continued Taiwan-US cooperation in the Pacific. [Ministry of Foreign Affairs, Taiwan, in Chinese] [Focus Taiwan]

Taiwan imposes export controls on high-tech products to South Africa

(dql) Taiwan has introduced new export controls requiring prior approval for 47 products, including ICs, chips, and memory, destined for South Africa. The move comes after Pretoria unilaterally downgraded Taiwan's representative offices on July 21, renaming them "Taipei Commercial Offices" and classifying them as "international organizations" rather than foreign representations.

The Ministry of Economic Affairs stated the downgrades, viewed as a result of Beijing's pressure, undermine Taiwan's international standing and pose risks to national security and trade stability. [Focus Taiwan]

Malaysia urges talks as Cambodia-Thailand border conflict escalates

(bk/lm) Tensions along the Thai–Cambodian border have escalated sharply, with clashes in Sa Kaeo Province — a Thai border province east of Bangkok — drawing international concern and prompting calls for dialogue.

On September 18, confrontations erupted near Ban Nong Ya Kaeo and Ban Nong Chan, two long-standing Cambodian refugee settlements inside Thai territory dating back to Cambodia's civil war. Cambodian

villagers armed with sticks and slingshots dismantled Thai barricades near Ban Nong Ya Kaeo, prompting Thai police to respond with tear gas and rubber bullets. Bangkok accused Phnom Penh of using civilians as human shields to push into Thai territory, while Cambodia said 23 of its nationals were injured and appealed to the UN and ASEAN, accusing Thailand of unilateral escalation. The incident came despite a ceasefire agreed after deadly clashes in July. [The Nation] [Bangkok Post 1]

Thailand has since hardened its response. Prime Minister Anutin Charnvirakul ordered the indefinite closure of all border checkpoints, reinforced military deployments, and introduced new rules of engagement authorizing immediate self-defense. More than 1,400 riot police were sent from five provinces to secure the border, while the army began reclaiming encroached areas and launched an "electronic fence" project, starting with 30 surveillance cameras at Aranyaprathet, a key crossing hub. Authorities also ordered Cambodian communities in Ban Nong Ya Kaeo and Ban Nong Chan to vacate by September 26 or face arrest, escalating a long-running dispute over refugee settlements dating back to Cambodia's civil war. Thai commanders criticized Phnom Penh for failing to implement commitments made at the recent General Border Committee meeting, which required heavy weapon withdrawals within three weeks. [Bangkok Post 2] [Bangkok Post 3] [Bangkok Post 4] [Bangkok Post 5]

The escalation has drawn international concern. Malaysia, chair of ASEAN this year, intervened diplomatically, with Prime Minister Anwar Ibrahim phoning Anutin on September 19 to urge both sides to resolve disputes through the Joint Boundary Commission (JBC), the bilateral body tasked with managing the border. He invited Anutin to Kuala Lumpur for talks, stressing that negotiation and mutual understanding are the only path to regional stability. [Bangkok Post 6]

Domestically, Thailand's Council of State ruled that Anutin may address the UN General Assembly in New York before presenting his government's policy statement to parliament, citing the border crisis as a "matter of urgency." Anutin has indicated the conflict with Cambodia will be his main focus at the UN, though if he cannot attend, Foreign Minister Sihasak Phuangketkeow will take his place. [Bangkok Post 7]

Vietnam's National Assembly Chairman Trần Thanh Mẫn officially visits to

Malaysia ahead of AIPA-46

(hn) A high-level Vietnamese delegation, led by National Assembly Chairman Trần Thanh Mẫn, arrived in Kuala Lumpur from September 16 – 20, to attend the 46th ASEAN Inter-Parliamentary Assembly (AIPA-46) and conduct an official visit to Malaysia. [VOV1]

This is the first visit by Vietnam's top legislator since the two countries elevated relations to a Comprehensive Strategic Partnership in November 2024. [VOV2]

During the trip, he met with the Malaysian Senate President, House Speaker, Prime Minister, and the Vietnamese community, achieving practical outcomes that strengthen political trust and multifaceted cooperation. Both countries agreed to accelerate economic, trade, and investment ties, aiming to raise bilateral trade above USD 18 billion, while promoting collaboration in renewable and clean energy, oil and gas, digital transformation, AI, the Halal industry, science-technology, and ASEAN power grid projects. They also committed to expanding tourism, education, and youth exchanges, with Malaysia offering more scholarships for Vietnamese students, and both sides fostering people-to-people ties.

Parliamentary cooperation was a major focus, with agreements to step up high-level and committee-level exchanges, enhance collaboration among women and young parliamentarians, share legislative experience, and jointly supervise the implementation of bilateral agreements.

At AIPA-46, Chairman Mẫn emphasized parliaments' role in turning commitments into action, aligning ASEAN strategies with national development, and boosting cooperation in trade, innovation, climate response, and disaster management. Vietnam successfully proposed and co-sponsored resolutions on digital economy, cyber security, youth in digital transformation, and combating cybercrime, helping strengthen ASEAN's digital ecosystem. [Vietnamnews1] [Vietnamnews2] [Vietnamnews3]

US–Vietnam ties tested by new tariffs as Boeing orders advance and seafood imports face curbs

(ab/hn/ms) The United States and Vietnam are navigating a more hard-edged economic agenda as new United States tariffs begin to weigh on Vietnamese

exports, Hanoi moves ahead with large Boeing purchases, and a United States seafood import ban looms for a dozen Vietnamese fisheries.

Vietnam's first full month of data since the duties took effect on August 7 showed a modest pullback: August shipments to the United States fell by two percent from July, including a 5.5 percent drop in footwear, according to Vietnam customs. However, a United Nations Development Programme (UNDP) assessment projects that, if the 20 percent tariff is largely passed through to United States prices, Vietnam's exports to America could decline over time by more than USD 25 billion—about 19.2 percent of its annual total—leaving Vietnam the most exposed exporter in Southeast Asia. Regionally, the UNDP estimates an average 9.7 percent decline in United States-bound exports; in dollar terms only, China would face a larger hit. The World Bank has already trimmed Vietnam's 2025 growth outlook following the tariff move.

Two caveats temper the near-term impact. Consumer electronics, roughly 28 percent of Vietnam's sales to the United States, currently retain exemptions. And the UNDP modeling does not incorporate potential United States actions on transshipment or foreign-content thresholds. Any future decision to apply a 40 percent duty to goods with substantial non-Vietnamese inputs routed through Vietnam would raise risks for supply chains that rely on upstream components, particularly from China. [Reuters 1]

Amid the trade pressure, aviation purchases are moving forward. VietJet is slated to take delivery of its first Boeing 737 MAX in Seattle this week, the initial handover from a long-delayed pipeline of up to 200 aircraft. President Luong Cuong is expected to attend before heading to New York for the United Nations General Assembly. Authorities have also encouraged Vietnam Airlines to expand Boeing acquisitions. The deals support fleet modernization and add sizeable United States exports of capital goods, a factor that could narrow the bilateral trade gap at the margin. [Reuters 2]

Fisheries are emerging as another stress point. Hanoi has asked Washington to reconsider a January 1 import ban covering 12 Vietnamese fisheries under the Marine Mammal Protection Act, warning of potential annual losses of roughly USD 500 million across tuna, swordfish, grouper, mackerel, and crab supply chains. United States agencies cleared 11 other Vietnamese fisheries but flagged monitoring and bycatch-reporting gaps for the banned group. Separately, Vietnamese shrimp faces an ongoing United States anti-dumping review. Outcomes in both processes will affect sectoral

jobs, earnings, and the composition of exports into 2026.

Sector signals are mixed. Footwear—a flagship category where Vietnam is the world's second-largest supplier—registered the first clear softness. Electronics remain insulated for now by exemptions but are sensitive to any policy change and to future scrutiny of domestic value-added. For supply chains with high imported content, a stricter United States stance on origin and content would force greater localization or supplier diversification to maintain access. [Reuters 3] [Vietnam]

Policy messaging on both sides remains pragmatic. United States officials frame the tariff step as part of a broader effort to address trade imbalances and enforcement, while keeping channels open for high-value United States exports and investment. Vietnam continues to stress compliance improvements in manufacturing and fisheries and is using commercial diplomacy—most visibly through aircraft purchases—to stabilize the relationship and signal goodwill.

Vietnam and Russia use energy venture profits to settle arms contracts outside global banking system

(ab/ms) According to the Associated Press, internal Vietnamese documents show Vietnam and Russia have implemented a sanctions-resilient "oil-for-arms" loop: profits from their joint energy ventures in Siberia are used to repay Vietnamese purchases of Russian weapons, with money circulating only inside Vietnam and Russia to avoid SWIFT. The relevance is twofold: it potentially undercuts United States and European Union sanctions on Moscow and could expose Vietnamese entities to secondary sanctions or trade blowback—on top of new U.S. tariffs—even as Washington courts Hanoi as a strategic partner and Vietnam remains dependent on Russian defense platforms.

The documents, described by AP and attributed to an official opposed to closer Moscow ties, outline how Hanoi has bought Russian fighter jets, tanks and ships on Russian credit and then repaid the debt from Vietnam's share of profits at Rusvietpetro, a joint oil venture in Siberia. A June 11, 2024 memo from PetroVietnam (PVN) to the Ministry of Industry and Trade details the mechanism: first, Vietnamese profits from Rusvietpetro are routed to Moscow to amortize defense loans; second, any excess is transferred to Russia's state-owned Zarubezhneft; finally, inside

Vietnam, Zarubezhneft's joint venture pays an equivalent sum to PVN—completing the cycle without cross-border banking transfers subject to Western oversight.

PVN's chief executive characterized the method as "confidential and appropriate" given Russia's SWIFT exclusion, AP reported. Two Western diplomats in Hanoi told AP they had long suspected a backdoor arrangement; the memo's specifics were new to them. Vietnam's industry and foreign ministries, PVN, and Russia's finance ministry did not comment to AP. The U.S. State Department declined to address the documents directly, reiterating that sanctions remain in force and that parties facilitating transactions with designated entities face enforcement risk.

AP's reporting indicates planning for the workaround surfaced in 2023, when a separate internal paper first leaked. Rather than unwind the concept, subsequent documentation suggests both sides finalized and implemented it in 2024, pairing the payments channel with steps to ensure future cash flow. During Vladimir Putin's visit to Hanoi in June 2024, Zarubezhneft received a license to develop gas Block 11-2 on Vietnam's continental shelf; an internal PVN note from April said 3D seismic mapping had begun. In May 2025, Communist Party chief To Lam led a delegation to Moscow that signed oil-and-gas cooperation deals and a "Strategic Partnership Plan" for defense and other areas covering 2026–2030.

Analysts say the structure goes beyond conventional countertrade. "It's not typical flexible financing… it's next level," said Evan Laksmana of the International Institute for Strategic Studies, noting Russia's history of creative arms payment terms in Southeast Asia. Ben Hilgenstock of the Kyiv School of Economics told AP the design appears intended to insulate parties from current and prospective sanctions by avoiding cross-border transfers entirely relevant as Washington weighs "phase two" measures and the EU/UK tighten restrictions on Russian oil revenue and logistics.

The exposure for Hanoi is material. Under the Countering America's Adversaries Through Sanctions Act (CAATSA), the U.S. can target those engaging in significant transactions with Russia's defense sector. Secondary measures—often deliberately vague—can deter banks and multinationals from touching implicated counterparties, amplifying the risk of financial isolation. The pressure comes as the U.S. in August imposed a 20 percent tariff on Vietnamese goods, and as Vietnam seeks to hold investor confidence while anchoring higher-value supply chains.

Vietnam's security calculus is complex. It has one of Southeast Asia's more capable militaries, much of it sourced from Russia, locking in long-term reliance on Russian spares and support even as defense ties with the U.S. have grown since Washington lifted its Vietnam arms embargo in 2016. AP noted that Russia extended Vietnam USD 2 billion in 2011 credit for frigates and T-90S tanks, and a further USD 8 billion line linked to a 2023 deal for Su-30 fighter jets and additional frigates; deliveries under the latter have not occurred. Maintaining both vectors—legacy Russian platforms and deepening U.S. engagement—has been central to Hanoi's "bamboo diplomacy." [Asia Times] [Associated Press] [Miliatary.com]

When an earlier 2023 memo surfaced, Vietnamese officials publicly dismissed it as Russian disinformation even as then-President Joe Biden's September 2023 visit upgraded bilateral ties to a Comprehensive Strategic Partnership with no visible rift.

Whether the oil-for-arms loop triggers punitive action will hinge on Washington and Brussels' enforcement posture. Zarubezhneft itself was not broadly sanctioned as an entity at the time of the AP report, though its chief executive is designated by the U.S., and its board chair has been on U.S. sanctions lists since 2014—facts that raise compliance questions for any counterparties. If authorities decide the arrangement "materially assists" sanctioned actors, secondary sanctions could target Vietnamese state firms or affiliates, complicating dollar access and project finance. Trade repercussions cannot be ruled out given heightened scrutiny of Vietnam's surplus and rules-of-origin risks.

UK backs Vietnam's push to build International Financial Center

(ab) The Lord Mayor of the City of London, Alastair King, visited Hanoi to strengthen UK–Vietnam cooperation in financial services, green finance, and fintech. His visit, hosted by the British Embassy, marked 15 years of the Strategic Partnership and included high-level meetings with government leaders, regulators, and business representatives.

Standing Deputy Prime Minister Nguyen Hoa Binh welcomed UK support in promoting Vietnam's planned International Financial Center (IFC), highlighting the role of London as a model for capital markets, regulation, and innovation. Discussions also touched on legal frameworks, talent development, and the growth of digital finance.

Alongside the Lord Mayor, Lord Justice Richard Snowden met with Chief Justice Le Minh Tri to explore legal and judicial requirements for establishing an IFC, including training and procedural reforms.

The IFC project reflects Vietnam's ambition to strengthen its financial sector as part of its wider development strategy. Collaboration with the UK provides access to expertise in global finance and regulation, supporting Vietnam's goal of becoming a high-income economy by 2045. [VnEconomy]

Vietnam sees rising European investment inflows

(ab) European foreign direct investment in Vietnam has grown steadily, reaching USD 3.25 billion in 2024, up from USD 2.5 billion in 2022. Europe now accounts for nearly 2,500 projects worth around USD 20 billion, with the Netherlands, France, Luxembourg, and Germany among the leading contributors. Investment is concentrated in processing and manufacturing, energy, real estate, and information technology, with major hubs including Ho Chi Minh City, Hanoi, Bac Ninh, and Quang Ninh.

At a recent networking event in Hanoi, Italian insurer and financier SACE highlighted Vietnam as a priority market, pointing to the EU–Vietnam Free Trade Agreement as a catalyst for future inflows. High-profile projects, such as Denmark's USD 1.3 billion LEGO factory, signal growing investor confidence.

European businesses are increasingly targeting clean energy, high technology, and logistics to support Vietnam's ambition of becoming a regional transshipment hub. However, challenges remain, with analysts citing infrastructure gaps, skills shortages, and administrative hurdles as constraints to realizing Vietnam's full potential.

Rising European investment underscores the growing strategic partnership between Vietnam and the EU. While modest compared to Vietnam's potential, these inflows align with Hanoi's goals of diversifying investment sources, advancing green development, and deepening integration into global supply chains. [Vietnamplus]

Vietnam: State leader meets Paraguay's president on UNGA sidelines

President Lương Cường met Paraguayan President Santiago Peña Palacios in New York on September 22, praising three decades of growing ties and agreeing to pursue “breakthrough” cooperation. Cường urged momentum toward a Vietnam–MERCOSUR free trade agreement and encouraged Paraguayan facilitation for Vietnamese investment in telecommunications, technology, and digital transformation. Peña welcomed deeper economic links—especially in processing industries, agriculture, and garments—and described Vietnam as a bridge to ASEAN. Both leaders backed stronger cultural and people-to-people exchanges and closer coordination at multilateral forums. Peña invited Cường to visit Paraguay; Cường invited Peña to Vietnam and to the late-October signing of the UN cybercrime convention in Hà Nội. [Vietnam Law Magazine]

Announcements

Upcoming online events

24 September 2025 @ 2:00–3:00 p.m. (GMT+1), Chatham House, United Kingdom

Can Brazil lead the BRICS to counter Trump?

This hybrid panel will examine how Brazil and the broader BRICS bloc are responding to the United States’ protectionist “America First” trade policies under President Trump. It explores whether BRICS can offer a credible multipolar alternative in areas like trade, currency cooperation, and development finance, and considers Brazil’s potential leadership role within the bloc amid its relationship with China. The discussion also assesses the unity and influence of BRICS in countering Western-led economic structures.

For more information and to register for this online event, visit [Chatham House].

24 September 2025 @ 10:00-11:00 a.m. (GMT-4), Stimson Center, USA

AI for Public Good

This webinar will examine how countries across the Global South are deploying AI amid diverse capacities and priorities, weighing the tension between digital sovereignty and human rights-based governance. The discussion will explore real-world implications of AI use in the public sector and highlight pathways for ensuring that emerging technologies serve citizens while supporting innovation and economic progress. For more information and to register for this online event, please see [Stimson Center].

25 September 2025 @ 2:00–3:00 p.m. (GMT+1), Chatham House, United Kingdom

Egypt's response to regional conflicts and competition

This webinar will discuss how Egypt is navigating multiple regional conflicts and security challenges, from the war in Sudan and instability in Libya to tensions in Gaza and Houthi attacks in the Red Sea. Experts will assess the implications for Egypt's diplomacy, policy priorities, and regional influence across the Middle East and Africa. The discussion will also explore how Cairo can manage relations with external powers and regional actors while mitigating threats to its security and economic interests. For more information and to register for this online event, visit [Chatham House].

25 September 2025 @ 10:00-11:30 a.m. (GMT+8), ISEAS – Yusof Ishak Institute, Singapore

Developing Low-Carbon Industrial Hubs in Southeast Asia: Insights from Malaysia and Indonesia

This webinar will examine the emergence of low-carbon industrial hubs in Southeast Asia as a key pathway for large-scale decarbonisation, industrial competitiveness, and economic resilience. Speakers

will highlight progress in Malaysia and Indonesia, examining how clean energy integration, resource efficiency, collaboration, and sustainable infrastructure—supported by public-private partnerships and tailored governance—can create scalable, sustainable industrial ecosystems. The discussion will focus on innovative policies, regional cooperation, and advanced clean technologies driving this transition. For more information and to register for this online event, visit [ISEAS].

25 September 2025 @ 1:30-2:30 p.m. (GMT+2), Bruegel, Belgium

Digital platform regulation: are we all included in the digital economy?

This launch event introduces *Digital Platform Regulation: Making Markets Work for People* by Fiona Scott Morton, which examines how regulatory frameworks like the EU's Digital Markets Act and US antitrust actions aim to address challenges in digital markets, including limited competition, high prices, and restricted innovation. The book explores how targeted regulation can promote fair access, dynamic markets, and better outcomes for businesses and users, drawing on insights from economics, law, and technology. For more information and to register for this online event, please see [Bruegel].

25 September 2025 @ 4:00-5:30 p.m. (GMT+2), European Council on Foreign Relations (ECFR), Germany

India after Trump: America's Turn, China's Challenge, and Europe's Opportunity

This webinar examines how renewed tensions with the United States are shaping India's diplomatic strategy, prompting a focus on hedging and "multi-alignment." The discussion explores the drivers of India's strategy, the impact of U.S.-China rivalry on its choices, and the role Europe may play as a stable partner in India's search for diverse international relationships. For more information and to register for this online event, please see [ECFR].

26 September 2025 @ 12:00 – 1.30 p.m. (GMT-4), Center for Strategic and International Studies (CSIS), USA

Rocket Dreams: Inside the New Space Race with Christian Davenport and former National Space Council leaders

This webcast will feature Christian Davenport's new book *Rocket Dreams*, exploring the rivalries and alliances shaping the New Space Age. A panel including former National Space Council officials will discuss lunar exploration, private-sector innovation, and the strategic implications of international space competition. For more information and to register for this online event, please see [CSIS].

29 September 2025 @ 12:00 p.m. (GMT-4), Atlantic Council, USA

Former Senegalese President Macky Sall on Africa's rising global role

This livestream event will feature a conversation with former Senegalese President Macky Sall. He will discuss Africa's evolving economic, security, and diplomatic roles amid shifting geopolitics and changing US-Africa relations, reflect on his twelve-year presidency, and share insights from his new book, *Africa, Leading from the Heart*. For more information and to register for this online event, please see [Atlantic Council].

29 September 2025 @ 10:00-11:30 a.m. (GMT+8), ISEAS – Yusof Ishak Institute, Singapore

Understanding the Thailand-Cambodia Conflict: How Border Disputes Drive Domestic Political Crises and Vice Versa

This webinar will offer insights into the recent escalation of armed conflict between Thailand and Cambodia, highlighting how domestic political vulnerabilities in Thailand—rather than a purely territorial dispute—have shaped the crisis. It will explore potential solutions and the obstacles to resolution, including ultra-nationalist sentiment, public distrust, and the military's reassertion of political influence, which have complicated implementation of the ASEAN-brokered ceasefire. For more information and to register for this online event, visit [ISEAS].

30 September 2025 @ 11:30 a.m. - 12:30 p.m. (GMT+1), Chatham House, United Kingdom

What's next for Africa's just energy transitions?

This webinar will inform about progress and challenges of Just Energy Transition Partnerships (JETPs) in Africa, focusing on South Africa and Senegal, amid shifting global geopolitics and declining Western climate finance. It will explore how JETPs interact with local energy developments, including new oil and gas discoveries, and assess prospects for scaling such initiatives across the continent. The discussion also considers the role of multilateral processes and Nationally Determined Contributions in supporting ambitious, locally grounded decarbonisation efforts. For more information and to register for this online event, please see [Chatham House].

30 September 2025 @ 9:30-11:00 a.m. (GMT+8), ISEAS – Yusof Ishak Institute, Singapore

The Role of Media, Disinformation and Political Propaganda in Indonesia's 2024 Presidential Election and Singapore's 2025 General Election

This online panel will explore the impact of social media and AI-generated content on democratic elections in Southeast Asia, focusing on disinformation, political propaganda, and deepfakes. It will present findings from national surveys in Indonesia on the 2024 Presidential Election and in Singapore on the 2025 General Election, examining how different media shape voter perceptions, attitudes toward AI-driven falsehoods, and implications for digital literacy and inclusion. For more information and to register for this online event, visit [ISEAS].

30 September 2025 @ 2:45 a.m. (GMT-4), Atlantic Council, USA

2025 Transatlantic Forum on GeoEconomics

This year's Transatlantic Forum of the Atlantic Council and the Atlantik-Brücke will bring together senior policymakers, business leaders, and experts to address

key challenges facing the transatlantic relationship—including divisions over Ukraine, trade tensions, and defense spending—and feature discussions on trade coordination, AI and competitiveness, European defense funding, and currency dynamics between the dollar and euro. For more information and to register for this online event, please see [Atlantic Council].

30 September 2025 @ 2:00-3:30 p.m. (GMT+2), European Council on Foreign Relations (ECFR), Germany

Beyond raw and refined: Mineral value addition in Africa's industrialization

This webinar will examine efforts to increase mineral processing and value addition in Namibia and Zambia, assessing how Europe's partnerships compare to other powers' offers and exploring how African countries and the EU can create more effective, mutually beneficial mineral-based industrial projects. For more information and to register for this online event, please see [ECFR].

30 September 2025 @ 2:00-3:15 p.m. (GMT+2), German Institute for Global and Area Studies (GIGA), Germany

China's Influence in the Global South: Examining Familiarity, Resonance, and Nostalgia

This talk explores how China cultivates influence in the Global South by tapping into emotional resonance, shared histories, and reimagined pasts. Lina Benabdallah will show how Beijing builds on organic affinities such as anti-colonial solidarity while also promoting narratives—like reviving the Ancient Silk Roads and recalling fourteenth-century maritime encounters—to frame the Belt and Road Initiative as a continuation of historic Afro-Indian Ocean prosperity disrupted by European colonialism. For more information and to register for this online event, please see [GIGA].

Recent Book Releases

Steve L. Monroe, ***Mirages of Reform: The Politics of Elite Protectionism in the Arab World***, Cornell

University Press, 252 pages, published May 15, 2025. For a review, see [Foreign Affairs].

Alice Roberts, ***Domination: The Fall of the Roman Empire and the Rise of Christianity***, Simon & Schuster UK, 432 pages, published August 28, 2025. For a review, see [The Guardian].

Christian Davenport, ***Rocket Dreams: Musk, Bezos, and the Inside Story of the New***, Trillion-Dollar Space Race, Crown Currency, 386 pages, published September 16, 2025. For a review, see [The New York Times].

Joel Wuthnow, **Phillip C. Saunders**, ***China's Quest for Military Supremacy***, Polity, 256 pages, published March 10, 2025. For a review, see [Foreign Affairs].

Calls

The **University of Helsinki** invites paper proposals for its ***21st Maple Leaf and Eagle Conference***, scheduled for May 20-22, 2026. The deadline for abstract submission is October 31, 2025. For more information, see [Helsinki University].

The **International Association of Constitutional Law** invites paper proposals for its ***World Congress of Constitutional Law (WCCL)***, to be held on July 6-10, 2026, at the Universidad Externado de Colombia. The theme of the Congress is "Sustainable Constitutionalism: Answers for a Changing World." The deadline for abstract submission is September 30, 2025. For more information, see [WCCL].

The **European Political Science Society (EPSS)** invites paper proposals for its first **annual conference**, to be held in Belfast on June 18-20, 2026. The deadline for abstract submission is November 7, 2025. For more information, see [EPSS].

The **International Association for Political Science Students (IAPSS)** invites paper proposals for its **World Congress 2026 "Academic Freedom"**, to be held on May 5-9. 2026. The deadline for abstract submission is November 7, 2025. For more information, see [IAPSS].

The **Political Studies Association (PSA)** invites paper proposals for its 76th Annual International Conference "Political Studies Futures," to be held on March 30 to April 1, 2026. The deadline for abstract submission is October 17, 2025. For more information, see [PSA].

Jobs and Positions

The **UN Department of Political and Peacebuilding Affairs (UN DPPA)** seeks an **International Humanitarian Law Expert**. The deadline for application submission is October 3, 2025. For more information, see [UN].

The **UN Department of Political and Peacebuilding Affairs (UN DPPA)** seeks a **Counter-Terrorism/Threat Assessment Expert**. The deadline for application submission is September 24, 2025. For more information, see [UN].

The **Organisation for Economic Co-operation and Development (OECD)** seeks a **Senior Policy Advisors – Public Administration Reform**. Applications will be accepted until the position is filled. For more information, see [OECD].

The **Organisation for Economic Co-operation and Development (OECD)** seeks a **Clean Energy Transition Programme Officer – Caspian and Black Sea**. Applications will be accepted until the position is filled. For more information, see [OECD].

The **European Endowment for Democracy (EED)** seeks a **Country Consultant – Moldova**. The deadline for application submission is October 5, 2025. For more information, see [EED].

DNV seeks a **Director of EU Government and Public Affairs**. The deadline for application submission is October 12, 2025. For more information, see [DNV].

OpenForum Europe (OFE) seeks an **Executive Director**. Applications will be accepted until the position is filled. For more information, see [OFE].

The **Center for Democracy & Technology (CDT)** seeks an **EU Policy and Research Officer – Security, Surveillance, & Human Rights Programme**. The deadline for application submission is October 19, 2025. For more information, see [CDT].

The **Foundation for Defense of Democracies (FDD)** seeks a **Senior Research Analyst**. Applications will be accepted until the position is filled. For more information, see [FDD].

Open Society Foundations (OSF) seeks a **Director – Programs, Amman, Jordan**. The deadline for application submission is October 19, 2025. For more information, see [OSF].

The **Carter Center** seeks a **Senior Associate Director – Conflict Resolution Program**. Applications will be accepted until the position is filled. For more information, see [Emory University].

Relief International seeks a **Country Director – Philippines**. Applications will be accepted until the position is filled. For more information, see [Relief International].

UNFPA seeks a **Director – Division for External Relations**, with New York as duty station. The deadline for application submission is September 19, 2025. For more information, see [UNFPA].

Project HOPE seeks a **Deputy General Counsel – Legal and Compliance**. Applications will be accepted until the position is filled. For more information, see [Project HOPE].

Mercy Corps seeks a **Director – People Policy and Organizational Design**. Applications will be accepted until the position is filled. For more information, see [Mercy Corps].

Management Sciences for Health (MSH) seeks a **Managing Director – MSH Nigeria**. Applications will be accepted until the position is filled. For more information, see [MSH].

Resources for the Future (RFF) seeks a **Senior Research Fellow**. Applications will be accepted until the position is filled. For more information, see [RFF].

Fondazione CESVI seeks a **Project Manager – Gaza.** The deadline for application submission is September 28, 2025. For more information, see [CESVI].

The **Asian Development Bank (ADB)** seeks an **Auditor General**. The deadline for application submission is October 8, 2025. For more information, see [ADB].

The **Secretariat of the United Nations** invites applications for the position of United Nations High Commissioner for Refugees. The deadline for application submission is October 6, 2025. For more information, see [UN].

The **Secretariat of the United Nations** invites applications for the position of **Executive Director of the United Nations Office on Drugs and Crime (UNODC)**. The deadline for application submission is October 6, 2025. For more information, see [UN].

The **North Atlantic Treaty Organization (NATO)** is seeking a **Legal Adviser and Director – Office of**

Legal Affairs. The deadline for application submission is October 13, 2025. For more information, see [NATO].

Human Rights Watch (HRW) is seeking an **Executive Director**. Applications will be accepted until the position is filled. For more information, see [HRW].

San Jose State University invited application for the position of **Assistant Professor – Political Science**. The deadline for application submission is October 6, 2025. For more information, see [San Jose State University].

Team:

Aika Sagheer (as), Alex Bushnell (ab), Alex Wong (aw), Amy Carlotti Lu (acl), Aung Naing Lin (anl), Azra Selvi Kapu (ask), Busawan Kachonnarongvanish (bk), Dániel Babcsán (dnb), Duc Quang Ly (dql), Emily Fleur Gilmour (efg), Felix Serna Calvo (fs), Geo Dzakwan Arshali (ga), Giulia Metyas (gm), Grey Pilarczyk (gp), Hoa Khanh Ngo (hn), Henning Glaser (hg), Joshua James Althaus (ja), Lucas Meier (lm), Marina Ortiz Ortiz (mo), Monica Sareen (mon), Morten Strantzen (ms), Muhammed Yulmaz (my), Myat Sandar Zaw (msz), Nat Ng Ther Li (nl), Nicholas Fenech (nf), Thoon Nadi Lynn (tl), Venus Phuangkom, Yamonyongyos Anankajeerapong (ya), Yeo Hui Qi (yq), Yi-Chen Lin (yl)

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