Asia in Review

Grasp the pattern, read the trend

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Dear Readers,

Welcome to this week's AiR issue updating you on the latest events, developments and trends in domestic politics, international relations and geopolitics in East Asia, South Asia, and Southeast Asia.

Wishing you an informative read, I extend special greetings to everyone who celebrates Israel's and Paraguay's Independence Day and Norway's Constitution Day this week.

With best regards,

Henning Glaser

Editor in Chief

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

China: Two former defense ministers receive suspended death sentences

(ms) A Chinese military court has sentenced former defense ministers Wei Fenghe and Li Shangfu to death with a two-year reprieve in corruption cases, marking one of the harshest punishments imposed on senior People's Liberation Army figures under Xi Jinping.

Under China's legal practice, suspended death sentences are usually commuted after two years. State media said both sentences would be converted into life imprisonment without commutation or parole if no further offenses are committed during the reprieve period. Their personal assets were confiscated and their political rights revoked for life.

Wei served as defense minister from 2018 to 2023 and previously commanded the PLA Rocket Force, the branch responsible for China's conventional and nuclear missile forces. His case is therefore tied not only to the defense ministry, but also to one of the most politically sensitive parts of the military, which has been hit by repeated corruption and discipline investigations.

Li succeeded Wei as defense minister in 2023 but disappeared from public view after only months in office and was later removed. Before becoming minister, he led the Central Military Commission's Equipment Development Department, the body responsible for military procurement. That background links his case to the broader scrutiny of defense purchasing and weapons development inside the PLA.

The cases form part of a wider purge in the top ranks of China's military. Zhang Youxia, a Central Military Commission vice chairman and long seen as one of Xi's closest military allies, was reported earlier this year to be under investigation. Liu Zhenli, chief of the CMC Joint Staff Department, was also reported to be under investigation. Their cases are especially important because they reach into the PLA's command structure, not only into former defense ministers or procurement officials.

The PLA Daily framed the Wei and Li verdicts as political as well as criminal cases, saying both men had lost loyalty and betrayed their responsibilities. That language shows that Beijing is presenting the crackdown as a matter of discipline and allegiance to the party, not only as bribery enforcement.

The severity of the sentences also sets these cases apart from earlier military corruption trials. Former Central Military Commission vice chairmen Guo Boxiong and Fang Fenghui received life sentences in previous major cases, while Wei and Li received suspended death sentences.

The pending or reported cases involving Zhang Youxia, Liu Zhenli and other senior officers will determine how far the purge extends into the current military leadership. For now, the verdicts signal that Xi's campaign inside the armed forces is focused on the same two priorities: removing corruption networks and enforcing political control over the PLA. [BBC] [Bloomberg] [South China Morning Post] [Xinhua]

China: Public defiance of US sanctions might just be an act

(ms) After China publicly ordered companies to ignore US sanctions on refiners linked to Iranian oil at the beginning of May (see AiR No. 18, May/2026, 1), new Bloomberg reports suggests that regulators had already been more cautious internally, advising major banks to stop issuing new loans to the same sanctioned firms.

According to Bloomberg, the National Financial Regulatory Administration gave verbal guidance before May 1 telling large Chinese lenders not to extend new yuan-denominated credit to five refiners targeted by Washington. Banks were told to review their exposure to the companies, including Hengli Petrochemical's Dalian refinery, but not to call in existing loans.

That internal caution contrasts with Beijing's public message days later. On May 2, China's Ministry of Commerce used its anti-sanctions framework to order domestic companies not to recognize, enforce or comply with the US measures, arguing that Washington was interfering in lawful trade between China and third countries.

The sequence is important. This is not a formal reversal of China's anti-sanctions order. Rather, it suggests Beijing wanted to project defiance publicly while already trying to limit risk inside the banking system.

The reason is straightforward: Chinese refiners may have limited exposure to the US financial system, but China's biggest banks do not. They rely on access to dollar clearing and global markets, which makes them vulnerable to US secondary sanctions if Washington concludes they are supporting Iran-linked transactions.

The reported guidance was also narrow. Banks were told to halt new lending, not withdraw existing credit. That suggests regulators were trying to prevent banks from deepening exposure without forcing an immediate rupture with the refiners. [Bloomberg] [Reuters]

China: Marriage registrations fall to record low as demographic pressure deepens

(ms) China recorded its lowest-ever number of first-quarter marriage registrations, adding to concerns that the country's population decline will continue to weigh on births, consumption and long-term growth.

According to the Ministry of Civil Affairs, 1.697 million couples registered marriages in the first three months of 2026, down 6.2 percent from a year earlier. The figure is roughly half the level recorded in 2017 and far below 2013, when first-quarter registrations stood at about 4.28 million.

The decline is especially significant because the first quarter is usually one of China's strongest marriage periods, helped by Lunar New Year traditions. A weak reading during that season suggests the trend is structural rather than just a temporary slowdown.

Marriage data is closely watched in China because births remain strongly linked to marriage. Extramarital births are still socially sensitive in many parts of the country, and access to some local benefits and registration procedures has historically been tied to marital status.

Divorce registrations were broadly stable at 622,000 in the first quarter, only slightly lower than a year earlier. That means the divorce-to-marriage ratio remains near historically high levels, even after China introduced a mandatory 30-day "cooling-off" period for divorces in 2021.

The numbers deepen Beijing's demographic challenge. China's population has been shrinking for four consecutive years, while the birth rate has fallen to record lows. A smaller working-age population and rising number of retirees will put growing pressure on pensions, health care, housing demand and consumer spending.

Authorities have tried to reverse the trend through childcare support, family subsidies and lower childbirth-related medical costs. But many young Chinese remain reluctant to marry or have children because of weak job prospects, high housing costs, education expenses and changing attitudes toward family life. [Bloomberg] [Reuters] [South China Morning Post]

China: Government pledges reduction of local debt

(ms) China's State Council has pledged to keep reducing local government debt risks while still using infrastructure investment to support growth, underscoring one of Beijing's central economic problems: China's official national debt looks manageable, but much of the real fiscal burden sits at the local level.

Premier Li Qiang chaired a cabinet meeting on May 9 that called for continued debt restructuring, stronger local repayment capacity and long-term controls to prevent new “hidden debt.” The meeting also urged faster planning for infrastructure including water systems, next-generation power grids, computing networks, telecommunications, urban underground utilities and logistics.

The distinction matters. China’s central government debt is relatively modest by major-economy standards: official data put central government debt at about RMB 41.23 trillion, or around USD 5.9 trillion, at the end of 2025. Local government debt was higher, at RMB 54.82 trillion, or about USD 7.88 trillion, meaning local governments carried the larger share of official public debt. Together, official government debt reached roughly RMB 96 trillion, or USD 13.9 trillion.

But the official figure understates the broader problem. The IMF estimates China’s “budgetary” government debt at 68.4 percent of GDP in 2025, but its broader “augmented” debt measure — which includes off-budget activity and local government financing vehicles — at 126.6 percent of GDP. Total nonfinancial sector debt was far higher, at about 315 percent of GDP.

The most politically sensitive layer is hidden local debt. The IMF said China’s official hidden-debt estimate stood at RMB 14.3 trillion in 2023 and fell to RMB 10.5 trillion in 2024 after debt swaps and reclassification. [Bloomberg] [CCTV]

China: Energy imports plunge as Iran crisis exposes limits of supply shield

(ms) China’s energy imports fell sharply in April as the Iran war and the near-closure of the Strait of Hormuz disrupted one of Beijing’s most important supply routes, forcing the world’s largest energy buyer to cut crude and gas purchases while tightening control over fuel exports.

Chinese customs data showed crude oil imports dropped around 20 percent year-on-year to 38.47 million tons, the lowest level since July 2022. Natural gas imports fell about 13 percent to 8.42 million tons, although the data does not separate liquefied natural gas from pipeline gas. Ship-tracking data cited by analysts indicates that China’s LNG imports fell to an eight-year low in April.

The fall matters because the Middle East normally supplies about half of China's crude imports and almost one-third of its LNG. With shipments through Hormuz severely disrupted after the US and Israeli strikes on Iran, China has had to rely more heavily on domestic fuel management, inventories and alternative supply routes.

Beijing has also sharply reduced exports of refined fuels such as diesel, gasoline and jet fuel to protect domestic supply. Oil product exports fell about 38 percent year-on-year to 3.12 million tons, the lowest level in almost a decade. That has affected Asian buyers that normally rely on Chinese fuel shipments, including parts of Southeast Asia.

Beijing appears to have reduced imports partly by slowing stockpiling, leaning on large reserves and cutting refinery runs. China had built huge strategic and commercial oil inventories before the crisis, giving it more room than many Asian economies to absorb the shock.

Iran is also trying to adapt. With its ports hit by the US blockade, Tehran is increasing rail trade with China through Kazakhstan and Turkmenistan. Cargo trains from Xi'an, in central China, to Tehran have reportedly increased from about one per week to one every three or four days. The route mainly carries Chinese industrial and consumer goods into Iran, including auto parts, generators and electronics.

But rail cannot replace maritime trade. Each train carries around 50 standard containers, while a container ship carries thousands. The route helps Iran keep some imports moving, but it cannot offset the loss of oil exports and bulk food shipments. [Bloomberg 1] [Bloomberg 2] [Channel News Asia] [Reuters]

China: Gold demand rises as trust in economy remains low

(ms) Chinese demand for gold rose in the first quarter, driven by a jump in purchases of bars and coins, in another sign that households are seeking safer stores of value during a period of economic uncertainty.

Total gold consumption increased 4.41 percent year on year to 303.29 tons, according to the China Gold Association. The strongest growth came from investment products: demand for gold bars and coins surged 46.4 percent, reflecting continued interest from households and investors looking for protection

against market volatility and low trust in other common goods to invest in like especially real estate.

Gold is an important confidence indicator in China because households have long used it as a store of value. When buying shifts toward bars, coins and gold-linked products, it often points to caution about other assets and the wider economic outlook.

Supply moved in the opposite direction. Total gold output from domestic and imported raw materials fell 3.27 percent to 136.23 tons in the first quarter. Domestic mine production dropped 7.08 percent, partly because of safety inspections and production suspensions, although overseas output by major Chinese gold groups rose by more than 30 percent.

China's central bank also continued adding to its reserves, buying 7.15 tons in the first quarter and lifting official holdings to 2,313.48 tons by the end of March. That fits Beijing's broader effort to hold more gold within its reserve mix. [Bastille Post] [Bloomberg] [Equiti]

China: Navy clears new anti-drone system for deployment

(ms) China's navy has completed final testing of a new ship-based anti-drone air-defense system, according to state media, as militaries worldwide adapt to the growing threat of low-cost drones against warships.

CCTV said the system was tested in the Bohai Sea and intercepted multiple drones in low-altitude attack scenarios. The reported "finalization test" usually indicates that a system has cleared design approval and can move toward production and deployment.

The development reflects lessons from recent conflicts in Ukraine and the Middle East, where drones and anti-ship systems have shown that even expensive naval platforms can be threatened by cheaper unmanned weapons. Navies are therefore investing more in layered defenses against low-flying drones, swarm attacks and weapons that are harder to detect early.

For China, the system fits into a broader push to protect its expanding fleet from asymmetric threats. The People's Liberation Army Navy has rapidly grown in size and reach, but larger blue-water operations also create new vulnerabilities, especially against drones, loitering munitions and precision missiles.

The report did not provide verifiable technical details, such as range, sensor type, deployment platform or production schedule. That makes the announcement more useful as a signal of China's naval priorities than as proof of the system's actual performance. [Modern Mechanics] [South China Morning Post]

Japan: Ruling coalition split over Article 9 slows push for constitutional revision

(dql) Japan's ruling Liberal Democratic Party (LDP) and coalition partner, the center-right Japan Innovation Party (JIP), remain divided over constitutional reform priorities, particularly on Article 9 and emergency powers, despite renewed momentum following the LDP's February lower house election victory, where the party secure a two-thirds supermajority.

At recent parliamentary discussions, JIP leaders called for removing Article 9's second paragraph to explicitly recognize Japan's Self-Defense Forces (SDF) as a fully-fledged military and enable expanded collective self-defense, including overseas operations. The second paragraph constitutes the core provision of Japan's pacifist constitution stating that "[...], land, sea, and air forces, as well as other war potential, will never be maintained." [National Diet Library, Japan]

The LDP, however, remains split between this hardline approach and its post-2017 position—favored during the Shinzo Abe era—of retaining Article 9 while simply inserting a reference to the SDF to ease passage in a national referendum.

The divergence has carried into coalition coordination under Prime Minister Sanae Takaichi, who has expressed sympathy for more assertive revisionist proposals but continues to balance internal LDP constraints and coalition management. A joint constitutional drafting council formed in late 2025 has so far failed to reconcile positions after prolonged discussions on Article 9 and emergency authority provisions.

Tensions also extend to proposals for emergency powers that would allow the Cabinet to issue decrees during national crises if the Diet cannot convene, a concept lacking broad opposition support. [The Mainichi] [The Chosun Daily]

Japan: Ruling party heavyweight group moves to consolidate support base behind Takaichi administration

(dql) Senior figures within the ruling Liberal Democratic Party (LDP) are preparing to launch a new intraparty policy group aimed at reinforcing the national security and economic agenda of Prime Minister Sanae Takaichi, as she seeks to strengthen her internal authority following her leadership victory in October.

The initiative, led by former Prime Minister and LDP Vice President Taro Aso and other senior lawmakers, is intended to coordinate support for Takaichi's policy priorities, including expansionary yet "responsible" fiscal policy, reinforcement of the Japan–U.S. alliance, and debate over imperial succession rules. It also reflects broader concerns over resource competition, energy security, and global supply-chain fragility.

The group is expected to hold its first meeting on May 21, reportedly inviting U.S. Ambassador to Japan George Glass, underscoring the continued centrality of the Japan–U.S. alliance within the administration's strategic framework. [The Mainichi]

The formation comes amid a broader resurgence of informal factional dynamics inside the LDP following the formal dissolution of traditional factions after a fundraising scandal. Multiple new policy groups are emerging in parallel, while established political networks have begun reasserting influence. Although Takaichi maintains her own support base, it remains relatively narrow and does not yet incorporate a broad cross-section of party elites.

Party sources indicate that leading figures, including Foreign Minister Toshimitsu Motegi and Defense Minister Shinjiro Koizumi, were involved in the new group's formation, while other senior figures such as Internal Affairs Minister Yoshimasa Hayashi were reportedly not included, underscoring ongoing internal positioning ahead of future leadership contests. [Japan Forward]

Mongolia: Mining reforms planned to unlock investment and expand processing industry

(fs) Prime Minister Uchral Nyam-Osor announced plans to reactivate more than 2,000 mining licenses through amendments to the Minerals Law aimed at increasing exploration activity and attracting investment. The

reforms aim to support a shift from a raw-material export model toward value-added processing industries and sustainable mining development.

Authorities plan to establish integrated steel and copper processing complexes as part of the strategy to strengthen domestic industrial capacity. Nyam-Osor also emphasized that the proposed Economic Freedom Law would fully open the right to conduct business activities, noting that 49 provisions across 41 laws currently restrict investment either directly or indirectly.

Nyam-Osor highlighted that excessive regulations exceeding legal requirements continue to create obstacles for businesses. He also pointed to prolonged court disputes involving investors, some lasting more than four years, as a major challenge affecting the investment climate and business confidence. [Bloomberg TV]

Mongolia: Government advances wealth fund reforms, energy efficiency measures

(fs) Mongolia's government adopted a series of economic and structural measures at its May 6 cabinet meeting, focusing on resource governance and energy sector efficiency.

Prime Minister Uchral Nyam-Osor instructed officials to accelerate implementation of the National Wealth Fund law to increase public benefits from natural resources. Negotiations have reached preliminary agreements with several companies, although delays persist due to technical and regulatory issues. The government aims to define state ownership shares in strategic deposits while ensuring a stable investment environment and fair public returns.

The cabinet also approved reforms to improve governance and efficiency in the energy sector, targeting at least a three percent reduction in costs across production, transmission and distribution. Measures include enhancing transparency, digitalizing services and preparing for peak winter demand through new projects, such as a 70 MW thermal power plant in Selenge and additional capacity integration.

The government also advanced preparations for a tripartite labor and social partnership agreement for 2026-2028, incorporating proposals on wages, employment and social protection. [iToim]

Mongolia: Annual inflation reaches double digits in April

(fs) Consumer prices in Mongolia rose by 10.1 percent year-on-year in April 2026, while monthly inflation accelerated by 2.8 percent, returning annual inflation to double-digit levels. The figures mark the highest reading since September 2023.

Food prices recorded the sharpest increase, rising 19.3 percent compared with the same period last year, while non-food goods increased by 6.4 percent. Prices in the broader goods category rose by 10.9 percent and services by 7.6 percent, with all indicators showing stronger growth than in the previous month. Meat and meat product prices increased particularly sharply, climbing 36.5 percent year-on-year in April.

Imported goods, excluding fuel, contributed 1.9 percentage points to inflation, while domestically produced goods excluding meat and solid fuels contributed 3.7 percentage points. The impact of imported goods on inflation increased by 2.9 percentage points compared with the same period in 2025. [Bloomberg TV] [TradingView]

Mongolia: Energy Policy Council established to support sector reforms

(fs) Mongolia has established an Energy Policy Council under the Ministry of Energy. The body will provide professional recommendations on energy strategy, policy development, the energy transition, and the expansion of renewable and distributed energy sources.

The council is tasked with analyzing short, medium, and long-term energy strategies and drafting policy proposals aligned with international trends and domestic needs. It will also assess the technical, economic, environmental, and social impacts of proposed reforms and infrastructure projects.

In addition, the council will review the implementation and performance of major energy projects, prepare recommendations based on efficiency and risk assessments, and propose measures to improve the safety and reliability of the energy system.

At the council's inaugural meeting, Energy Minister B. Naidalaa highlighted challenges in Mongolia's energy sector including capacity shortages, aging infrastructure, outdated technology, governance

issues, debt burdens, and labor shortages affecting around 18,000 workers. He added that the government plans comprehensive reforms in tariffs, investment, and technology to create a more accessible energy system. [Asia News Network]

North Korea: Constitutional overhaul formalizes two-state framework with South Korea

(dql) North Korea has reportedly amended its constitution to explicitly define its national territory as abutting South Korea while eliminating any reference to reunification. The revision formalizes leader Kim Jong Un's policy shift toward treating the Korean Peninsula as permanently divided into two distinct and sovereign states.

The change marks a clear departure from earlier constitutional language that had preserved the idea of eventual national reunification as a guiding objective. By removing that framework, Pyongyang is embedding a more rigid and adversarial interpretation of inter-Korean relations into its legal foundation, aligning state doctrine with Kim's recent portrayal of South Korea as a separate and hostile entity. [Reuters] [NBC]

At the same time, the revision stops short of incorporating Kim's earlier directive to label South Korea as a "primary enemy," suggesting a calibrated approach that preserves rhetorical flexibility. Observers interpret this omission as consistent with limited practical engagement, including reported cultural or sporting exchanges, even as political separation is entrenched.

The document does not explicitly define maritime boundaries, a gap analysts say may be intentional to preserve strategic ambiguity and avoid triggering naval disputes. Land boundaries are instead framed in broad terms consistent with the Armistice-era status quo.

Beyond inter-Korean policy, the revision also restructures internal governance and elevates the formal authority of the top leadership. The chairman of the State Affairs Commission—Kim Jong Un—is now designated as head of state. The revisions also removed even nominal institutional checks on the leadership, granting Kim authority to appoint and dismiss senior state officials, including the parliamentary speaker and the premier, while eliminating provisions that had formally allowed the Supreme People's Assembly to recall the chairman from office. In addition, his expanded command

authority over nuclear forces has been explicitly written into law, including delegated launch authority mechanisms. This represents the first constitutional codification of nuclear command control.

Institutionally, the constitution has also been reorganized in a more conventional state format, beginning with provisions on name, territory, and citizenship, while ideological language has been adjusted. References to "Kimilsungism-Kimjongilism" have been replaced with the "people-first principle," and some militant anti-imperialist phrasing has been reduced, which analysts say may reflect an effort to project a more normalized state identity without altering core strategic positions. [South China Morning Post] [Korea JoongAng Daily]

The constitutional update comes amid a broader strategic reorientation following the collapse of nuclear diplomacy with the United States in 2019 and the suspension of inter-Korean engagement when Pyongyang severed official communication channels and destroyed the inter-Korean liaison office in Kaesong in June 2020. Since then, North Korea has prioritized military modernization and weapons development while sharply limiting diplomatic outreach, reinforcing a posture centered on deterrence and regime security.

In response, South Korea has reaffirmed that it will continue pursuing a policy of "peaceful coexistence" with North Korea, signaling Seoul's intention to preserve engagement channels and avoid reciprocal escalation. President Lee Jae Myung's office stated that the government would conduct a comprehensive assessment of the constitutional amendments before continuing its long-term policy approach aimed at maintaining stability and reducing tensions. [The Korea Times]

North Korea: Regime eyes deployment of new long-range artillery systems this year

(dql) North Korea has announced it will deploy new long-range artillery systems within the year and commission its first modern destroyer in the coming weeks, underscoring an intensified push to upgrade both conventional strike capabilities and naval power as inter-Korean tensions deepen. [KCNA 1]

Leader Kim Jong Un recently inspected the production of 155-mm self-propelled howitzers intended for deployment near the southern border. The systems reportedly have a strike range exceeding 60

kilometers, placing parts of South Korea's capital region within operational reach.

Kim also indicated that additional operational missile systems and multiple rocket launchers are planned for deployment along the border, reflecting a broader effort to build a layered and rapidly deployable firepower network.

While North Korea's artillery forces attract less international attention than its ballistic missile program, they remain a significant near-term security concern due to their proximity to Seoul, which lies only around 40–50 kilometers from the Demilitarized Zone. The reported upgrades increase the potential for high-intensity conventional strikes in the early stages of any conflict, thereby complicating South Korea's defensive posture and escalation management. [NPR]

In parallel, Kim reviewed the destroyer *Choe Hyon*, North Korea's largest and most advanced warship, during sea trials off the country's west coast. He ordered its transfer to the navy by mid-June after state media described commissioning tests as successful. The inspection included images of Kim's daughter aboard the vessel, adding to speculation about her rising public role and potential succession relevance. [KCNA 2]

The destroyer program marks a rare expansion of North Korea's naval ambitions, though its operational effectiveness remains uncertain given prior setbacks, including damage to a second vessel of the same class during launch. Despite these challenges, Kim has called for continued expansion of the fleet, including the construction of additional destroyers. [Military Watch Magazine]

These military developments come alongside a reported revision of the constitution that removes references to peaceful reunification and redefines national territory as limited to the northern half of the Korean Peninsula. This institutional change codifies Kim's long-standing policy direction of abandoning reunification as a strategic objective (see article above).

North Korea: Cyber surveillance operation targets ethnic Koreans in China via infected gaming software

(dql) Cybersecurity researchers have uncovered a North Korea-linked espionage campaign that used a gaming platform popular among ethnic Koreans in northeastern China to distribute malware targeting

Korean-speaking users, including individuals potentially connected to defectors and South Korean networks. [ESET]

Researchers from ESET, a Bratislava-based software company specializing in cybersecurity, attributed the operation—launched late 2024—to the North Korean state-aligned hacking group ScarCruft, also known as APT37 or Reaper. The campaign centered a platform hosting traditional Korean card and board games used by ethnic Korean communities near the Chinese–North Korean border.

Analysts assess the operation is consistent with North Korea's long-running cyber surveillance efforts targeting defectors, diaspora communities, activists, and South Korean-linked individuals abroad. The campaign further demonstrates Pyongyang's growing use of culturally tailored cyber operations and trusted community platforms to conduct precision intelligence collection while minimizing exposure and detection risk. [Digital Shield]

South Korea: Constitutional reform bid collapses amid partisan deadlock

(dql) A proposed constitutional amendment aimed at curbing presidential emergency powers failed to proceed in the National Assembly on May 7 after the conservative People Power Party (PPP)—the main opposition party with 107 seats in the parliament—boycotted the plenary session, depriving the chamber of the two-thirds quorum required for constitutional revisions. Only 178 lawmakers attended, short of the 191-member threshold in the 286-seat legislature.

The country's first constitutional amendment in nearly four decades, backed by President Lee Jae Myung's ruling Democratic Party (DP) and five smaller opposition-aligned parties, sought to strengthen legislative oversight of martial law by granting the parliament authority to approve or revoke such declarations. Under the current constitutional framework, only the president can formally lift martial law, even if parliament passes a motion rejecting it.

President Lee publicly portrayed resistance to the amendment as tacit support for abuses of emergency authority under the previous administration, while National Assembly Speaker Woo Won-shik criticized the boycott as politically irresponsible. The presidential office signaled that efforts to revive the vote could continue before the legal deadline for holding a

constitutional referendum alongside the June elections.

PPP leaders, on the other side, denounced the initiative as a partisan maneuver designed to entrench Lee's political dominance and potentially pave the way for broader constitutional changes favorable to the ruling camp. [The Korea Herald] [Aju Press] [Grand Pinnacle Tribune]

The failed vote reflects South Korea's increasingly entrenched partisan polarization, which has steadily intensified since the impeachment of former President Park Geun-hye in 2017 and the subsequent rise of highly confrontational politics between the liberal DP and the conservative PPP. The episode has renewed debate over structural weaknesses in the country's centralized presidential system, including prolonged executive-legislative deadlock and winner-takes-all political dynamics.

South Korea: Local election race tightens amid conservative recovery

(dql) South Korea's ruling Democratic Party (DP) and the conservative main opposition People Power Party (PPP) have intensified campaigning in the southeastern Yeongnam region ahead of the June 3 local elections and parliamentary by-elections, amid signs of a conservative rebound in the country's traditional right-wing stronghold.

Yeongnam — encompassing Busan, Ulsan, Daegu, and North and South Gyeongsang provinces — has emerged as a critical political battleground, with attention focused on whether the ruling DP can secure the sweeping victory once widely predicted following former President Yoon Suk Yeol's political downfall triggered by his failed December 2024 martial law bid.

Recent polling suggests the gap between the two parties is narrowing faster than expected, particularly as conservative voters appear to be regrouping late in the campaign. The PPP has regained competitiveness in several key races, including Daegu and South Gyeongsang Province, while the DP retains an advantage in Busan. [The Chosun Daily]

PPP chairman Jang Dong-hyeok has resumed intensive regional campaigning after facing internal criticism tied to his alignment with Yoon, framing Yeongnam as the launch point for a broader national recovery. Meanwhile, DP chairman Jung Chung-rae has expanded outreach across the region amid growing

concern within the ruling camp over fading momentum. [Maeil Business] [Aju Press]Top of Form

Analysts say the tightening race reflects a broader conservative consolidation after months of political disarray following Yoon's December 2024 martial law crisis. Moves by President Lee Jae-myung's administration and the DP to advance legislation potentially benefiting Lee politically have also helped re-mobilize right-leaning voters who had distanced themselves from the PPP after Yoon's downfall. [The Korea Herald]

Election campaign agendas

In parallel, the rivaling parties have rolled out their campaign platforms highlighting widening policy divisions over regional development, technology strategy, housing, and inter-Korean relations.

The DP pledged to accelerate regional decentralization and reduce Seoul's economic dominance by promoting large regional economic blocs and strengthening the administrative role of Sejong. The party also emphasized artificial intelligence, biotechnology, and defense industries as future growth drivers.

On North Korea policy, the DP reiterated support for dialogue and peace-building on the Korean Peninsula, though notably avoided explicit references to denuclearization, reflecting the party's more engagement-oriented approach toward North Korea.

The PPP, meanwhile, centered its campaign on housing affordability and deregulation, accusing the Lee administration of worsening market instability through excessive intervention. The opposition proposed expanding long-term rental housing and easing redevelopment restrictions to boost supply in the greater Seoul area, where housing costs remain a major voter concern. [Yonhap News Agency]

The elections are being closely watched as an early test of public sentiment toward Lee's presidency following the political turmoil triggered by Yoon's martial law attempt.

South Korea: Appeals court overturns acquittal in former First Lady bribery case

(dql) A South Korean appellate court has convicted former prosecutor Kim Sang-min in a corruption case tied to former first lady Kim Keon Hee, reversing an earlier not-guilty verdict and handing down a

suspended jail term over allegations that he sought political favors through the transfer of a high-value artwork.

The Seoul High Court ruled that Kim Sang-min unlawfully provided a painting by prominent Korean artist, valued at approximately KRW 140 million (USD 95,500), to the former first lady in 2023 in exchange for political assistance tied to his efforts to secure a ruling party nomination for the 2024 parliamentary elections. The court sentenced Kim to two years in prison, suspended for three years.

In a separate ruling, the court also imposed a one-year prison sentence, suspended for three years, for violations of the Political Funds Act involving approximately KRW 42 million (USD 30,000) in illegal campaign-related contributions received ahead of the 2024 elections. The punishment was harsher than the lower court's earlier suspended sentence. [Yonhap News Agency]

The case gained wider political significance as subsequent investigations into Kim Keon Hee alleged that the former first lady exercised unofficial influence over nominations and political appointments during Yoon Suk Yeol's presidency, reinforcing opposition claims of informal power networks operating around the former presidential office.

South Korea: Defense export technology rules to be eased

(dql) South Korea is moving to simplify defense technology transfer procedures to accelerate weapons production and overseas maintenance support as demand for South Korean-made systems continues to grow.

The defense ministry has proposed revisions to reduce approval times for transfers of state-owned defense R&D technologies from up to two months to 30 days and to exempt certain repair-parts exports from additional approval by the Defense Acquisition Program Administration (DAPA), the government agency responsible for managing defense procurement, weapons acquisition, and defense industry development.

The measures are intended to improve export responsiveness and long-term sustainment support for foreign operators of South Korean weapons systems. Seoul also plans to expand cases allowing technology-holding institutions to independently approve

transfers for repair parts supplied to existing end users.

The initiative comes amid continued growth in South Korea's defense exports, which reached USD 15.44 billion in orders in 2025. Major export systems include K9 howitzers and Chunmoo rocket launchers produced by Hanwha Aerospace, K2 tanks manufactured by Hyundai Rotem, FA-50 aircraft built by Korea Aerospace Industries, and Cheongung-II missile interceptors developed by LIG Nex1. [The Korea Herald] [Grand Pinnacle Tribune]

South Korea: Rising costs threaten delays to fighter jet deployment plan

(dql) South Korea's plan to deploy 120 domestically developed KF-21 Boramae fighter jets by 2032 is facing growing uncertainty as surging production costs place mounting pressure on the defense budget, according to data submitted to the National Assembly.

The Defense Acquisition Program Administration (DAPA) said estimated production costs for the second phase of the program — covering 80 additional aircraft — have risen nearly 30 percent from initial projections, increasing from KRW 14.24 trillion (USD 9.58 billion) to KTW 18.44 trillion (USD 12.41 billion). The increase has been attributed to inflation, exchange-rate volatility, supply-chain disruptions linked to global conflicts, and the addition of enhanced air-to-ground strike capabilities.

The KF-21 program is intended to replace South Korea's aging F-4 and F-5 fighter fleets and forms a central pillar of Seoul's long-term defense modernization and defense-industrial strategy. Under the original schedule, the first 40 aircraft were to enter service between 2026 and 2028, followed by an additional 80 jets by 2032. However, DAPA and the Air Force are reportedly reviewing delays that could push full deployment back to 2034–2035.

The broader program has become one of South Korea's most expensive indigenous defense projects. Including development, production, and long-term maintenance costs, total expenditures are projected to exceed 60 trillion won (approximately USD 40.4 billion) over the aircraft's lifecycle. [The Korea Herald]

Taiwan: Parliament passes special defense budget after long deadlock

(ak) Taiwan's opposition-controlled parliament approved a reduced NTD 780 billion (USD 25 billion) special defense budget on May 8, approving only two-thirds of the NTD 1.25 trillion (USD 40 billion) sought by President Lai Ching-te and his ruling Democratic Progressive Party (DPP), after months of deadlock and US pressure.

The budget is split into NTD 300 billion (USD 10 billion) for financing prior US arms sales—such as HIMARS, Patriots, Hellfire missiles, counter-drone and anti-armor systems—and NTD 480 billion (USD 15 billion) for pending ones. [New York Times] [RTI]

The budget funds US arms sales exclusively while excluding domestic projects like drones, missiles, and the Chiang Kung ("Strong Bow") anti-ballistic missile critical to the T-Dome air defense system, prompting DPP warnings of weakened self-reliance and defense ministry concerns over "capability gaps" in a "severe and continuously escalating threat environment" that could delay asymmetric warfare capabilities, harm industry jobs, and undermine overall defense integrity.

Cheng Li-wun, chair of the main opposition party, the Kuomintang (KMT), called it a check against executive overreach and vague proposals risking corruption or "blank cheques," while the Taiwan People's Party (TPP) —the second minor opposition party—criticized including commercial items in the special budget. [Financial Times] [Reuters]

Negotiations failed in the fourth round on May 6, leading to the floor vote. KMT convener Fu Kun-chi backed US arms with Letters of Offer and Acceptance but questioned a NTD 700 billion (USD 22 billion) backlog of paid-yet-undelivered weapons, while DPP convener Tsai Chi-chang defended the full amount for domestic industry like precision machining.

Lieutenant General Huang Wen-chi, Director of the Ministry of National Defense's Strategic Planning Department, warned of a May 31 deadline to pay NTD 800 million (USD 25.3 million) for 82 HIMARS systems or lose the procurement process at higher cost, with Defense Minister Wellington Koo noting legislative pre-approval created this bind. [Taiwan News 1] [Tapei Times] [Taiwan News 2]

Taiwan Premier Cho Jung-tai has pledged to continue seeking additional defense funding, indicating ongoing domestic disputes over defense priorities amid mounting pressure from Washington and Beijing.

Cho criticized the legislature's restructuring of the package, arguing that the original proposal reflected an integrated national defense strategy and warning that dividing the plan had weakened Taiwan's broader security posture. He stressed that the issue involved not only budgetary considerations, but also maintaining public confidence and reassuring international partners of Taiwan's commitment to self-defense.

The debate has drawn attention in Washington, where US officials have repeatedly urged Taiwan to increase military spending and accelerate defense reforms. A senior US official said that Washington was disappointed by the reduced package and indicated that the United States still expects the unfunded portions of the original proposal to be addressed in the future. [Taiwan News 3]

Taiwan: Opposition attacks president over interim prosecutor general appointment

(dql) Taiwan's main opposition party, the Kuomintang (KMT) accused President Lai Ching-te's administration of circumventing legislative oversight after Lai appointed Supreme Prosecutors Office Chief Prosecutor Hsu Hsi-hsiang as interim prosecutor general despite lawmakers previously rejecting his nomination for the permanent post over concerns about experience and political neutrality.

Justice Ministry Administrative Deputy Minister Feng Cheng defended the appointment as necessary to avoid a leadership vacuum, while KMT lawmakers argued the move broke with convention and reinforced concerns about executive interference in the prosecutorial system. The ruling DPP cited a similar interim appointment under former president Ma Ying-jeou in 2010.

The dispute reflects Taiwan's deepening political polarization between the executive branch backed by the ruling Democratic Progressive Party (DPP) and the opposition-controlled legislature, where the KMT and Taiwan People's Party (TPP) have increasingly challenged government appointments, judicial decisions, budget initiatives and constitutional procedures.

Taiwan: Legislative committee passes initial review of voting age amendment

bill

(ak) A legislative committee has taken a key step toward lowering Taiwan's voting age from twenty to eighteen, but the change still faces a high constitutional barrier. The amendments to the "Public Officials Election and Recall Act" and "Presidential and Vice Presidential Election and Recall Act" would give eighteen-year-olds the right to vote and to endorse presidential and vice-presidential candidates. The amendment bill now moved to cross-party negotiations before a full floor review.

Currently, the Taiwanese constitution sets the voting age at twenty, meaning that formal change requires a constitutional amendment, not just ordinary legislation. Since 2005, such amendments must first win three-quarters support in the legislature and then be backed by more than half of all eligible voters in a national referendum, a threshold that sank a similar proposal in 2022 despite backing from major parties.

Lawmakers argue that lowering the voting age would bring Taiwan into line with international practice and with its own civil code, which already defines adulthood as beginning at eighteen.

Interior Minister Liu Shyh-fang told lawmakers that there were 411,731 citizens aged eighteen to twenty at the end of February, about 70 percent of whom live in Taiwan's six special municipalities. The Central Election Commission estimates that the change would add roughly 410,000 voters and complicate preparations for local elections scheduled for November 28, warning that if amendments are not in place before the August 20 election notice, the current voting age of twenty will still apply this year. [Taipei Times] [Focus Taiwan]

Taiwan: Property tycoon indicted over politically linked land deal fraud

(ak) Prosecutors indicted Taiwan-based conglomerate Core Pacific Group chair Sheen Ching-jing and twelve others for alleged Securities and Exchange Act violations in a case that has attracted major political scrutiny due to its links to high-level corruption allegations involving Ko Wen-je—former Taipei mayor, former chairman of the opposition Taiwan People's Party (TPP) and 2024 TPP presidential candidate—and concerns over collusion between business elites and public officials in urban redevelopment projects. [Taipei Times]

Prosecutors are seeking a 26-year prison sentence and a fine of about NTD 605 million (USD 19 million) over an alleged scheme to transfer the loss-making Core Pacific City land at an inflated price to a listed affiliate. They allege that Sheen, burdened by corporate and personal gambling debts exceeding NTD 18 billion (USD 572 million) by 2019, arranged for China Petrochemical Development Corp subsidiary Dingyue Development Corp to bid up to NTD 37 billion (USD 1.2 billion) for the Taipei property, significantly above internal estimates that reportedly valued the land at closer to NTD 30 billion (USD 955 million). Dingyue ultimately acquired the land in a September 2019 auction, with investigators alleging that inflated valuations were deliberately engineered and that proceeds were routed through 39 related companies to repay Sheen's debts. [Focus Taiwan]

The case adds to Sheen's mounting legal troubles following his earlier ten-year prison sentence for bribing Ko Wen-je to secure favorable zoning changes linked to a redevelopment project.

Prosecutors are also seeking prison terms of seven to twelve years for the twelve additional defendants, including former economics minister Steve Chen. The Taiwan High Court recently rejected Sheen's appeal against increased bail requirements in the corruption case, citing concerns over potential flight risk. [Taiwan News]

Taiwan: Ex-news host faces espionage charges

(ak) Kaohsiung prosecutors indicted former CTi News host and YouTuber Lin Chen-you as well as six military personnel, both active and retired, on espionage charges.

Lin allegedly took 4,325 tether coins from a suspected PRC agent to produce videos criticizing Democratic Progressive Party (DPP) recall campaigns against lawmakers from the main opposition party, the Kuomintang (KMT), and featuring soldiers pledging to surrender to the PLA.

Lin is also accused of funneling bribes via bank accounts for classified information since 2013, using cryptocurrency.

Prosecutors seek 12 years in prison for Lin under anti-infiltration, anti-money laundering and anti-corruption laws. [Taipei Times]

Taiwan: Indigenous submarine clears torpedo-launch trial

(dql) Taiwan's domestically built submarine prototype Narwhal successfully fired two exercise torpedoes during sea trials off Kaohsiung last week, validating key combat-system functions including target detection, launch calculations, and torpedo guidance.

The torpedo-launch exercise marks an important milestone for Taiwan's Indigenous Defense Submarine program, which is intended to strengthen Taipei's asymmetric deterrence capabilities amid rising military pressure from China and expanding activity by the People's Liberation Army Navy around the Taiwan Strait. [Taiwan News]

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

Bangladesh: Courts grant bail to three Awami League-linked figures in post-uprising cases

(ms) Bangladesh's higher courts have granted bail to three Awami League-linked political figures in cases filed after the 2024 uprising, drawing attention to how the judiciary is handling politically sensitive prosecutions after the fall of the previous government.

The High Court granted bail to former cultural affairs minister Asaduzzaman Noor in two murder cases filed

with Mirpur and Ramna police stations in Dhaka. One case concerns the killing of 17-year-old Siyam Sardar in Mirpur on 18 July 2024. Noor, a prominent actor and former Awami League minister, was arrested in Dhaka in September 2024 after being named among more than 100 accused, including former Prime Minister Sheikh Hasina.

The High Court also granted bail to former railways minister Nurul Islam Sujan in three cases, including one linked to the killing of Rafiqul Islam during the anti-discrimination student movement in Dhaka's Jatrabari area. Sujan was an Awami League lawmaker elected multiple times and served as railways minister under the former government. He was arrested in September 2024 and later placed on remand in one of the cases.

In a separate ruling, the Appellate Division upheld bail for former Narayanganj mayor Selina Hayat Ivy in 10 cases. Ivy is also associated with the Awami League, but her position is more locally rooted and politically distinct. She built an independent support base in Narayanganj and was often seen as a rival to other powerful Awami League-linked local networks, including the Osman family's political camp.

The rulings come amid a wider wave of cases against former officials, ruling-party figures and local power brokers after the 2024 uprising. Many involve serious allegations linked to protest violence, killings and abuses during the final phase of the former government. The bail decisions do not clear the accused or determine the strength of the cases, but they show courts beginning to assess whether continued detention is justified in individual proceedings.

That distinction matters for Bangladesh's post-uprising justice process. The government faces pressure to hold former powerholders accountable, but broad or weakly evidenced cases could undermine that effort if they appear driven mainly by political association rather than specific evidence. The key legal question is therefore whether prosecutors can prove the charges in court, not simply whether the accused were linked to the former ruling party. [Daily News] [Dhaka Tribune 1] [Dhaka Tribune 2] [Dhaka Tribune 3] [JagonNews 24]

Bangladesh reform dispute exposes tension inside post-July political order

(ms) Bangladesh's opposition National Citizen Party has accused the BNP-led government of betraying the reform mandate that followed the 2024 July

Revolution, turning constitutional change into one of the main political fault lines of the new government's first months in office.

NCP Convener Nahid Islam said the uprising was not only a rejection of authoritarian rule, but a mandate for structural reform of the state. Speaking at a dialogue in Dhaka, he argued that the government must implement the July Charter and 48 reform proposals endorsed through a referendum, including the formation of a Constitutional Reform Council within 180 working days.

The dispute goes to the core of Bangladesh's new political order. The July Revolution created expectations that elections would be followed by changes to institutions long criticized for concentrating power in the executive, politicizing law enforcement and weakening judicial independence. Nahid accused the BNP of supporting that reform framework before the February election, but refusing to form the council after taking office.

He also alleged that the government had repealed reform ordinances covering judicial independence, anti-corruption safeguards, police accountability and enforced disappearances, while expanding executive authority through new legislation. The NCP is therefore trying to frame constitutional reform as a measure of whether the BNP government is genuinely breaking with the previous system or merely replacing one ruling party with another.

Tarique has presented the issue differently. In a separate meeting with BNP district leaders, he said the party had entered a "new battle" to implement its election manifesto, including pledges on good governance, a safer political environment and an end to repression, enforced disappearances and politically motivated killings. He said 52 percent of voters had backed the BNP's manifesto and warned that the government would struggle to deliver without support from the party organization.

That leaves two competing claims of legitimacy. The BNP is emphasizing its electoral mandate and manifesto. The NCP is emphasizing the revolutionary and referendum mandate that followed the July uprising. How the government handles the Constitutional Reform Council will likely determine whether the dispute remains a procedural argument or becomes a broader confrontation over the direction of Bangladesh's post-July transition. [Dhaka Tribune 1] [Dhaka Tribune 2]

Bangladesh: Journalist arrests add to concerns over post-uprising media cases

(ms) Bangladeshi journalist Jiten Kumar Barua has been arrested in Khagrachhari in connection with cases filed after the 2024 July uprising, adding to concerns over the growing number of legal cases involving journalists, former officials and political figures from the Awami League period.

Barua, the Khagrachhari correspondent for state news agency BSS and Somoy TV, was arrested on May 7 evening. Police said five cases had been filed against him in four police stations across the district. One case concerns an alleged attack on students and protesters during the July mass uprising on August 4, while the others relate to clashes between Awami League and BNP activists after August 5, 2024.

The arrest is politically sensitive because many cases filed after the fall of the Awami League government involve events around the July uprising, when protesters were attacked in different parts of the country. At the same time, rights groups and media advocates have warned that broad post-uprising cases can also be used against journalists and local figures without clear individual evidence.

In a separate case, the International Crimes Tribunal ordered journalists Farzana Rupa and Mozammel Babu, along with former minister Dipu Moni, to appear before the tribunal on May 14 in connection with the 2013 Shapla Chattar crackdown. The tribunal is investigating alleged crimes against humanity related to the security operation against a Hefazat-e-Islam rally in Dhaka's Motijheel area.

The two developments point to a wider legal reckoning over both the Awami League era and the violence surrounding Bangladesh's 2024 transition. The key issue will be whether prosecutors can distinguish between accountability for political violence and cases that risk becoming collective punishment or pressure on the press. [Dhaka Tribune 1] [Dhaka Tribune 2]

Bangladesh: Child violence figures raise pressure for faster justice

(ms) At least 165 children were killed or raped in Bangladesh in the first three months of 2026, according to data compiled by Ain o Salish Kendra (ASK) from rights groups and media reports. The figures point to a severe protection failure for minors,

especially in cases where perpetrators are known to the victims.

ASK said 88 children were killed either after rape or while resisting sexual assault. The affected groups included 49 children aged one to six, 88 children aged seven to 12, and 65 adolescents aged 13 to 18 who were raped or sexually abused. Seven boys were also reported to have been sexually assaulted.

Rights groups said many accused perpetrators were teachers, neighbours, employers or relatives. This makes prosecution harder, as families can face intimidation, social pressure or informal village-level settlements that prevent cases from moving through the legal system.

Separate police data show that Dhaka alone recorded 262 child abuse cases between February and July 2025, with Tejgaon, Mirpur and Motijheel among the areas reporting the highest numbers. Nationwide, around 20,000 cases of violence against women and children are filed each year, or more than 1,500 per month.

The core issue is not only the number of cases, but weak accountability. Activists and criminologists argue that slow investigations, delayed trials and pressure on victims' families allow perpetrators to avoid timely punishment. Police say victim support centres provide shelter, medical care, legal aid and counselling, but rights groups continue to call for faster trials, stronger protection for families and tighter oversight of schools, madrasas and workplaces where children are exposed to abuse. [Dhaka Tribune]

Bangladesh: Fossil fuel dependence drives power costs higher

(ms) Bangladesh's electricity generation costs rose 83 percent over four years as the country became more dependent on imported fossil fuels, according to a new report by the Institute for Energy Economics and Financial Analysis (IEEFA). The report said the share of imported primary energy increased from 47.7 percent to 62.5 percent, leaving Bangladesh more exposed to global coal, oil and LNG price shocks.

The cost increase was driven by higher fuel prices, the depreciation of the Bangladeshi taka against the USD and large capacity payments to underused private power plants. In FY2024-25, private oil-fired plants received average capacity payments of about BDT9.5/kWh (USD 0.077/kWh), while coal-fired plants received about BDT5.9/kWh (USD 0.048/kWh). Plants

operating below 25 percent load factor generated power at about BDT16.85/kWh (USD 0.137/kWh), compared with about BDT6/kWh (USD 0.049/kWh) for plants running at around 75 percent load factor.

The pressure is likely to continue because domestic gas output is declining, forcing Bangladesh to import more LNG. IEEFA estimates that LNG import subsidies could reach about USD 1.07 billion, or BDT131.34 billion, between April and June 2026 alone, excluding regasification and terminal costs.

The cost pressure is now moving toward consumers. All power distribution companies have proposed raising retail electricity prices, and the Bangladesh Energy Regulatory Commission has scheduled public hearings for May 20 and 21. The Power Development Board is seeking a wholesale tariff increase of BDT1.20 to BDT1.50 per unit, while the Power Grid Company of Bangladesh has proposed an additional BDT0.16 per unit transmission charge. Lifeline consumers using around 70 to 75 units may be shielded, but another tariff hike appears likely after the last increase in February 2024, when wholesale prices rose by about 5 percent and retail prices by an average of 8 percent.

Dhaka is trying to reduce part of that exposure by attracting new domestic energy exploration. The Cabinet Committee on Economic Affairs approved the draft Bangladesh Offshore Model Production Sharing Contract 2026, a framework meant to draw international oil and gas companies into offshore exploration in the Bay of Bengal. The move shows that Bangladesh is not only looking to renewables, but also trying to raise domestic fossil fuel output to reduce import dependence and strengthen energy security.

At the same meeting, the committee also partly approved a proposal to bring government-owned power plants, joint venture projects and imported electricity from India and Nepal, including Adani Power Jharkhand, under the subsidy framework. That underlines the immediate fiscal challenge: Bangladesh needs stable electricity supply, but the current model increasingly depends on public support for expensive imported or underused generation.

Renewables remain a small part of the system. They account for only 2.3 percent of grid-based generation, compared with a global average of about 33.8 percent. IEEFA argues that faster rooftop solar deployment, lower duties on renewable-energy equipment and regional hydropower imports from Nepal and Bhutan could reduce Bangladesh’s dependence on imported fuel.

The report comes as Bangladesh has floated tenders for 495MW of grid-connected solar projects, a step linked to rising energy security concerns after the Middle East crisis disrupted fuel markets. The Bangladesh Power Development Board recorded a revenue shortfall of BDT556.6 billion (USD 4.53 billion) in FY2024-25, underlining the fiscal burden of the current power model. [Dhaka Tribune 1] [Dhaka Tribune 2] [Dhaka Tribune 3] [Reuters] [The Climate Watch]

Bangladesh: PM cites audit findings on inflated mega-project costs

(ms) Bangladesh Prime Minister Tarique Rahman said official audit findings had found large irregularities in major infrastructure projects, including the Rooppur Nuclear Power Plant, the Karnaphuli Tunnel and the Padma Bridge.

Speaking to senior police officials during Police Week, Rahman said the Comptroller and Auditor General had presented audit reports showing inflated procurement and project costs. He cited examples including an alleged BDT 80,000, around USD 660, pillow at Rooppur and BDT 50 crore, around USD 4.1 million, withdrawn for tree planting around the Karnaphuli Tunnel despite no trees being found.

Rahman also said audit findings showed that Rooppur cost nearly BDT 96,000 crore, around USD 7.9 billion, compared with about BDT 14,000 crore, around USD 1.2 billion, for a similar project in a neighbouring country. He also compared the Padma Bridge cost of around BDT 54,000–56,000 crore, around USD 4.5–4.6 billion, with India's Bhupen Hazarika Bridge, which he said cost about BDT 14,000–15,000 crore, around USD 1.2 billion.

The prime minister linked the findings to Bangladesh's fiscal pressure, saying inflated project costs and related loans now burden citizens and reduce the state's ability to fund public services, including police housing, transport, IT systems, education and health. [Dhaka Tribune]

Bangladesh: Government wants to reopen closed sugar mills

(ms) Bangladesh's government says it wants to reopen closed state-owned sugar mills, but only where farmer

interests, worker employment and long-term profitability can be secured.

Industries and Commerce Minister Khandakar Abdul Muktadir said many mills are 50 to 70 years old and cannot be revived without modernization, new machinery or structural reforms. Some mills may require alternative plans rather than simple reopening.

The issue is relevant because closed mills have hurt sugarcane farmers, workers and local economies that depend on seasonal production. Reopening could support jobs and rural income, but only if the government avoids restarting outdated, loss-making factories without real investment and better management. [Dhaka Tribune]

Bangladesh: Government plans phased army withdrawal from domestic deployment

(ms) Bangladesh is preparing to withdraw army personnel from field-level law-and-order duties by June, in a move that would return primary responsibility for internal security to civilian agencies after nearly two years of military deployment.

The army was deployed in July 2024 during nationwide unrest linked to the quota reform movement and later operated under “Aid to Civil Power” arrangements. Troops were granted magistracy powers in September, allowing them to make arrests and take legal action more directly. Those powers were extended several times but expired after the February 2026 parliamentary election and were not renewed.

Prime Minister’s adviser Zahed Ur Rahman said the army is now deployed mainly as a striking force, supporting civilian authorities rather than acting as a direct law enforcement body. He said responsibility for law and order has returned to police and other civilian agencies, while the army remains available in a backup role where necessary.

Officials said the withdrawal would begin in remote districts in early June and proceed in phases across districts and divisional headquarters. Troops are currently operating from around 50 camps across 63 districts. [Dhaka Tribune 1] [Dhaka Tribune 2]

Bangladesh: Government pushes police reform and new Cyber Police Unit

(ms) Bangladesh Prime Minister Tarique Rahman has urged police officials to act independently of political affiliation, telling senior officers during Police Week 2026 that criminals should be treated as criminals regardless of party identity.

The comments came as the government presented a broader police reform agenda focused on modernisation, public trust and operational capacity. Home Minister Salahuddin Ahmed said the administration wants to build a more technology-driven and people-friendly police force, while also ending enforced disappearances, extrajudicial killings and politically influenced policing.

The political context matters. Bangladesh's police have long been criticised for politicisation, weak accountability and alleged abuse under successive governments. Calls for neutrality therefore matter less as slogans than as a test of whether recruitment, postings, investigations and use of force can be insulated from ruling-party interests.

As part of the reform agenda, the government also plans to establish a dedicated Cyber Police Unit after Bangladesh Police submitted the proposal during Police Week. The unit would focus on cybercrime, online fraud, misinformation, social media abuse, blackmail, hacking and the online exploitation of women and minors. Cybercrime cases are currently handled mainly by the Criminal Investigation Department, but officials say the lack of a specialised unit has weakened investigations.

Police cited research showing that three out of five adolescent girls and young women have experienced cyberbullying, while 89 percent of victims do not file complaints because of social stigma. Over the past five years, 4,794 cyber-related cases were filed under Bangladesh's digital and pornography laws.

The new unit could improve investigations if it receives trained staff and forensic capacity. Its broader mandate on online rumours and misinformation will also be watched closely, given Bangladesh's history of using digital laws against critics and journalists. [BSS News] [Dhaka Tribune 1] [Dhaka Tribune 2] [The Business Insider]

Bhutan: Parliament session to consider budget, legislation and international agreements

(lm) Bhutan's Fifth Session of the Fourth Parliament will be held from May 14 to June 17, with lawmakers set to deliberate the national budget, major legislation, international agreements, and follow-up reports on earlier parliamentary resolutions. Prime Minister Tshering Tobgay is scheduled to present the annual State of the Nation report, including government priorities and legislative plans, on June 16.

The session will begin with the annual budget presentation and a report on the previous fiscal year. Parliament will deliberate the Budget Appropriation Bill for fiscal year 2026–2027, the Supplementary Budget Appropriation Bill for fiscal year 2025–2026, and the Renewable Energy Tax Exemption Bill of Bhutan 2026.

Other government Bills on the agenda include the Mutual Legal Assistance in Criminal Matters Bill 2026 and the Insolvency and Rehabilitation Bill of Bhutan 2026. Lawmakers will also consider two international instruments: Bhutan's agreement with Singapore on eliminating double taxation and preventing tax evasion and avoidance, and the 2016 amendment to the Convention on Civil Aviation.

Several ministries and committees will present action-taken reports, including on mobile and telecommunications services in remote areas, tourism policy review, civil service performance assessment, retirement income security, building height rules in satellite towns, property-tax issues, land valuation standards, local budget decentralization, and support for arts students affected by earlier tertiary-education policy constraints. A joint sitting will also consider the Public Accounts Committee's review of the Annual Audit Report 2024–2025 and follow-up reviews of audit reports from 2010 to 2024. [Kuensel]

Bhutan: Government quantifies inflation relief and fiscal cost of fuel support

(lm) Bhutan's government has defended its fuel price support as necessary to contain inflation, while acknowledging that the measure could become fiscally difficult if global prices remain high. At the May 9 Meet-the-Press session, the Finance Minister said inflation stood at 6.07 percent in March but could have reached 9 to 10 percent without government intervention, while officials separately estimated that continued fuel

support could cost about BTN 14.4 billion (USD 172.8 million) annually.

The National Fuel Price Smoothening Framework was introduced on March 21 after sharp fuel-price increases linked to the ongoing war in the Middle East. Officials said fuel prices had risen by about 49 percent on a weighted basis from pre-March 16 levels, with petrol up 35 percent and diesel up 55 percent. Government support reduced the overall shock to about 32 percent, including a reduction of the diesel impact from 55 percent to 31 percent, limiting pressure on transport, production and essential goods.

The cost remains substantial. Officials said the support bill had already exceeded BTN 1.16 billion (USD 13.9 million) within six weeks, with current support estimated at about BTN 1.2 billion (USD 14.4 million) per month. The Finance Minister said the government had used more than BTN 1 billion (USD 12 million) from the Economic Stimulus Programme and another BTN 1.5 billion (USD 18 million) from other sources, totaling BTN 2.5 billion (USD 30 million).

The pressure is visible despite lower fuel use. Total fuel consumption fell from 55.9 million liters in March–April 2025 to 44.6 million liters in March–April 2026, with April petrol imports down 38 percent year-on-year and diesel imports down 43 percent. However, the value of fuel imports still rose from BTN 2.9 billion (USD 34.8 million) to BTN 5.7 billion (USD 68.4 million) over March–April because of higher global prices.

The government said the framework will be reviewed every 15 days and may shift from blanket support to targeted assistance for logistics and essential goods sectors if fiscal pressure increases. Longer term, officials framed fuel support as a temporary tool and energy security as the actual strategy, including electric mobility, public transport, renewable energy and efficiency measures. [Kuensel 1] [Kuensel 2]

Bhutan: Suicide trend raises concern over public health, workforce and demographic pressures

(lm) Bhutan is facing growing concern over suicide as a public health, economic and demographic issue, with 522 recorded cases between 2021 and 2025. Nearly two-thirds involved people aged 20 to 59, placing much of the loss within the working-age population at a time when Bhutan is already facing low fertility, youth outmigration and labor-force pressures.

The trend has been linked to wider socio-economic stress, including unemployment, high living costs, debt, academic pressure, substance abuse, mental health challenges and weak support systems. Men accounted for 352 cases, or 67.43 percent of recorded cases over the five-year period.

A recent study of psychiatric inpatients at Jigme Dorji Wangchuck National Referral Hospital found that 44.1 percent of 529 patients examined in 2023 reported suicidal thoughts at admission. The study linked suicide risk to age, sex, employment status, diagnosis, previous attempts and stressors, and called for repeated risk assessment, early intervention, stronger inpatient care and targeted follow-up after discharge.

The issue is also being framed as an economic and demographic strain. Experts warned that premature deaths among working-age people reduce household income, productivity and labor-force participation, while also increasing pressure on surviving families. Bhutan's fertility rate has fallen well below replacement level, and youth outmigration has further reduced the country's productive-age base, making preventable loss of life more consequential for long-term development. [Kuensel]

Bhutan: Hydropower partnership and financing expand clean energy portfolio

(lm) Bhutan has advanced two major hydropower developments, with Druk Green Power Corporation Limited (DGPC), Bhutan's state-owned hydropower company, and Tata Power expanding their joint clean-energy portfolio, while the government and the World Bank signed financing agreements for the 1,125-megawatt Dorjilung hydropower project.

On May 5, DGPC and Tata Power amended their existing memorandum of understanding, increasing their identified joint hydropower portfolio from at least 4,500 megawatts to 5,033 megawatts. The increase follows the inclusion of the 404-megawatt Nyera Amari I and II Integrated Hydropower Project. The portfolio now includes Khorlochhu, Dorjilung, Gongri Reservoir and Jeri Pumped Storage, Chamkharchhu IV, and Nyera Amari I and II. The partnership also includes plans to jointly develop 500 megawatts of solar photovoltaic capacity in Bhutan. Construction has already begun on Khorlochhu and Dorjilung, which together account for around 35 percent of the committed hydropower capacity. [Kuensel 1]

Separately, on May 5, Bhutan and the World Bank signed financing agreements worth USD 515 million for Dorjilung Hydro Power Limited (DHPL), a special purpose vehicle owned 60 percent by DGPC and 40 percent by Tata Power. The package includes USD 300 million from the International Development Association, half of it as a grant, and USD 215 million from the International Bank for Reconstruction and Development. Earlier this year, the World Bank Group also approved up to USD 300 million from the International Finance Corporation for the project.

The Dorjilung project is estimated to cost around USD 1.7 billion. Main civil works are expected to begin by October 2026 and take about five years. Once operational, the project is expected to generate more than 4,500 million units of electricity annually, help reduce Bhutan's winter energy shortfall, and export around 80 percent of its electricity to India during summer and the monsoon.

The project is central to Bhutan's wider energy strategy, which aims to reach 25,000 megawatts of installed capacity by 2040. Officials said Dorjilung is expected to raise gross domestic product by about 2.4 percent, create direct and indirect employment, strengthen reliable electricity supply for domestic sectors, and reduce around 3.3 million tons of carbon dioxide emissions annually. The financing structure is also expected to mobilize about USD 900 million in private investment, while Bhutan projects around USD 4 billion in revenues over 30 years through taxes, dividends, and free power. [Kuensel 2]

Bhutan: Mineral survey moves to analysis phase ahead of June completion

(lm) Bhutan's first airborne geophysical survey has moved from field operations to data analysis and is expected to be completed by June 2026. The government invested BTN 700 million (USD 8.4 million) in the project, which used airborne magnetometers and LiDAR, a laser-scanning technology, to identify mineral-rich zones, map subsurface geological structures, and strengthen the country's mineral exploration database.

Two survey helicopters completed 43,893 line-kilometers of airborne surveys, covering 15,567 square kilometers, or around 40 percent of Bhutan's land area. The government has not yet disclosed specific high-potential mineral zones and will decide after receiving the final report what information will be made public.

The next phase is expected to involve targeted ground exploration in promising areas, including soil, stream sediment and rock analysis, ground-based geophysical surveys, and detailed geological mapping. The survey is also linked to the pending Mines and Minerals Management Bill 2026, which is expected to be submitted to Cabinet before being tabled in Parliament during the winter session and is intended to update rules on mineral allocation, environmental safeguards, sustainable mining, value addition, benefit-sharing, and penalties. [Kuensel]

India: Major opposition alliance fractures as regional parties realign in Tamil Nadu state

(dql) The Dravida Munnetra Kazhagam (DMK), a major regional party in southern India, has formally signaled the collapse of its long-standing alliance with the Indian National Congress by requesting separate seating arrangements in India's lower house of parliament, highlighting widening fractures within the opposition INDIA bloc, a broad coalition of opposition parties formed to counter Prime Minister Narendra Modi and the ruling Bharatiya Janata Party (BJP).

DMK parliamentary leader Kanimozhi Karunanidhi informed lower house Speaker Om Birla that "changed political circumstances" following the assembly elections in the state of Tamil Nadu made it inappropriate for DMK MPs to continue sitting alongside Congress members. [The Tribune]

With 22 MPs, the DMK is one of the largest constituents of the INDIA opposition alliance at the national level. The collapse of cooperation between the DMK and Congress weakens opposition cohesion. [WION]

The move reflects the rapid deterioration of a partnership that had remained largely intact since 2004. Tensions escalated after Congress shifted support toward actor-turned-politician Chandrasekaran Joseph Vijay and his Tamilaga Vettri Kazhagam (TVK), despite Congress having contested the Tamil Nadu elections within the DMK-led alliance. DMK leaders denounced the decision as a political betrayal, arguing that Congress had benefited substantially from the alliance through parliamentary representation and Assembly seat allocations facilitated by the DMK. [NDTV]

The political fallout has accelerated a broader post-election realignment in Tamil Nadu. Vijay's TVK has

emerged as the focal point of a new anti-DMK coalition, now backed by Congress, the Communist Party of India (CPI), the Communist Party of India (Marxist) (CPI-M), and the Viduthalai Chiruthaigal Katchi (VCK), a Dalit-oriented regional party. Together, the bloc reportedly commands 119 seats in the Tamil Nadu Assembly, surpassing the 118-seat majority threshold and positioning TVK to stake a credible claim to form the government. [Times of India]

India: Trade unions mobilize against labor code rollout amid intensifying confrontation over workers' rights

(dql) India's largest left-leaning trade union federation, the Centre of Indian Trade Unions (CITU), has called for nationwide demonstrations and symbolic burnings of the newly finalized labor codes following the government's notification of implementation rules for all four labor reforms. The move marks a new escalation in tensions between the government of Prime Minister Narendra Modi and organized labor over the restructuring of India's employment and industrial relations framework.

The government formally operationalized the final rules after previously introducing the labor codes—the Code on Wages, the Industrial Relations Code, the Code on Social Security, and Occupational Safety, Health and Working Conditions Code—in late 2025, consolidating and replacing dozens of existing labor laws. [The Times of India]

Key provisions include the establishment of a national floor wage mechanism, codified eight-hour workdays with a 48-hour weekly ceiling, mandatory wage documentation, and expanded social security coverage for informal and gig-economy workers. Individual states are expected to adopt and implement corresponding rules in the coming months.

CITU, however, characterized the reforms as fundamentally anti-worker and accused the government of prioritizing corporate interests over labor protections. The organization alleged that the legislation weakens collective bargaining power, facilitates greater employer control over labor conditions, and contributes to the erosion of democratic rights and industrial dissent. [The Tribune]

Senior union leaders linked the reforms to broader neoliberal economic policies pursued by the Modi administration and pointed to recent police crackdowns on labor unrest in the Delhi-National

Capital Region (NCR) industrial belt as evidence of an increasingly confrontational state posture toward worker mobilization. [BBC] [Frontline]

India: Government launches emergency credit support scheme amid Middle East disruption risks

(dql) The cabinet approved on May 5 a new INR 181 billion (USD 1.9 billion) emergency credit guarantee program aimed at supporting businesses facing liquidity pressures linked to disruptions arising from the Middle East conflict, with a particular focus on small and medium-sized enterprises.

The government will provide full guarantee coverage for SME loans and 90 percent coverage for other eligible sectors, including airlines. The program is expected to facilitate approximately INR 255 billion (around USD 3 billion) in additional lending through March 2027.

The scheme allows eligible businesses to borrow up to 20 percent of peak working capital usage, capped at INR 1 billion (USD 11.7 million), while passenger airlines may access loans of up to INR 15 billion (USD 175 million) per borrower under specified conditions.

The measure follows growing concerns over supply-chain disruptions and inflationary pressures stemming from the ongoing US-Israeli conflict with Iran. Indian industries dependent on imported inputs, including textiles and glass manufacturing, have reportedly been affected, while rising energy costs pose broader risks to growth in the world's third-largest oil-importing economy. [Reuters]

Separately, a government policy think tank has reportedly advised the government to suspend major demolition and construction projects for two years due to rising costs, supply disruptions and fuel pressures linked to the ongoing Middle East crisis. The recommendation affects planned redevelopment works involving key government complexes in New Delhi.

The proposal came shortly before Prime Minister Narendra Modi publicly urged citizens to reduce fuel consumption, limit overseas travel and revive work-from-home arrangements amid rising global energy prices. [The Tribune]

India: Offshore technology hub growth accelerates as firms shift strategic operations

(dql) India's offshore technology hub sector is projected to generate USD 98.4 billion in fiscal 2026, nearly reaching levels previously forecast for 2030.

Growth is being driven by multinational firms relocating higher-value technology, AI, and research functions to India to offset rising Western operating costs, visa restrictions, and geopolitical uncertainty.

India is expected to host more than 2,100 Global Capability Centres employing 2.36 million people this fiscal year, reinforcing its shift from a low-cost outsourcing destination to a strategic innovation and engineering hub.

The trend strengthens India's position in global digital supply chains and supports New Delhi's ambition to become a central node in AI-driven technology production. [Reuters]

India: New chief of defense staff appointed

(dql) India has appointed retired Lieutenant General N. S. Raja Subramani as the country's next Chief of Defence Staff (CDS), succeeding General Anil Chauhan upon his retirement on May 31. Subramani will also serve as Secretary of the Department of Military Affairs, which is responsible for the administration, coordination, and integration of the country's armed forces, placing him at the center of India's military modernization and joint force integration efforts.

Currently serving as Military Adviser at the National Security Council Secretariat under National Security Advisor Ajit Doval, Subramani is widely regarded within Indian strategic circles as an expert on China and Pakistan. As former commander of the Army's Central Command, he oversaw sectors along the Line of Actual Control with China in Himachal Pradesh and Uttarakhand, while also previously commanding India's 2 Corps, a key strike formation oriented toward the western front with Pakistan.

A career infantry officer from the Garhwal Rifles—an infantry regiment known for its long combat history, strong regimental traditions, and prominent role in several of India's major military campaigns—, Subramani has held senior operational roles in

counterinsurgency operations in Assam and Jammu and Kashmir, and has also served as defense attaché in Kazakhstan. His background combines operational command experience with strategic policy exposure through the National Security Council Secretariat.

The appointment comes amid continued military competition and unresolved border tensions between India and China, alongside persistent security concerns involving Pakistan. [DD News] [The Tribune]

India: Pakistan-linked espionage network dismantling continues amid sustained counterintelligence operations

(dql) Indian security agencies have disrupted a wide-ranging espionage network believed to be linked to Pakistan's Inter-Services Intelligence (ISI), identifying and detaining 457 individuals across 17 states and Union Territories since Operation Sindoor in 2025, with additional cases continuing into early 2026.

Operation Sindoor was conducted from May 7-10 in response to an attack on 22 April in Indian-administered Jammu and Kashmir, in which 26 civilians were killed. India alleged that Pakistan supported cross-border terrorism, an accusation Pakistan denied. On May 7, India conducted precision strikes on nine terror-linked sites in Pakistan and Pakistan-occupied Kashmir, killing over 100 militants, before expanding operations in response to Pakistani retaliation. [Asia News Network]

The operation is regarded by India as a key inflection point in bilateral security dynamics, marking on the Indian side a shift from calibrated caution toward calibrated coercion, leveraging technology to expand operational options while retaining escalation control. [Eurasia Review] [ORF]

Against the backdrop of the anniversary of the operation, Punjab Police counterintelligence disclosed that ISI-linked tasking networks expanded following the confrontation, with operatives allegedly directed to collect sensitive information on troop movements, border deployments, and strategic military installations.

Recruitment is assessed to have relied on digitally enabled targeting, including social media engagement, honey-trap techniques, and financial inducements, with payments facilitated through informal value transfer systems and encrypted communication platforms.

Investigations further indicate emerging attempts to deploy low-cost covert surveillance systems, including SIM-enabled solar-powered camera devices positioned near sensitive installations to enable remote transmission of imagery. These attempts were intercepted prior to activation following counterintelligence monitoring and coordinated interdictions. [The Tribune]

India: Cross-border militant attack intensifies instability along Myanmar frontier

(dql) A coordinated armed incursion into remote border settlements in Manipur's Kamjong district on May 8 has intensified concerns over deteriorating security conditions along India's frontier with Myanmar, amid claims that insurgents operating from Myanmar were involved in the assault.

The violence affected several villages located close to the international border, where multiple homes were reportedly burned and residents fled into surrounding forested areas.

Local legislator L Keishing accused Myanmar-based armed groups, including the Kuki National Army-Burma (KNA-B) and the People's Defence Force (PDF), of carrying out the attack, describing the incident as an instance of "external aggression" rather than a purely domestic ethnic confrontation. Student organizations representing the Tangkhul Naga community similarly alleged that a large group of militants crossed the border before launching the raid.

Local legislator L Keishing alleged that the attack was carried out by Myanmar-based militant groups, including the Kuki National Army-Burma (KNA-B) and the People's Defence Force (PDF), marking what he characterised as "external aggression" rather than an internal ethnic clash. Student groups representing the Tangkhul Naga community similarly claimed that around 100 armed militants crossed into Indian territory before attacking the villages. [The Tribune]

India: New missile and precision-strike tests highlight advances in indigenous defense capabilities

(dql) India has conducted two significant weapons tests within days of each other, signaling accelerating efforts

to strengthen domestic defense production, improve long-range strike capabilities, and reinforce strategic deterrence amid regional security competition.

India successfully carried out the maiden flight test of the domestically developed Tactical Advanced Range Augmentation (TARA) precision glide weapon off the coast of Odisha on May 7, followed a day later by the successful test of an advanced ballistic missile capable of carrying multiple independently targeted warheads.

Both systems were developed under India's broader push for defense self-reliance led by the Defence Research and Development Organisation—India's main state agency responsible for military research, weapons development, and defense technology innovation.

The TARA system is designed to convert conventional air-dropped bombs into precision-guided munitions using inertial navigation, GPS, and electro-optical guidance. The weapon reportedly extends strike range to approximately 150–180 km while significantly improving targeting accuracy, providing the Indian military with a lower-cost stand-off strike capability against ground targets.

Separately, India tested an advanced ballistic missile system capable of deploying multiple warheads against separate targets, marking further progress toward operational deployment following an earlier public demonstration in 2024. The capability enhances the survivability and effectiveness of India's nuclear deterrent by improving its ability to penetrate missile defence systems and sustain second-strike capability under its declared no-first-use doctrine. [The Pioneer] [The Tribune 1] [The Tribune 2] [Defence Blog]

India: Air Force to establish domestic maintenance capability for advanced air-to-air missiles

(dql) Air Force has signed an agreement with European missile manufacturer MBDA to establish local maintenance, repair and mid-life overhaul capabilities for MICA air-to-air missiles, strengthening India's efforts to expand indigenous defense sustainment capacity.

The MICA missiles, operated on Rafale and Mirage fighter aircraft, are beyond-visual-range weapons with an operational range of around 80 km. Under the agreement, the Indian Air Force will operate and maintain the new facility, while MBDA will provide

industrial equipment, technical data, training and support services.

The agreement further reflects deepening defense-industrial cooperation between India and major European suppliers as New Delhi continues modernizing its air combat capabilities amid evolving regional security challenges. [The Tribune]

It comes against the backdrop of the emerging India–EU Security and Defence Partnership, announced by Indian Prime Minister Narendra Modi and European Union Commission President Ursula von der Leyen in January (see AiR No. 4, January/2026, 4). The framework establishes structured cooperation across maritime security, defense industry and technology, cyber and hybrid threats, space, and counterterrorism, increasingly positioning India as a key manufacturing and technology partner for European Union defense industries amid Europe's accelerated military rearmament efforts.

Several flagship projects underpinning this trend, including Tata-Airbus production of C-295 transport aircraft in Gujarat, cooperation between Germany's ThyssenKrupp Marine Systems and Mazagon Dock Shipbuilders on submarines, and expanding aerospace collaboration with French firm Safran linked to the Rafale fighter jet program. [ET Manufacturing]

Maldives: Leadership race within main opposition party intensifies as rival camps warn over party unity

(lm) The Maldivian Democratic Party's (MDP) chairperson race has moved from procedural disputes over the June 12 election timetable into sharper factional campaigning, with rival camps arguing over whether the party needs former President Mohamed Nasheed's return to formal leadership or a chairperson not aligned with any future presidential contender [see AiR No. 18, May/2026, 1]. The MDP is the Maldives' main opposition party, and the contest is politically important because the party remains shaped by the split between figures aligned with Nasheed and those aligned with former President Ibrahim Mohamed Solih, which was widely viewed as a major factor in the party's defeat in the 2023 presidential election.

MDP lawmaker Meekail Ahmed Naseem, who is backed by Solih and many MDP lawmakers, warned members that electing a chairperson openly aligned with a particular presidential candidate could leave the party divided and paralyzed before the 2028 presidential

election. He said members remain disappointed by the 2023 presidential and parliamentary results and believe the relationship between the party leadership and grassroots has deteriorated. After campaign visits to Baa Atoll, he also said members had asked whether rival candidates would remain in the party if they lost, a concern linked to Nasheed supporters' earlier departure from the MDP to form The Democrats after the 2023 primary. Meekail said he would remain with the party regardless of the election outcome. [The Sun 1] [The Sun 2]

The race is unfolding after the MDP's strong performance in the April 4 local council elections and constitutional referendum. The party won several key council posts, including all five mayoral seats, while voters rejected the government-backed proposal to hold presidential and parliamentary elections simultaneously. Meekail has used that result to argue that the MDP can win when united, while Nasheed's camp argues that stronger leadership is needed to keep the party active and politically effective.

Nasheed's supporters, by contrast, argue that his return to the chairpersonship is needed to revive the party. Former MDP vice president Mohamed Shifaz said the party had become inactive and could only be energized by Nasheed's leadership. Former MDP chairperson Fayyaz Ismail, who is seeking the 2028 presidential candidacy with Nasheed's backing, also continued campaigning with the Nasheed-aligned faction. At the same time, Fayyaz publicly accused former Ungoofaaru lawmaker Mohamed Waheed, known as Waddey, of having helped weaken the MDP. Waheed, who is now active in Nasheed's campaign faction, had earlier left the MDP with Nasheed's supporters and later returned. [The Sun 3] [The Sun 4]

Separately, Nasheed and Solih traveled to India on separate visits last week. Nasheed traveled on May 7 to attend a forum on the Indian Ocean region, while Solih traveled on May 8, though the purpose of his visit was not officially disclosed. Both former presidents maintained close relations with India while in office. Their visits came as the current government has sought to repair ties with India after the earlier "India Out" campaign, which called for the withdrawal of Indian military personnel from the Maldives and shaped President Mohamed Muizzu's rise to power. [The Sun 5]

Separately, Nasheed's younger brother, attorney Ahmed Nazim Abdul Sattar, was injured in a stabbing in Malé on May 8. Police confirmed that a 49-year-old Maldivian man had been taken to hospital with stab wounds, but did not provide further details on the

circumstances of the attack or any suspects. The case is under police investigation. [The Sun]

Maldives: Criminal charges and gag order deepen online outlet case

(lm) The investigation into the online news outlet Adhadhu has moved into a new phase after the Criminal Court filed criminal charges against the outlet's Chief Executive Officer and Chief Editor and Managing Editor in connection with the documentary "Aisha." The documentary alleges a past personal and sexual relationship involving President Mohamed Muizzu, claims the President has rejected as false [see AiR No. 18, May/2026, 1]. Both editors have been charged with *qazf*, a Maldivian criminal offense related to making unproven allegations of unlawful sexual conduct.

Alongside the charges, the Criminal Court issued a broad order prohibiting publication, circulation, sharing, or indirect discussion of the documentary or the claims it contains while the case is ongoing. The order also bars statements about the verdict, the alleged victim, documents submitted in the case, and information related to the trial. The court said the restrictions were intended to protect reputations, uphold the presumption of innocence, and safeguard the rights of both the accused and the alleged victim. It also said such cases may be held behind closed doors under the Constitution to uphold societal moral standards, and warned that violations may be treated as contempt of court. [The Sun 1]

The order has now extended beyond the criminal proceedings and media access to party-political activity. The Elections Commission instructed all political parties to ensure that rallies, speeches, online content, and other political activities comply with the Criminal Court order and avoid any direct or indirect reference to the documentary or its allegations. [The Sun 2]

The order has already affected access to presidential press briefings. On May 11, an Adhadhu journalist was removed from President Muizzu's weekly press conference after asking questions related to the documentary, with the President saying the questions violated the court order. The President's Office later said journalists representing Adhadhu would no longer be allowed to attend any press conferences organized by the office, citing the Criminal Court order and the office's press-coverage regulations. [The Sun 3] [The Sun 4]

The Maldives Journalists Association condemned the charges and called on the Prosecutor General's Office to withdraw them. It argued that criminal prosecution of journalists over media work threatens press freedom and freedom of expression, and described the court's general prohibition on public discussion of the case as unprecedented in Maldivian practice. The association said previous court restrictions had generally limited parties from discussing legal arguments outside court, rather than barring the public from discussing an entire case. [The Sun 5]

Separately, an e-petition has been submitted to Parliament calling for repeal of the Media and Broadcasting Regulation Act, commonly criticized by media groups as the "Media Control Act." The petition calls for new media legislation to be drafted after consultation with media organizations and civil society, with safeguards for media independence, press rights, and freedom of expression. It argues that the current law gives the Maldives Media and Broadcasting Commission broad powers, including authority to suspend content before investigations are completed and to suspend newspaper and broadcasting licenses. [The Sun 6]

The petition follows the Maldives Journalists Association's World Press Freedom Day demands, which included repeal of the media law and an end to the criminal investigation into Adhadhu. It also comes after the Maldives fell four places to 108th in the 2026 World Press Freedom Index by Reporters Without Borders, with declines in political, economic, legal, and security indicators and classification among countries where journalism is considered difficult.

Maldives: Attorney General's claim of information law abuse draws rebuttal

(lm) Complaints over the failure of Maldivian public institutions, including the President's Office, to respond to requests under the Right to Information (RTI) Act have triggered a public dispute between the Attorney General and the Information Commissioner. The RTI Act gives individuals the right to request information from public authorities, while the Information Commissioner's Office (ICOM) is responsible for overseeing compliance.

Attorney General Ahmed Usham, when asked about the President's Office's failure to disclose information within legally required timeframes, said the RTI Act was being widely abused. He said the law was enacted for an important purpose, but argued that some requests

misuse the system and impose a significant administrative burden on state agencies. He did not specify the alleged forms of abuse.

Information Commissioner Ahid Rasheed rejected the claim, saying there is no evidence of systemic misuse of the RTI Act by requesters. He said isolated vexatious requests may occur, but that the larger problem is "mute refusals," meaning cases where public authorities simply do not respond to information requests.

The exchange comes amid persistent compliance problems. According to 2025 statistics from ICOM, 487 of 712 complaints filed last year involved failures by agencies to respond to information requests. Many complaints were directed at the President's Office, while public bodies have also faced criticism for delays, incomplete disclosure, inaccurate information, and broad use of confidentiality grounds to withhold information. Ahid also said no government ministry has fully complied with its proactive disclosure obligations, which require public bodies to publish certain categories of information without waiting for individual requests. [The Sun 1] [The Sun 2]

Maldives: Bill to set procedure for removing parliamentarians after anti-defection ruling

(lm) The Maldives government plans to submit a bill this week to establish the procedure for removing members of parliament under anti-defection provisions added to the Constitution in November 2024. Attorney General Ahmed Usham said his office has drafted amendments to the Political Parties Act to define how political parties may initiate the removal of parliamentarians who lose their seats under the constitutional amendment.

The 2024 amendment added three grounds for loss of a parliamentary seat: if a parliamentarian resigns from, is dismissed from, or is expelled from the party on whose ticket they were elected; if a parliamentarian switches parties or is dismissed or expelled from a party; or if an independent parliamentarian joins a political party. The amendment stated that removals must take place in accordance with law, but no implementing law had yet been enacted.

The Attorney General's Office had delayed submitting the bill while the Supreme Court considered a constitutional challenge to the anti-defection

provisions. On April 29, the court ruled that there was no basis to annul the provisions. [The Sun]

Maldives: Personal data protection bill submitted; separate cybersecurity legislation planned

(lm) The Maldives government has submitted a Personal Data Protection Bill to Parliament, while a separate cybersecurity bill remains planned under the "Maldives 2.0" digital transformation initiative.

The data protection bill would create a dedicated privacy enforcement function under the Information Commissioner appointed under the Right to Information Act, with additional authority to act as Privacy Commissioner. The office would be empowered to receive complaints, conduct investigations, and take enforcement action in relation to personal-data protection.

The separate cybersecurity bill is expected to provide the legal basis for establishing a state cybersecurity agency. [The Sun]

Maldives: Opposition party threatens legal action as ruling party resolution targets alleged illegal party activity

(lm) The People's National Front (PNF), an opposition party led by former President Abdulla Yameen Abdul Gayoom, has threatened legal action against the Elections Commission (EC) after the commission accused the party of unlawful conduct during nightly protests in Malé. The protests followed the April 4 local council elections, Women's Development Committee elections, and constitutional referendum, in which the ruling People's National Congress (PNC) suffered major setbacks, including losses in key mayoral races and defeat in the referendum on aligning presidential and parliamentary election dates.

The Elections Commission said the protests were causing a public nuisance, violating Article 45 of the Political Parties Act, and disrupting activities at the ruling party's main center through loudspeakers. It also said the PNF had refused to attend a meeting after being told to stop the alleged violations, and warned that action could be taken under the Political Parties Act if the conduct continued.

The PNF denied the allegations and said the commission's statement damaged the party's reputation. It argued that political parties do not need the EC's permission to hold protests and that the commission has no authority over public spaces in Malé.

PNF Secretary General Mohamed Maleeh Jamal later accused the commission of discriminating against the party since before its formal establishment, including by allegedly obstructing its formation rally despite prior approval. He also criticized the commission for not examining the dissolution of the Progressive Party of Maldives (PPM), Yameen's former party, and the transfer or merger of its members into the ruling People's National Congress. [The Sun 1] [The Sun 2]

Separately, Parliament accepted a resolution submitted by the ruling PNC calling on authorities to stop and take legal action against alleged unconstitutional and illegal activities by "some political parties." The resolution was accepted on May 11 by 41 votes to eight and sent to the Independent Institutions Committee for review. It states that while the Constitution protects freedom of speech, expression, and the right to form and operate political parties, these rights must be exercised in line with Islamic principles and with respect for the reputation and rights of others. [The Sun 3]

Maldives: Senior judicial administration officials suspended amid unclear investigation

(lm) Two director generals at the Department of Judicial Administration (DJA) have been suspended indefinitely in connection with an ongoing investigation whose details have not been disclosed. One of the suspended officials heads general administration and the front office, while the other heads the Judicial Academy. Both officials were appointed during the tenure of former Chief Judicial Administrator Amjad Mustafa, who resigned in April, and are described as close to him. [The Sun]

Maldives: Court orders reinstatement of former prison official after unlawful dismissal

(lm) The Civil Court has ordered the Maldives Correctional Service to reinstate former Assistant

Commissioner of Prisons Mohamed Asif after ruling that his dismissal was unlawful. Asif had been suspended in November 2024 over allegations that MVR 200,000 (USD 13,000) from the Prisons Club, which he managed, had been diverted to several bank accounts. He was dismissed in July 2025 after eight months of suspension.

Asif challenged the dismissal before the Civil Court, arguing that the Correctional Service had failed to conduct a proper investigation and had not followed procedures required to ensure fairness before terminating him. The court ordered that he be returned to his former position and paid the salary and allowances he would have received. It had previously issued an injunction barring the Correctional Service from appointing anyone else to his post until the final ruling. [The Sun]

Maldives: Tourism downturn and debt repayments renew pressure on external finances

(lm) The Maldives' external-finance position came under renewed pressure this week as tourism associations warned of losses exceeding USD 500 million since March, the government announced further debt repayments to India, and the Auditor General's Office warned that limited access to external financing is increasing reliance on domestic borrowing and raising exchange-rate and refinancing risks.

In its review of the Medium-Term Debt Strategy (MTDS) 2025–2027, the AGO said the government has repeatedly deviated from strategic borrowing and budgetary limits under both the debt strategy and the Medium-Term Fiscal Strategy, largely because fiscal reforms were not implemented and policies shifted frequently. The office said the 2024 and 2025 budgets were not fully financed and warned that limited access to concessional external financing could make the government's borrowing plans difficult to implement.

The AGO also warned that large debt maturities and contingent liabilities could add pressure on the Maldives' foreign-currency peg. It noted that the government had originally planned to refinance USD 300 million of a USD 500 million sukuk settled in April and cover the remaining USD 200 million through the Sovereign Development Fund, but did not implement that plan. Sovereign-guaranteed debt stood at MVR 21.1 billion (USD 1.37 billion) in the second quarter of 2025, and the AGO said state support or foreign-

currency reserves may be needed if state-owned enterprises cannot service their debts. [The Sun 1]

The warnings come as tourism, the Maldives' main source of foreign exchange, is under pressure from the Middle East conflict and disruptions to air corridors used by travelers transiting through the region. The Maldives Association of Travel Agents and Tour Operators and the National Hotels and Guesthouses Association of Maldives said sector losses have exceeded USD 500 million since March. Tourism Ministry data showed 825,293 arrivals as of May 10, a 5.4 percent decline compared with the same period last year. [The Sun 2]

The reserve and repayment debate also continued. Former President Abdulla Yameen Abdul Gayoom claimed that usable reserves at the Maldives Monetary Authority had fallen to "two digits" in millions of dollars. His criticism followed the Maldives Monetary Authority's April 23 settlement of a USD 400 million swap facility with the Reserve Bank of India, which had been obtained in October 2024 under the bilateral currency swap framework. [The Sun 3]

President Mohamed Muizzu, meanwhile, said the Maldives repaid a USD 50 million Treasury bill subscribed by the State Bank of India that matured on May 11. He said three such USD 50 million Treasury bills had been issued to the State Bank of India in 2019 under the previous administration, that one was repaid in January 2024, another on May 11, 2026, and that the final one is due on September 17. Muizzu also said his administration had repaid USD 974 million in loans over roughly the past 40 days. [The Sun 4]

Fiscal data show why expenditure control remains difficult. According to the Finance Ministry's weekly fiscal report, total expenditure reached MVR 14.3 billion (USD 929.5 million) by April 30, up 13.8 percent from the same period last year. Recurrent expenditure rose 11.1 percent to MVR 12.6 billion (USD 819 million), while spending on salaries, wages, and pensions increased 10 percent to MVR 5.3 billion (USD 344.5 million). Revenue and grants also rose 7.5 percent to MVR 15.4 billion (USD 1 billion), supported by higher Tourism Goods and Services Tax revenue, leaving a reported budget surplus of MVR 1 billion (USD 65 million) at the end of April. [The Sun 5]

The fiscal picture also includes a political credibility problem around expenditure control. After the government's April 4 election setback, Muizzu pledged to reduce political appointments as part of wider cost-cutting, but no numerical target or implementation timetable has been announced. At the same time,

near-term payroll pressure may increase rather than decline. Muizzu said employees whose salaries fell or did not properly increase under the public-sector pay harmonization process, including some judicial, human-resources, and local-council staff, would see corrections in the next salary cycle. Planned military personnel reforms could also affect future salary and pension obligations, including changes to military retirement benefits, increased recruitment, and longer retention of personnel who serve satisfactorily. [The Sun 6] [The Sun 7]

Maldives: Third phase of migrant-worker verification operation launched in capital

(lm) The Maldives has launched the third phase of Operation Kurangi, a nationwide multi-agency campaign to identify, biometrically register, regularize, or deport irregular foreign workers. The latest phase began in Malé, the capital, on May 9, as part of the government's broader effort to resolve irregular migration during its first three years in office.

The government says biometric registration has sharply increased since Operation Kurangi began in May 2024. Homeland Security Minister Ali Ihusaan said that when the current administration took office, only 27 percent of nearly 296,000 active work-permit holders had fingerprints recorded, while President Mohamed Muizzu and immigration officials said biometric records have now been collected for 98 percent of migrant workers. Immigration Controller Ahmed Faseeh said around 80 percent of foreign nationals living in Malé are now compliant with regulations.

Authorities said around 2,800 foreign nationals remain unaccounted for in the atolls after failing to submit biometric details and that the government aims to trace and deport them within six months. Faseeh said the campaign will next expand to islands with larger migrant populations, including major urban, industrial, and southern island centers. When Operation Kurangi began, officials said 148,417 foreigners had unpaid work-permit fees or no valid visa, and only 28 percent of the foreign population was compliant with immigration rules. [The Sun 1] [The Sun 2] [The Sun 3]

Nepal: Government's policy program presented as ordinance package faces parliamentary and legal tests

(lm) Nepal's government opened the new federal Parliament session on May 11 with two parallel developments: President Ramchandra Paudel presented the government's policies and programs for fiscal year 2026–2027, while the government's eight ordinances moved toward parliamentary review. The policy program sets out the government's development and reform agenda, but the ordinances face a more uncertain path because the ruling Rastriya Swatantra Party (RSP) lacks control of the National Assembly, the upper house.

The policy program focuses on employment creation, digitalization, investment, governance reform, agriculture, and social protection. It proposes a legal framework allowing Nepalis to work remotely from Nepal for foreign employers, a new national employment policy linking skills, education, labor-market information, social security, and employment services, and a national apprenticeship program based on a "learning while earning" model. It also proposes digital skills passports for returnee migrant workers, linked to international professional certification systems.

The government also said it would promote Nepal as a technology hub through artificial intelligence exports, green computing services, high-capacity data centers, co-investment in the information technology sector, and tax incentives for research. Other economic measures include moving transactions gradually toward digital and cashless systems, establishing a remittance investment matching fund, expanding institutional investors in the capital market, strengthening bond and debt markets, providing investment visas to foreign investors, and reviewing the tax structure to reduce pressure on entrepreneurs and middle-class households. The program also includes possible constitutional amendment discussions within the next fiscal year, restructuring the Civil Aviation Authority of Nepal by separating its regulatory and service-provider functions, cutting public spending, merging public enterprises, and continuing anti-corruption and public-service reforms. [The Kathmandu Post]

The immediate political test concerns the ordinance package issued last month after the government prorogued a Parliament session that had already been summoned [see AiR No. 18, May/2026, 1]. The package includes ordinances on the Constitutional Council, removal of public officials, public procurement, cooperatives, universities, health science academies, money laundering, and amendments to several Nepal Acts. Under Article 114 of the Constitution, ordinances issued while Parliament is not in session must be

tabled in both houses and approved within 60 days, otherwise they become inactive. If either house rejects an ordinance, it ceases to operate earlier.

The government faces its main obstacle in the National Assembly, where the ruling Rastriya Swatantra Party has no representation despite its large majority in the House of Representatives. Opposition parties dominate the 59-member upper house, where 30 votes are needed for approval. The Nepali Congress and the Communist Party of Nepal-Unified Marxist Leninist (CPN-UML) have already signaled concern over the Constitutional Council ordinance and the wider use of ordinances, and National Assembly rules allow members to file rejection notices within two days of tabling. [The Kathmandu Post] [The Kathmandu Post]

The Constitutional Council ordinance is one of the main points of contention. The Constitutional Council is Nepal's key appointments body for senior constitutional posts, including the chief justice, auditor general, and heads and members of constitutional commissions. President Paudel had earlier returned the ordinance over concerns that decisions in the six-member council should require a majority of the total membership, but later authenticated it after the Cabinet resent it without revisions. Under the ordinance, a meeting still requires the chairperson and at least four members to be present, but decisions can be made by a majority of those attending. This means three members could approve recommendations if four are present. In a 3–3 split, the side supported by the chairperson is deemed the majority. The government says this is needed to avoid deadlock and fill vacancies, while opposition parties argue that it lowers the appointment threshold. [The Kathmandu Post] [The Kathmandu Post]

The second major dispute concerns the ordinance allowing the removal of public officials. The measure reportedly revoked the appointments of around 1,500 officials serving in public bodies under 110 laws, and ministries have begun sending removal letters. Legal experts cited in the reporting said removals already completed while the ordinance was valid would likely remain effective even if the ordinance is later rejected, but future decisions would be governed by the previous legal framework once revived.

The package is also facing legal and implementation disputes. On May 11, the Supreme Court issued a short-term interim order preventing the government from immediately implementing its decision to dissolve civil service trade unions. [The Kathmandu Post]

Separately, the Council for Technical Education and Vocational Training (CTEVT), a state body responsible for technical and vocational education, became a test case for implementation of the public-office removal ordinance: the government dismissed the council's member secretary, who had been appointed through an internal bureaucratic promotion process, while the politically appointed vice-chair remains in office. Officials questioned whether the ordinance was being applied consistently, while the dismissed official argued that his appointment was revoked even though the post had not been abolished and he still had 14 months of service before retirement. [The Kathmandu Post]

Nepal: Seniority breach in chief justice recommendation draws legal and political scrutiny

(lm) Nepal's Constitutional Council on May 7 recommended Supreme Court Justice Manoj Kumar Sharma as the country's next chief justice, bypassing three more senior justices and departing from a long-standing convention of elevating the senior-most justice. Although Article 129 of the Constitution allows any justice with at least three years of Supreme Court service to be appointed chief justice, the recommendation has triggered criticism over judicial succession, institutional independence, and the transparency of judicial appointments.

The decision was not unanimous. The National Assembly chair and the leader of the opposition recorded dissent in the Constitutional Council, arguing that the seniority convention had been disregarded without sufficient justification. Prime Minister Balendra Shah reportedly defended the choice by arguing that merit, expertise, judicial capability, and performance indicators, particularly case disposal rates, should matter more than tradition alone.

The recommendation now goes to the Parliamentary Hearing Committee, after which President Ramchandra Paudel will appoint Sharma if he is endorsed. Given the current political configuration of the committee, observers expect approval to face few procedural obstacles. If confirmed, Sharma could serve a full six-year term, until 2032, making the decision especially consequential for the judiciary.

The decision has drawn objections from the Nepal Bar Association, legal experts, former justices, and political figures, who warn that bypassing senior justices without clear institutional reasons could weaken

judicial independence and increase perceived executive influence over the courts. Critics also noted that Sharma is not widely associated with major constitutional scholarship or landmark public legal commentary, although the government has presented him as a qualified jurist with strong performance indicators. Three writ petitions challenging the recommendation were submitted to the Supreme Court, but the court administration declined to register them. [The Kathmandu Post 1] [The Kathmandu Post 2] [The Kathmandu Post 3]

Nepal: Supreme Court orders due process as eviction drive exposes wider land crisis

(lm) Nepal's Supreme Court and United Nations human rights experts have separately called for safeguards in the government's ongoing eviction drive, as demolitions of informal settlements continue to expose the country's unresolved landlessness and public-land management crisis.

A Supreme Court division bench issued an interim order on May 8 directing the government not to evict or relocate squatters and informal settlers without following due legal procedure. The order, issued in response to an April 24 writ petition challenging the removal of squatter settlements in Kathmandu, said any eviction or relocation must consider the risk of irreparable harm to constitutional rights, including housing, health, and education, as well as the possibility of a humanitarian crisis. The court also instructed the government to arrange housing, education, health services, and food support for those already displaced, and ordered the case to be prioritized for hearing within 15 days after written responses are submitted [The Kathmandu Post 1]

On May 11, United Nations experts on adequate housing, internally displaced persons, and extreme poverty urged Nepal to halt the Kathmandu evictions immediately, citing reports that several thousand residents had been displaced since operations began on April 25 along river corridors in the capital. They said some communities had reportedly received only 24 hours' notice before demolitions, and called for dialogue with affected residents, legal remedies, resettlement safeguards, psychosocial support, compensation, and an independent investigation into the eviction operations and two reported deaths during the campaign. [The Kathmandu Post 2]

The court order and United Nations statement follow recent demolitions in Kathmandu, including the

removal of 486 temporary structures in Balkhu on May 1, after which displaced families reported loss of shelter, belongings, cooking spaces, and access to stable schooling, while promised assistance remained unclear. Similar eviction notices and demolition efforts are now being reported beyond the capital, involving local authorities, district forest offices, protected areas, industrial corridors, and local governments.

Reporting from several provinces and urbanizing areas across Nepal indicates that many settlements, market centers, and urban neighborhoods have developed over decades on public, forest, riverbank, or unregistered land. In several places, residents lack formal ownership certificates but have long received public services such as roads, electricity, water, telecommunications, building approvals, and local administrative recognition. Official records also show large numbers of households categorized as landless, landless Dalits, squatters, or unmanaged settlers, while forest officials say encroachment on protected or forest land may be higher than recorded. [The Kathmandu Post 3] [The Kathmandu Post 4]

Nepal: Interpol declines red notice request against former prime minister and spouse

(lm) Interpol has declined, for now, Nepal's request to issue a red notice against former Prime Minister Sher Bahadur Deuba and his spouse, former Foreign Minister Arzu Rana Deuba, who are under investigation in a money laundering case. Interpol reportedly found that the initial request lacked procedural elements needed to consider the notice, including sufficient supporting legal documents, and asked whether the case involved offences beyond money laundering. After those queries, Nepali authorities sent additional evidence and legal materials to Interpol, including court documents and information linked to an investigation into burnt foreign currency notes allegedly recovered from the Deuba residence.

The request is being pursued by the Department of Money Laundering Investigation (DMLI) through Nepal Police's National Central Bureau in Kathmandu. Officials said the investigation did not originate through the police system, which may have contributed to confusion over Interpol's procedural requirements. Following the department's request, the Kathmandu District Court issued arrest warrants against the couple on April 7. Authorities are also preparing to examine possible additional offences beyond money laundering.

The case follows the September 2025 Gen Z mass protests, during which the Deuba couple were injured after their residence was attacked and were later evacuated by the Nepali Army for medical treatment. During the unrest, a video circulated online allegedly showing large amounts of cash at their residence. Sher Bahadur Deuba denied the claim, saying the footage was an AI-generated fabrication. The couple later left Nepal for medical reasons, and authorities brought them under investigation while they were outside the country.

The case remains legally and politically sensitive. An Interpol red notice is not an international arrest warrant, but a request to locate and provisionally detain a person pending extradition or other legal proceedings. Interpol reviews whether such requests comply with its rules, including the prohibition on politically motivated action. [The Kathmandu Post 1] [The Kathmandu Post 2]

Nepal: Government plans to reduce federal ministries to 17

(lm) Nepal's federal government is preparing to reduce the number of ministries from 21 to 17 as part of a broader administrative restructuring aimed at cutting costs, reducing duplication, and improving efficiency. The proposal was prepared by a five-member committee formed on March 31 under the Office of the Prime Minister and Council of Ministers.

The plan follows the ruling Rastriya Swatantra Party's pre-election commitment to streamline the federal structure after the March 5 parliamentary elections. Nepal's Constitution allows up to 25 ministers, including the prime minister, under Article 76(9), but successive governments have been criticized for using large cabinets to accommodate coalition partners. Previous examples include a 27-member cabinet under KP Sharma Oli in 2015, a 50-member cabinet under Sher Bahadur Deuba in 2017, and a 49-member cabinet under Baburam Bhattarai after Nepal became a republic.

Economists and former administrative reform officials said the proposed reduction could lower recurrent expenditure and make decision-making faster. Estimates cited in the report suggest that cutting four ministries could save between NPR 160 billion and NPR 200 billion (USD 1.17 billion to USD 1.46 billion) annually, including costs tied to departments, staff, vehicles, and operations. Earlier reform proposals had recommended going further, with a 2019 high-level

administrative reform committee proposing no more than 15 federal ministries and up to seven ministries at the provincial level. [The Kathmandu Post]

Nepal: Government relieves 15 honorary consuls as diplomatic management review continues

(lm) Nepal's government has relieved 15 honorary consul generals and honorary consuls representing the country in foreign cities, extending its ongoing review of diplomatic representation and external engagement. The cabinet took the decision on May 8, and the Ministry of Foreign Affairs said the removals were based on the "necessity and appropriateness" of their service in those locations under the Honorary Consuls Regulations, 2039 (Sixth Amendment). [The Kathmandu Post]

The decision follows broader government efforts to centralize and professionalize diplomatic management, including stricter enforcement of protocol rules, a more controlled approach to meetings with foreign diplomats, the recall of ambassadors appointed by the previous government, and plans to open some ambassadorial appointments to competition. [AiR No. 18, May/2026, 1]

Nepal: Anti-graft body files new corruption case over Pokhara airport tax waivers

(lm) Nepal's Commission for the Investigation of Abuse of Authority (CIAA) has filed a new corruption case at the Special Court against 14 individuals and entities over alleged irregularities in tax exemptions granted during the construction of Pokhara International Airport. The defendants include former Finance Minister Gyanendra Bahadur Karki, former Finance Secretary Shankar Prasad Adhikari, former Tourism Secretary Maheshwar Neupane, senior former and serving officials, former heads of the Civil Aviation Authority of Nepal (CAAN), and representatives of the Chinese contractor China CAMC Engineering Co. Ltd. The CIAA alleges that unlawful tax waivers caused a state loss of NPR 3.62 billion (USD 26.4 million).

The latest case focuses specifically on an implementation agreement that allegedly allowed the contractor to receive exemptions from taxes, customs duties, and other fees, despite the original

procurement contract requiring the company to bear those costs itself. According to the CIAA, the arrangement gave the contractor a double benefit because payments included tax-related amounts that were not deposited into the state treasury. The anti-graft body has sought fines, recovery of the alleged loss, and prison sentences against the accused according to their alleged roles. Danduraj Ghimire, currently principal secretary of Gandaki Province and formerly a joint secretary at the Ministry of Culture, Tourism and Civil Aviation, has been automatically suspended under anti-corruption law following the filing of the case.

The case is part of a widening corruption investigation into the Chinese-funded Pokhara airport project. Earlier, on December 7, 2025, the CIAA filed a major case against 55 individuals and one company over alleged inflated costs and collusion in awarding the airport construction contract, involving alleged losses of USD 74.34 million. A second case was filed on March 22 against 21 individuals over alleged irregularities in appointing a project consultant, with the CIAA seeking recovery of NPR 461.58 million (USD 3.4 million). A separate disproportionate-assets case was also filed against a former project chief. The new tax-waiver case therefore adds another major legal track to what has become one of Nepal's most heavily litigated infrastructure projects.

The Pokhara airport project was built with Chinese concessional loan financing and contracted to China CAMC Engineering after a procurement process that has long faced allegations of inflated costs, irregular negotiations, and departures from procurement rules. The airport was inaugurated on January 1, 2023, but has struggled to attract regular international commercial flights. The tax-waiver controversy had earlier been flagged by the Office of the Auditor General and by a parliamentary Public Accounts Committee inquiry, which forwarded the matter to the CIAA for investigation in May 2025. [The Kathmandu Post 1] [The Kathmandu Post 2]

Nepal: Government panel proposes permanent mechanism for overseas crisis response

(lm) A task force led by Foreign Minister Shisir Khanal has proposed a long-term strategy and permanent coordination mechanism for responding to overseas crises affecting Nepali citizens. The report was prepared after the ongoing Middle East war highlighted Nepal's exposure to emergencies in

regions where large numbers of Nepalis live and work. According to the Foreign Ministry, roughly 1.7 million to 2 million Nepalis are in the Middle East, including Gulf countries, Israel, and nearby areas, while more than 4 million Nepalis are estimated to live and work outside India.

The task force was formed under Prime Minister Balendra Shah's 100-point governance roadmap, which calls for an inter-ministerial mechanism to assess the impact of regional and international crises. The report recommends short-, medium-, and long-term strategies to enable faster evacuation, better coordination among ministries, activation of diplomatic missions, and logistical planning for dedicated flights or sea-based evacuations. It also proposes a permanent national-level coordination committee, to be led either by the prime minister or the foreign minister, alongside temporary crisis-specific bodies when needed.

The report notes that large-scale evacuations would be costly and logistically difficult because Nepal has limited aviation capacity and would need to coordinate transport from third-country ports or airports. Officials cited in the report estimated that bringing back 5,000 people could require at least NPR 1 billion (USD 7.3 million), while fares during peak evacuation periods could rise sharply. The task force also assessed wider crisis impacts on migration, labor mobility, trade, energy, natural disasters, and other areas affecting Nepal. [The Kathmandu Post]

Pakistan: Opposition raises renewed health concerns over jailed former prime minister and spouse

(lm) Pakistan Tehreek-e-Insaf (PTI), the opposition party led by jailed former Prime Minister Imran Khan, has raised renewed concerns over the health of Khan and his spouse, Bushra Khan, both of whom are detained at Adiala Jail in Rawalpindi. PTI Chairman Gohar Khan said the party had "grave concerns" after reports that Bushra Khan had been taken to hospital overnight for eye laser treatment and then returned to prison.

PTI demanded that the couple be moved from prison to hospital and that medical tests be conducted in the presence of family members and doctors chosen by the family. The party has repeatedly called for independent medical assessment and greater access to personal doctors, while Pakistani authorities deny

mistreatment and say both detainees are receiving proper medical care.

Bushra Khan had undergone eye surgery in April after being diagnosed with retinal detachment. Imran Khan, aged 74, also underwent an eye procedure last month at the Pakistan Institute of Medical Sciences in Islamabad for an ongoing retinal condition, with doctors reporting clinical improvement. Khan has been imprisoned since 2023 after convictions in several cases, including corruption, terrorism, and treason, which he says are politically motivated. Bushra Khan is serving a 17-year sentence in a case involving the sale of state gifts during Khan's tenure as prime minister. [Arab News]

Pakistan: World Health Organization says polio cases down sharply since 1994

(lm) The World Health Organization (WHO) said Pakistan has reduced polio cases by 99.8 percent since launching its eradication campaign in 1994. Annual cases fell from about 20,000 in 1994 to 31 in 2025, while Pakistani health authorities reported 74 cases in 2024 and three cases so far in 2026.

Polio is a highly infectious viral disease that mainly affects children under five and can cause irreversible paralysis. Pakistan and Afghanistan remain the only two countries where polio is still endemic, meaning transmission has not been fully interrupted.

Pakistan's eradication campaign has relied on repeated nationwide vaccination drives, but progress has been slowed by vaccine misinformation, resistance from hard-line religious groups, and attacks on vaccination teams. Militants have repeatedly targeted polio workers and security personnel protecting them, especially in Khyber Pakhtunkhwa and Balochistan, and more than 200 polio workers and police officers assigned to protect campaigns have reportedly been killed since the 1990s. [Arab News]

Pakistan: IMF approves new funding as government prepares first Panda Bond

(dql/lm) The International Monetary Fund (IMF) approved about USD 1.32 billion in new disbursements for Pakistan on May 8, as Islamabad seeks to maintain external financing and rebuild reserves while facing higher energy costs linked to the ongoing war in the

Middle East and disruptions around the Strait of Hormuz. The IMF board completed the third review of Pakistan's USD 7 billion Extended Fund Facility and the second review of its USD 1.4 billion Resilience and Sustainability Facility, clearing about USD 1.1 billion and USD 220 million respectively. Total disbursements under the two arrangements have now reached about USD 4.8 billion.

The IMF said Pakistan's program implementation had supported macroeconomic stability, fiscal performance, and foreign-exchange buffer rebuilding. It projected a primary surplus of 1.6 percent of gross domestic product for fiscal year 2026 and noted that gross reserves had risen from USD 14.5 billion at the end of June 2025 to USD 16 billion at the end of December 2025. However, it also warned that the external environment had become more uncertain since the start of the Middle East war, and said Pakistan should maintain tight macroeconomic policies, keep exchange-rate flexibility, rebuild reserves, align energy prices with costs, and continue energy and climate-resilience reforms. [Reuters] [The Dawn]

On May 9, Finance Minister Muhammad Aurangzeb said Pakistan expects to issue its first Panda Bond - Chinese yuan-denominated bonds issued in China by foreign borrowers - during this week. The planned issuance is part of Pakistan's effort to diversify external financing sources while managing pressure from higher energy imports and maintaining foreign-exchange reserves.

Aurangzeb said Pakistan expects reserves to reach the equivalent of three months of import cover by the end of June and projected economic growth of close to 4 percent in the current fiscal year, compared with 3.1 percent last year. [Arab News]

Pakistan: China-backed deep-sea port cuts tariffs as diverted cargo provides transit-hub test

(lm) Pakistan has reduced tariffs at Gwadar Port, its Chinese-backed deep-sea port on the Arabian Sea in Balochistan, the country's southwestern province bordering Iran and Afghanistan, as it seeks to attract more transit and transshipment cargo during continuing disruptions around the Strait of Hormuz. The move follows earlier signs that cargo was being redirected from Gulf transshipment hubs and gives Pakistan another practical test of its long-standing ambition to develop Gwadar, Karachi, and Port Qasim

into regional trade and logistics gateways [see AiR No. 18, May/2026, 1].

The announcement coincided with the arrival of Gwadar's second transshipment vessel of the month. The MV Yuan Hang Wei Ye arrived with about 34,000 tons of cargo, including consignments bound for Abu Dhabi and Kuwait that are to be offloaded at Gwadar. [Arab News 1]

In parallel, Pakistan is planning new maritime infrastructure at Port Qasim, one of the country's main ports near Karachi. The government plans to establish an "Energy City" with bonded storage facilities for different types of energy, as well as a multipurpose terminal. Chaudhry encouraged terminal operators to form consortiums and invest in both projects, while operators asked for lower taxes, a simpler tax regime, and recognition of port services as a regular industry to improve the investment environment.

The measures form part of a broader push to strengthen Pakistan's blue economy, meaning economic activity linked to ports, shipping, fisheries, marine resources, and coastal infrastructure. Pakistan's maritime sector reported a record PKR 100 billion (USD 350 million) profit in 2025 after reforms aimed at improving port efficiency, reducing costs, and supporting marine-sector development. Officials also said the removal of decades-old containers and pallets from Karachi Port Trust premises had reduced congestion and improved cargo handling. [Arab News 2]

Pakistan: Fuel prices rise again while LNG supply remains exposed to Strait of Hormuz disruption

(lm) Pakistan's energy situation remains under continued pressure because much of the country's imported fuel and liquefied natural gas (LNG) is sourced from or shipped through the Gulf, where the Strait of Hormuz remains a supply chokepoint during the ongoing war involving the United States, Israel, and Iran. The disruption is affecting Pakistan in two ways: higher international oil prices are feeding into domestic petrol and diesel prices, while uncertainty over Qatari LNG cargoes is forcing Islamabad to seek spot-market supplies and diplomatic coordination to keep gas shipments moving.

On May 8, the government raised fuel prices for the third consecutive time, outside its usual fortnightly review cycle, citing global energy-market volatility

linked to the Strait of Hormuz disruption. The latest increase raised petrol and high-speed diesel by roughly 3.7 percent to 3.8 percent. It followed sharper earlier crisis-driven hikes in March and April. [Arab News 1]

The LNG pressure point also shifted during the week. On May 9, Pakistan LNG Limited issued a new tender for two spot LNG cargoes for delivery to Port Qasim in Karachi in mid- and late May, after earlier bids were rejected in the hope that regional tensions might ease and spot prices fall. The tender reflected concern that summer electricity demand and the closure of LNG-based power plants could create short-term supply gaps if contracted Qatari cargoes remained uncertain. [Arab News 2]

By May 11, however, Pakistani officials said one Qatari LNG cargo had reached Pakistan after passing through the Strait of Hormuz, while a second vessel was en route and expected to arrive on May 12. Officials said senior-level coordination involving Pakistan, Qatar, Iran, and the US helped secure the shipments. The cargoes are being supplied under Pakistan's government-to-government LNG arrangement with Qatar, its main LNG supplier. [Arab News 3] [Arab News 4]

However, Finance Minister Muhammad Aurangzeb said recently that Pakistan's oil import bill rose by more than USD 1 billion between March and April because of the energy shock. Petroleum Minister Ali Pervaiz Malik said Pakistan had avoided fuel shortages through continued crude supplies from Saudi Arabia via Red Sea routes and support from Kuwait and other partners, while expected LNG supply developments could help Pakistan avoid expensive spot purchases.

Beyond the immediate supply response, Finance Minister Aurangzeb said on May 6 that Pakistan would build strategic reserves and accelerate financing for renewable energy because the crisis showed that commercial reserves are not sufficient. The government is also trying to revive a long-delayed USD 6 billion refinery upgrade plan to modernize five domestic refineries, produce cleaner Euro-V standard petroleum products, and reduce dependence on imported refined fuel. [Arab News 5] [Arab News 6]

Pakistan: Separatist sanctions and mining project update highlight pressure on southwestern province

(lm) Two developments have put renewed focus on Balochistan, Pakistan's southwestern province

bordering Afghanistan and Iran, where separatist militancy and major resource projects overlap. Australia has imposed counter-terrorism financing sanctions on a separatist militant group active in the province, while Pakistan said a major foreign mining investor remains committed to a strategic copper-gold project despite earlier security concerns.

Australia said the sanctions target the Balochistan Liberation Army (BLA) and its leaders over involvement in attacks in Pakistan, with the measures intended to disrupt the group's financing, recruitment, and operational capacity. Under Australian law, dealing with the assets of sanctioned entities is now a criminal offense. The BLA has been blamed for attacks on civilians, security personnel, infrastructure, Chinese workers, and the Pakistani state, including the March 2025 Jaffar Express train hijacking in Bolan and a suicide bombing on a school bus in Khuzdar. [Arab News 1]

Separately, Pakistan's information ministry said Barrick Mining Corporation, a Canada-based global mining company, reaffirmed its commitment to the Reko Diq gold-copper project after a meeting between Petroleum Minister Ali Pervaiz Malik and Barrick Chairman John Thornton. Reko Diq is one of Pakistan's most important mining projects. It is owned 50 percent by Barrick, 25 percent by three Pakistani federal state-owned enterprises, and 25 percent by the Balochistan provincial government.

Barrick had said in February that it was reviewing the project because of escalating security risks and increased attacks in Balochistan, and said in April that development would slow while the review continues through mid-2027. The company also warned that costs and timelines could rise. Earlier estimates put Phase 1 capital costs at USD 5.6 billion to USD 6 billion and Phase 2 at USD 3.3 billion to USD 3.6 billion, with first production previously targeted for the end of 2028. [Arab News 2]

Seychelles: president outlines foreign policy, economic and judicial reform priorities

(lm) President Patrick Herminie used his first press conference at State House to address several foreign policy, economic and institutional issues, including Seychelles' position on Taiwan, internet connectivity, land reclamation, tourism, retirement policy, judicial reform and the recent airport search involving former President Wavel Ramkalawan.

On foreign policy, Herminie defended Seychelles' decision to deny overflight permission to a Taiwanese aircraft travelling to Eswatini, one of the few countries that maintains diplomatic relations with Taiwan. The decision came amid wider pressure on states in the Indian Ocean region to restrict transit linked to Taiwanese President Lai Ching-te's visit to Eswatini. Herminie said Seychelles remains committed to the one-China policy, under which it recognizes the People's Republic of China rather than Taiwan as a sovereign state.

On economic and infrastructure issues, Herminie said the government expects to sign an agreement with Starlink in May, which would allow the satellite internet service to operate in Seychelles and is intended to improve domestic internet quality. He also said planned land reclamation work with Belgian dredging company Jan De Nul Dredging Ltd had been delayed because of the ongoing war in the Middle East, but remained a government priority. Seychelles has limited land availability, making reclamation politically and economically important for future development.

On tourism, Herminie said the government is seeking to increase direct air links and had discussed the return of Aeroflot during talks in Russia. Aeroflot is Russia's state-linked flag carrier, and the president said its return could bring around 1,000 Russian tourists per week to Seychelles, where tourism is a core pillar of the economy.

Domestically, Herminie said reducing the retirement age to 63 remains a government priority, though implementation details are still being assessed, including the possible need for foreign workers. He said an official announcement should be made before the end of the year. He also announced plans for judicial reforms, citing deteriorating public confidence in the justice system. Options under consideration include restoring or joining an appeal route to the United Kingdom-based Privy Council, historically used by several Commonwealth jurisdictions, or integrating Seychelles into an African regional judicial mechanism.

Herminie also addressed the airport search of former President Wavel Ramkalawan, who has described the April search of his person and luggage at Seychelles International Airport as unfounded and politically motivated. Herminie said authorities had information concerning some members of Ramkalawan's close security team and that several people had already been apprehended by police. [Seychelles News Agency]

Seychelles: Human rights record examined in fourth United Nations review

(lm) Seychelles' human rights record was examined under the fourth cycle of the United Nations Human Rights Council's Universal Periodic Review (UPR) in Geneva on May 8. The UPR is a peer-review mechanism under which all United Nations Member States have their human rights records reviewed by other states. Seychelles was previously reviewed in May 2011, January 2016, and May 2021.

The review was based on Seychelles' national report, United Nations human rights information, and submissions from other stakeholders, including civil society and national or regional institutions. The process was supported by the UPR "troika" for Seychelles, comprising Thailand, Mexico, and Côte d'Ivoire, which served as rapporteurs.

During the session, Seychelles said it had made progress in advancing human rights, including through legislative reforms and efforts to strengthen national institutions, coordination, partnerships, and implementation systems. A total of 80 United Nations Member States participated and issued recommendations, but the official list of recommendations has not yet been published in the outcome documentation.

The UPR Working Group is scheduled to adopt the recommendations on May 15. Seychelles will then be invited to state formally whether it accepts or takes note of each recommendation, and accepted recommendations will guide the next phase of national implementation. [OHCHR] [Seychelles News Agency]

Sri Lanka: Aircraft procurement corruption case takes dramatic turn after former airline chief found dead

(lm/ms) A major corruption investigation into Sri Lanka's national airline has taken a dramatic turn after former SriLankan Airlines chief executive Kapila Chandrasena, one of the central suspects, was found dead in Colombo on May 8 under circumstances police described as suspicious. The case concerns SriLankan Airlines' 2013 purchase of Airbus aircraft, a deal valued at around USD 2.3 billion, and allegations that Chandrasena and his wife accepted a USD 2 million bribe through a Brunei-based shell company. [Daily Mirror 1]

Chandrasena's death came one day after a Colombo court issued an arrest warrant over alleged bail-condition violations, after the Commission to Investigate Allegations of Bribery or Corruption (CIABOC) sought to revoke his bail. He had been released on bail on May 5 after 54 days in remand, subject to strict conditions including LKR 500,000 (USD 1,700) cash bail and three personal sureties of LKR 10 million (USD 34,000) each. Authorities later alleged that two people presented as sureties had impersonated relatives and were subsequently remanded. [Daily Mirror 2]

The investigation has also drawn in senior political figures. Former President Mahinda Rajapaksa appeared before CIABOC on May 12 to provide a statement in connection with the Airbus procurement investigation. CIABOC officials reportedly told court that Chandrasena had claimed part of the alleged bribe was distributed to Rajapaksa and former aviation minister Priyankara Jayaratne, including alleged payments of LKR 60 million (USD 204,000) and LKR 20 million (USD 68,000), respectively. Prosecutors said the payments were allegedly linked to efforts to secure approval for the aircraft purchase agreement. Jayaratne was also summoned to provide a statement

Rajapaksa had earlier said he would comply with the summons. His son, opposition lawmaker Namal Rajapaksa, also said he and his party would cooperate with investigations, while calling for the process to be fair and free from intimidation or political pressure. Supporters gathered near the CIABOC premises ahead of Rajapaksa's arrival, and security around the area was tightened with police and Special Task Force personnel deployed. [Daily Mirror 3] [Daily Mirror 4] [Daily Mirror 5] [Daily Mirror 6]

Before his death, Chandrasena had submitted an affidavit alleging that earlier statements he gave to CIABOC were obtained under pressure and intimidation, including pressure to name senior Rajapaksa family figures.

Sri Lanka: Parliamentary report identifies institutional failures in major Treasury payment fraud

(lm) A parliamentary report has identified institutional inconsistency and weak payment controls as key factors behind the alleged diversion of USD 2.5 million from a foreign-debt repayment, deepening scrutiny of Sri Lanka's Treasury payment systems after last week's reports on the cyber breach and a separate missing

foreign payment [see AiR No. 18, May/2026, 1]. The Committee on Public Finance (COPF), Parliament's public-finance oversight body, said unclear coordination among institutions and officials responsible for confirming foreign-debt payments and balances contributed to the alleged fraud. [Daily Mirror 1]

The payment was reportedly intended for Australian Export Finance Ltd but was allegedly diverted to a third party. Officials told Parliament that the breach was discovered only after a separate officer noticed suspicious email addresses while handling a repayment to Exim Bank India. Investigators are now examining whether earlier foreign-loan repayments were also diverted. [Daily Mirror 2]

COPF said the External Resources Department continued to play a significant role in debt-related payment processes even though the Public Debt Management Act requires debt servicing and reporting functions to move to the Public Debt Management Office. It also said the Central Bank of Sri Lanka could not fully avoid responsibility, because it had supported public-debt functions until January 2026 and, as foreign-reserves manager, should have monitored use of the Treasury's foreign-currency accounts held with the bank.

The committee has ordered the Ministry of Finance to submit, before the end of May, a detailed report covering the timeline of events, how the fraudulent transaction occurred, institutional weaknesses, staff and technological capacity gaps, measures taken to prevent recurrence, and documents confirming authority for financial controls in foreign-debt repayments. COPF also said cybersecurity should be treated as a fiscal risk, given repeated payment and data-security incidents in recent years. [Daily Mirror 1]

Sri Lanka: Opposition presses government over delayed provincial council elections

(lm) Sri Lanka's opposition parties have urged the government to clarify whether it intends to hold long-delayed provincial council elections, rather than continue discussions through a parliamentary select committee on changes to the election framework. Provincial councils are Sri Lanka's devolved regional bodies created under the Thirteenth Amendment to the Constitution, and are central to the country's power-sharing debate, especially for minority representation and regional governance.

The immediate dispute concerns the current legal deadlock. Provincial council elections have been stalled because the delimitation process required for the mixed-member proportional electoral system introduced by a 2017 amendment has not been completed. As a result, all provincial councils are currently functioning without elected representatives. Parliament has appointed a select committee to recommend the electoral system under which the elections should be held, while the Election Commission says it can conduct the polls once Parliament decides the voting method and enacts the necessary legal framework.

The Samagi Jana Balawegaya (SJB), the main opposition party, Illankai Tamil Arasu Kachchi (ITAK), a main Tamil political party, and the Sri Lanka Muslim Congress (SLMC), a party representing Muslim political interests, said the government should not use the select committee process to delay elections further. They argued that the government led by the Janatha Vimukthi Peramuna (JVP), the Marxist-rooted ruling party, appeared to be returning to its earlier opposition to provincial councils.

The opposition said it expects the select committee, appointed in March, to submit a report by May 22 because it was given three months to examine the issue. [Daily Mirror]

Sri Lanka: Cyclone-related emergency extended while disaster-management support continues

(lm) Sri Lanka's Parliament approved a further one-month extension of the state of emergency on May 7, continuing emergency powers first declared after Cyclone Ditwah struck the country in late November 2025. The extension passed by 145 votes to six, with 72 lawmakers absent. Cyclone Ditwah caused severe flooding and landslides, large-scale infrastructure and agricultural damage, and remains the basis for the continuing emergency framework. [Daily Mirror 1]

Separately, the World Bank has provided LKR 30 million (USD 102,000) under a disaster-management strengthening project to support compensation for damage caused by Cyclone Ditwah. The Treasury Secretary has agreed to implement the project using World Bank funds until December 2026, after which it is expected to continue through national budget allocations. [Daily Mirror 3]

Sri Lanka: New analysis questions reported fertility collapse in 2024 census

(lm) A new demographic analysis has questioned whether Sri Lanka's 2024 Census of Population and Housing accurately shows a fertility collapse, arguing that the reported rate of 1.3 children per woman may overstate the scale and speed of the decline. The issue matters because, if taken at face value, the figure would place Sri Lanka among the world's lowest-fertility societies and could shape policy debates on ageing, labor supply, social protection, and population decline.

The reported fall from 2.42 children per woman in 2012 to 1.32 in 2024 would be unusually rapid by international standards. The analysis notes that fertility declines in Europe and South Korea occurred over much longer periods, and that a decline of more than one child per woman in just over a decade would normally require major changes in marriage, family formation, or economic structure.

The article argues that the available evidence instead points mainly to delayed marriage and postponed childbearing. Women are marrying later, with the average age at marriage rising from about 23 years in 2012 to nearly 26 years in 2024, but marriage remains widespread by the early 30s. Since childbearing in Sri Lanka still occurs largely within marriage, later marriage would reduce births in the short term without necessarily reducing completed family size.

The analysis also notes that married women still appear to have around 2 to 3 children over their reproductive years, suggesting that family-size preferences have not collapsed. It argues that census methods may have undercounted recent births because censuses do not collect detailed birth histories in the same way as specialized demographic surveys. After adjustment, the article suggests fertility may be closer to about 2.1 children per woman, rather than 1.3.

The timing of the census is also important. The data reflect the period after the COVID-19 pandemic and Sri Lanka's severe economic crisis, both of which may have led families to postpone births. The article concludes that Sri Lanka is still undergoing demographic change and population ageing, but that policy should be based on accurate fertility measurement rather than alarm over a possibly misleading headline figure. [Daily Mirror]

Sri Lanka: Electricity tariff hike takes effect while renewable energy producers warn of payment crisis

(lm) Sri Lanka introduced an 18 percent electricity tariff increase on May 11 for consumers using more than 180 units per month, while renewable energy producers separately warned that unpaid dues from the power sector have exceeded LKR 10 billion (USD 34 million). The two developments point to continued financial pressure in the electricity sector, affecting both consumers and power suppliers.

The Public Utilities Commission of Sri Lanka (PUCSL), the country's electricity-sector regulator, said the tariff increase applies across eligible consumer categories, including households, places of worship, government institutions, public works, hotels, and industries. Industrial representatives warned that the increase would raise production costs and add pressure to businesses already facing higher operating expenses. [Daily Mirror 1]

Separately, the Federation of Renewable Energy Developers (FRED), which represents renewable energy producers, said payments for electricity supplied to the national grid have been suspended since December 2025. According to the federation, renewable energy producers are owed nearly LKR 2.5 billion (USD 8.5 million) per month, bringing total arrears above LKR 10 billion (USD 34 million) by April.

The federation said the crisis was partly linked to the use of more expensive diesel and furnace-oil generation to cover electricity shortfalls caused by reduced coal-power output and operational inefficiencies. It warned that thermal generation costs have risen to nearly LKR 100 (USD 0.34) per kilowatt-hour amid global energy pressures, while renewable producers supply electricity at less than LKR 19 (USD 0.065) per unit. Developers warned that continued non-payment could weaken renewable energy operators, increase bank loan stress, threaten more than 10,000 jobs, and worsen future electricity shortages. [Daily Mirror 2]

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

Cambodia: Parliament approves mandatory military service law amid regional tensions

(dql) Cambodia's National Assembly on May 12 unanimously approved a revised Military Service draft law, marking a major policy shift toward reinstating compulsory conscription as the government seeks to strengthen national defense capacity amid heightened regional security concerns, including border tensions with Thailand.

Under the new legislation, Cambodian men aged 18 to 25 will be required to serve two years in the military, with the possibility of a six-month extension. Women may join on a voluntary basis. The law also extends obligations to dual nationals residing in Cambodia, while exempting monks, priests, persons with disabilities, and designated senior national experts.

The measure updates and replaces the earlier 2006 compulsory military service law, which formally required registration and potential service for men aged 18 to 30 but was never fully implemented in practice.

The revised legislation narrows the eligible age range and introduces updated enforcement provisions. Penalties for evasion, previously outlined in the 2006 law as including imprisonment of up to two years in peacetime and up to five years in wartime, remain part of the legal framework, reflecting continued emphasis on compliance and deterrence. [Kiripost]

Cambodia: Rice exports rise sharply amid expanding regional demand

(dql) Cambodia earned approximately USD 840 million from rice and paddy exports during the first four months of 2026, as the country recorded a significant

increase in overseas shipments driven by stronger regional and Chinese demand.

The country exported nearly 470,000 tons of milled rice to 60 markets, generating around USD 226 million in revenue. Export volume rose 66 percent compared to the same period in 2025, indicating continued recovery and expansion in Cambodia's agricultural export sector. Fragrant rice remained the dominant export category, accounting for 58 percent of total shipments.

ASEAN countries constituted the largest market by volume, followed by China and its autonomous regions, while Europe remained a major high-value destination for Cambodian rice exports.

Cambodia also exported 2.68 million tons of wet paddy rice to neighboring countries, generating an additional USD 576 million. [Cambodianess]

Indonesia: Reform commission urges police demilitarisation, Prabowo keeps force under presidential control

(ms) Indonesia's government-appointed police reform commission has recommended demilitarising the National Police's work culture, strengthening external oversight and revising the 2002 Police Law after a series of brutality cases and court rulings limiting the police's political role. President Prabowo Subianto accepted the reform package this week but rejected proposals to move the police under a ministry, meaning the force will remain directly answerable to the president while lawmakers prepare legal changes to implement parts of the commission's recommendations.

The National Police Reform Acceleration Commission submitted its report to Prabowo, after a three-hour meeting at the Presidential Palace. Commission chair Jimly Asshiddiqie said one of the key recommendations was to "demilitarise the police's work culture". In practical terms, this points to changing how officers are trained, promoted, disciplined and deployed, especially in crowd control, public-order operations and interactions with civilians.

The reform agenda includes institutional and managerial changes, covering recruitment, education, assignments, promotions, logistics, budgeting, law enforcement and public services. Commission member Ahmad Dofiri said police culture was a central part of the reform package. The committee also proposed

digital transformation through a single police data system and a police “super-app” to improve public reporting and response times.

The immediate political trigger was a series of police brutality cases during nationwide protests in August 2025. The most prominent was the death of 21-year-old motorcycle taxi driver Affan Kurniawan, who was run over by a police tactical vehicle while passing near a demonstration in Jakarta over economic inequality and lawmakers’ perks. His death, together with reports of disappearances and heavy-handed policing around the protests, intensified demands from civil society for a comprehensive overhaul of crowd-control rules and accountability mechanisms.

But the reform debate is older and more structural. In November 2025, Indonesia’s Constitutional Court issued two important rulings that reshaped the discussion over the police’s role in the state. On 13 November, the Court rejected a petition to elevate the National Police chief to ministerial rank. The justices ruled that the police chief is a professional career post, not a cabinet position, and warned that giving the role ministerial status would risk politicising law enforcement. The Court reaffirmed that the police must prioritise legal and public interests over political interests.

In a separate 7–2 ruling, the Court also struck down an ambiguous clause in the 2002 Police Law and affirmed that active police officers cannot hold civilian government posts. Civil society groups welcomed the decision as a correction to what they call a “police dual function”, borrowing language from Indonesia’s authoritarian past, when security institutions held formal political roles. Under former president Joko “Jokowi” Widodo, more than 4,000 active police officers were estimated to have taken up positions across ministries and state agencies, blurring the line between law enforcement and governance.

The State Palace has indicated that it will comply with the ruling and withdraw active officers from civilian posts. If implemented seriously, this could become one of the most concrete steps in years to limit the political reach of the police. But rights groups remain cautious. They are watching whether the decision will be applied consistently, or whether it will be used selectively to reshuffle personnel while leaving the broader system intact.

That is why Prabowo’s decision to keep the police directly under the president matters. Earlier proposals had floated placing the force under a government ministry, which would have changed the police’s chain

of command. Prabowo rejected that route. The police chief will continue to be appointed by the president with parliamentary approval, similar to the military commander. Jimly said the commission concluded that creating a separate ministry would create more risks than benefits.

Instead, the government plans to strengthen external oversight through the National Police Commission, or Kompolnas. Proposed changes would give Kompolnas more independent members and the power to issue binding recommendations. These changes are expected to be included in a revision of the 2002 National Police Law, which the House of Representatives has signalled it is ready to discuss.

The wider context is Indonesia's unfinished post-Suharto security reform. After the fall of Suharto in 1998, the armed forces formally gave up their "dual function" role in politics, and the police were separated from the military in 1999. The goal was to build a professional civilian police force responsible for internal security. Yet many old habits survived: corruption, weak accountability, abuse in detention, excessive force and a command culture shaped by Indonesia's authoritarian past.

High-profile cases have kept the issue alive. The 2022 Kanjuruhan stadium disaster, in which at least 135 people died after police fired tear gas into spectator stands, remains one of the clearest examples of how poor policing, excessive force and weak command accountability can produce mass casualties. Recent protest violence has reinforced the perception that the police remain powerful but insufficiently controlled.

The political sensitivity is heightened by Prabowo's own agenda. A former general, he has expanded the visibility of the military in civilian life, including through food security programmes, agriculture, school meals, medicine production and new military units assigned to non-defence tasks. His government has also backed legal changes that make it easier for active-duty military officers to hold civilian positions. Rights groups warn that this risks weakening the firewall between civilian and military spheres.

That creates a central tension. On one hand, the Court rulings and the reform commission appear to strengthen civilian limits on the police. They push back against the idea that law enforcement bodies should occupy civilian posts or act as political managers. On the other hand, if active police officers are removed from civilian positions while active military officers gain wider access to them, the reform could look less like

demilitarisation of the state and more like a shift of influence from the police to the armed forces.

This also matters politically because Indonesia's two main security institutions are associated with different power networks. The military is closer to Prabowo's background and political identity. The police, by contrast, gained significant institutional weight during the Jokowi years and are often viewed as part of the Jokowi-era governing structure. [Antara] [Jakarta Globe] [Secretariat of the Cabinet of Indonesia] [The Jakarta Post 1] [The Jakarta Post 2]

Indonesia: "Right to be forgotten" proposal raises concerns over misuse and public records

(ms) Indonesia's Human Rights Ministry has proposed adding a "right to be forgotten" to the revision of the 1999 Human Rights Law, arguing that citizens who were publicly accused but later cleared by courts should be able to remove outdated or damaging digital records. The proposal has triggered concern among legal and digital rights experts, who warn that the mechanism could be misused to erase public-interest information, especially in a country already expanding state control over online spaces.

Human Rights Minister Natalius Pigai said the measure is intended to protect people from long-term reputational harm caused by online reports, social media posts or search results that remain accessible years after a legal case has ended. According to Pigai, a person who was investigated or prosecuted but later found innocent could file a petition with a court to request the removal of digital content that still creates "negative framing".

The ministry says deletion would not happen automatically or unilaterally. Individuals would have to go through formal legal channels, and a court would decide whether the material should be removed from digital platforms or search engines. Pigai argued this is necessary in the digital era, where old information can follow people for five or 10 years even when it no longer reflects their legal status.

Supporters frame the proposal as a privacy and reputation protection. In principle, the right to be forgotten can help individuals whose names remain linked to accusations that were never proven. It is especially relevant in cases where online coverage is incomplete, outdated or misleading, and where

acquittals receive far less attention than the original allegations.

But critics worry about the lack of safeguards. If the provision is written too broadly, politicians, officials or business figures could use it to pressure platforms and media outlets to remove legitimate reporting about corruption cases, abuse of power or other matters of public interest. The key concern is whether the law would protect ordinary citizens from unfair stigma, or whether it could become another tool to clean the reputations of powerful people. [Antara] [OpenGov] [The Jakarta Post]

Indonesia: Former tech minister's corruption trial delayed over health problems

(ms) A Jakarta court postponed the corruption trial of former education minister and Gojek cofounder Nadiem Makarim again on May 6 after his health worsened during proceedings.

Nadiem is accused over a 2019–2022 school laptop procurement program that bought Google Chromebooks for students in remote and underdeveloped regions. Prosecutors say the program was flawed because many target areas had poor internet access and unreliable electricity, and allege it caused IDR 2.18 trillion (USD 119 million) in state losses.

The trial began on January 5 but has been delayed several times because of Nadiem's medical condition, reportedly a perianal fistula. His lawyer said Nadiem attended the May 5 hearing despite medical advice to remain hospitalized, with an IV line still attached, and later collapsed during a court break. He was then readmitted to hospital, prompting the court to suspend the next hearing.

The case matters beyond Nadiem because he was one of Indonesia's best-known technocrats: before joining government, he cofounded Gojek, one of Southeast Asia's major digital companies. His prosecution has therefore become a test case for how Indonesia treats policy decisions that later produce alleged financial losses.

A key dispute is whether the Chromebook program was corruption or a poorly designed public procurement policy. Critics say Indonesian prosecutors increasingly use broad "state loss" claims without clearly proving personal enrichment or criminal intent.

Prosecutors argue that large education spending must be accountable, especially when public money is allegedly wasted. [Tempo] [The Jakarta Post]

Indonesia: Government considers e-commerce ban for under-16s as online online protection of minors widens

(ms) Indonesia is considering extending its under-16 online restrictions from social media to e-commerce platforms, deepening a broader push to regulate children's digital activity and online information spaces. Communications and Digital Minister Meutya Hafid said the government was looking at online shopping platforms next because children had fallen victim to scams through e-commerce.

The proposal follows Indonesia's March regulation restricting under-16s from using major social media platforms. The policy initially targeted eight platforms considered high-risk: YouTube, TikTok, Facebook, Instagram, Threads, X, Bigo Live and Roblox. Officials framed the ban as a child-protection measure aimed at limiting exposure to pornography, cyberbullying, online addiction and other digital harms. Indonesia, with around 70 million children, has one of the world's largest youth internet populations, making the regulation especially significant.

Meutya said the rules would eventually apply to "all digital platforms", suggesting that the government views the social media ban as only the first step in a wider regulatory framework. An e-commerce restriction would mark a major expansion because it would move beyond content moderation and into children's access to digital markets, payments and consumer platforms.

At the same time, the government is facing criticism over its relationship with social media-based news outlets. The Government Communications Agency said it had discussed cooperation with members of the Indonesia New Media Forum, a network of social media news accounts sometimes described as "homeless media" because they operate mainly on platforms such as Instagram rather than traditional websites.

Several outlets later denied formal deals with the government, amid concerns that closer state engagement could blur the line between public communication and influence over online media. The controversy shows the wider sensitivity around Indonesia's digital policy: while the government

presents new rules as protection and quality control, critics worry they could expand state control over online spaces, youth access and digital journalism. [The Jakarta Post 1] [The Jakarta Post 2]

Indonesia: Ade Armando leaves PSI to shield party from religious incitement case

(ms) Indonesian commentator and politician Ade Armando has resigned from the Indonesian Solidarity Party (PSI) after around 40 Islamic organizations reported him to police over alleged incitement linked to former vice president Jusuf Kalla. Ade said he was stepping down not because of a dispute with PSI, but because the case had begun to be used to attack the party itself.

The controversy centers on a short excerpt from a Jusuf Kalla lecture at Gadjah Mada University in Yogyakarta. In the lecture, Kalla discussed past Muslim-Christian violence in places such as Poso and Ambon and reportedly spoke about how religious beliefs around martyrdom and salvation had influenced conflict. Christian groups later accused him of blasphemy, saying the remarks misrepresented Christian doctrine. Kalla denied this and said his comments had been taken out of context.

Ade's legal problem came later. Islamic organizations accused him, PSI politician Grace Natalie and social media figure Permadi Arya of circulating or framing the clip in a way that stirred anger against Kalla. The police reports therefore focus not only on the original speech, but on how the excerpt was amplified online and allegedly used to provoke hostility toward the former vice president.

That made the issue politically risky for PSI. Ade is one of the party's most visible public voices: a former academic and outspoken commentator known for criticizing Islamist politics and defending pluralism. PSI, meanwhile, presents itself as a young, urban, nationalist and pluralist party, but has often faced accusations from conservative groups that it is hostile to Islam.

Ade said his video was his own personal commentary, not something ordered or approved by PSI. But because he was a PSI cadre, opponents could link the controversy to the party and use it to damage its image ahead of the 2029 elections. "The attacks have expanded from me to my colleagues," he said.

PSI accepted his resignation, with party official Ahmad Ali calling Ade a major loss and describing him as a thinker and internal "moral watchdog". The move is therefore mainly damage control: Ade is trying to separate his personal legal case from PSI before it becomes a broader political liability. [Harian Basis] [The Jakarta Post]

Indonesia: New extremism prevention plan raises concerns over misuse against critics

(ms) Indonesia has adopted a new national strategy to prevent violent extremism, replacing the 2021 plan that expired last year. The regulation, signed by President Prabowo Subianto on February 9 and published this week, expands the government's prevention framework beyond security operations to include education, employment, family resilience, digital communication, deradicalization, victim protection and human rights governance.

The government argues that the updated plan is needed because the threat has not disappeared. The regulation notes that Indonesia has recorded no terrorist attacks in the past two years, but says extremist networks remain active beneath the surface. More than 1,000 suspected militants were arrested between 2020 and 2024, showing that the decline in attacks does not necessarily mean a decline in recruitment, planning or online radicalization.

The new strategy continues the "whole-of-government" and "whole-of-society" approach used under former president Joko Widodo. It calls for cooperation between national ministries, regional governments, schools, universities, civil society, the private sector and local communities. Regional administrations must also prepare their own local action plans within one year, adapted to local risks and social conditions.

The plan is organized around nine priority areas: national preparedness; community and family resilience; education, skills and employment; protection and empowerment of women, youth and children; strategic communication and digital space; deradicalization; human rights and governance; victim protection; and international cooperation. In theory, this reflects a broader understanding of extremism as a social and political problem, not only a policing issue.

But analysts and rights groups warn that the plan could be misused if "extremism" is defined too broadly. Indonesia has a long record of using security language

against activists, separatist movements, religious minorities and government critics. The concern is that prevention programs, digital monitoring and local reporting mechanisms could become tools to label dissenting voices as security threats. [The Jakarta Post]

Laos: Water supply capacity expands, but wastewater treatment and utility finances remain weak

(ms) Laos now operates 238 water supply plants with a combined production capacity of 883,000 cubic meters per day, as the government pushes to expand safe water access and sanitation services by 2030.

The Department of Water Supply under the Ministry of Public Works and Transport announced the figures on May 5 during a national public works and transport meeting in Vientiane. Officials said access to piped water has reached 80 percent of people in provincial and district municipalities, while hygienic latrine coverage has risen to 85.7 percent nationwide.

The expansion supports Laos' Water, Sanitation and Hygiene policy and its target under Sustainable Development Goal 6, which calls for safe water and sanitation access by 2030. The government's longer-term strategy aims to raise safe water access in municipalities to 90 percent and achieve universal access to hygienic sanitation facilities by the end of the decade.

But the sector still faces major gaps. Urban wastewater treatment covers only 10.2 percent of demand, while water losses in distribution systems stand at about 28.56 percent. Those losses, known as non-revenue water, mean utilities produce water that is not billed because of leaks, metering problems or other system weaknesses.

The financial side is also a concern. At a separate workshop with the Asian Development Bank on May 6, officials and provincial water utilities discussed cost-covering tariffs, stronger asset maintenance, better financial management and improved utility governance. ADB said infrastructure alone would not be enough without financially sustainable utilities and stronger provincial capacity.

The government says it plans to expand systems into rural growth areas and Special Economic Zones, improve climate resilience and modernize water-sector data management. [Lao News Agency 1] [Lao News Agency 2]

Malaysia: Opposition party escalates disciplinary purge as internal rifts deepen

(dql) The opposition Malaysian United Indigenous Party (Parti Pribumi Bersatu Malaysia; Bersatu) is intensifying internal disciplinary action against elected representatives and party officials, as widening factional tensions continue to fracture the party ahead of future electoral cycles.

On May 11, the party's disciplinary board expelled Kok Lanas assemblyman and Ketereh division chief Mohamed Farid Mohamed Zawawi, along with Parit division Armada chief Wan Meor Safwat Naqiuddin Shamsuddin. It also suspended Mersing MP Muhammad Islahuddin Abas and Bukit Bunga assemblyman Mohd Almidi Jaafar—who also serves as Jeli division chief—for two party election terms.

These actions follow a broader disciplinary wave earlier last week, in which multiple MPs, including senior figures, as well as state assemblymen and division leaders, were expelled or suspended, marking an expanding crackdown that spans both federal and state levels. [The Star] [The Vibes]

The escalating purge comes against the backdrop of a deeper internal crisis that has been unfolding since the February expulsion of former deputy president Hamzah Zainudin, accused of undermining party president Muhyiddin Yassin (see AiR No. 7, February/2026, 3). His removal triggered a chain of disciplinary actions targeting figures perceived to be aligned with his faction, further entrenching internal divisions.

Since then, multiple party divisions in several states have reportedly dissolved themselves or withdrawn support from the central leadership (see AiR No. 8, February/2024, 4), while informal coordination among expelled and suspended members has reinforced perceptions of an emerging rival faction operating outside formal party structures.

Together, the successive disciplinary waves underscore mounting fragmentation within Bersatu, with leadership struggles and factional realignments increasingly shaping the party's internal dynamics. [The Rakyat Post]

Malaysia: Government defends ethnic Malay and indigenous agenda as constitutional national policy

(dql) Deputy Prime Minister and United Malays National Organisation (UMNO) president Ahmad Zahid Hamidi defended discussions on Bumiputera—ethnic Malay and indigenous—and Islamic interests at a national roundtable, rejecting criticism that such discourse was extremist and framing it instead as part of Malaysia's constitutional and national agenda. Zahid stressed that promoting Malay-Muslim and Bumiputera interests did not undermine the rights of other ethnic or religious communities.

He said recommendations from the Musyawarah Nasional forum would be consolidated by a newly formed secretariat and elevated to Cabinet level for implementation across ministries, state-linked firms and government investment entities, signaling an effort to translate identity-based policy discussions into concrete state action.

Musyawarah Nasional (National Deliberation Forum) was convened as a platform for discussing Malay-Muslim political, economic and social priorities within the framework of Malaysia's constitution. The forum reflects growing concern among segments of the Malay political establishment over economic competitiveness, communal representation and the future direction of affirmative-action policies.

Zahid acknowledged persistent structural economic disparities affecting Bumiputera communities, arguing that long-term advancement required greater access to education, capital, markets and competitiveness rather than reliance solely on state assistance. [Free Malaysia Today]

The remarks reflect continuing efforts by UMNO to consolidate its traditional Malay-Muslim base amid intensifying competition from Islamist and nationalist rivals. The emphasis on institutional follow-through suggests the government may pursue expanded Bumiputera-focused economic and administrative measures under the Unity Government of Prime Minister Anwar Ibrahim.

UMNO is Malaysia's main Malay-nationalist party and has historically positioned itself as the principal defender of Malay-Muslim political dominance and Bumiputera privileges under the country's ethnic power-sharing system.

Malaysia: Fuel subsidy reform to proceed amid fiscal pressure despite election uncertainty

(dql) Malaysia will continue fuel subsidy reforms even if a general election is held this year, Deputy Finance Minister Liew Chin Tong said, signaling policy continuity despite political uncertainty.

The government is reviewing adjustments to its subsidy framework, including a possible reduction in subsidized fuel quotas while maintaining protections for lower-income groups amid elevated global energy prices driven by conflict-related supply disruptions.

Authorities are also considering extending a targeted diesel subsidy mechanism to Sabah and Sarawak as part of a broader shift toward more selective support.

Prime Minister Anwar Ibrahim has previously indicated that subsidy rationalization for higher-income earners is under review, as fiscal pressures intensify. Fuel subsidy spending is estimated at around RM7 billion (USD 1.8 billion) in April alone, roughly ten times pre-crisis levels.

Liew said the immediate priority is ensuring stable fuel supply rather than fiscal consolidation, adding he does not see electoral considerations driving policy decisions.

Malaysia has already reduced the subsidized petrol quota from 300 liters to 200 liters per person, while maintaining a fixed price of MYR 1.99 (USD 0.50) per liter. Diesel in Sabah and Sarawak remains capped at MYR 2.15 (USD 0.52) per liter. [Free Malaysia Today]

Malaysia: Unions seek new national labor body

(dql) Trade unions have begun establishing a new umbrella federation, the Malaysian Federation of Trade Unions (MFTU), following the provisional dissolution of the Malaysian Trades Union Congress (MTUC), long the country's main labor representative body.

An interim committee comprising unions from transport, healthcare, banking, electronics and manufacturing sectors has been formed, with registration targeted by July and a founding congress planned before year-end.

MFTU leaders said the federation would prioritize labor advocacy, digital organizing, policy research and international engagement, while expanding representation across Peninsular Malaysia, Sabah and Sarawak. The initiative appears aimed at preventing a leadership vacuum within the labor movement after MTUC's suspension. [Free Malaysia Today]

The Registrar of Societies dissolved MTUC on May 7 over repeated failures to submit audited financial statements and disclosures linked to foreign-sourced funds between 2020-2025. MTUC may appeal within 30 days. [New Straits Times]

Malaysia: Defence procurement freeze lifted while long-term fighter replacement timeline set

(dql) The defense ministry has lifted a previously imposed freeze on armed forces procurement following internal restructuring aimed at tightening financial controls and reducing risks of corruption, fund leakage, and abuse of power in defense spending.

Defence Minister Khaled Nordin announced that procurement has resumed fully, noting that the restructuring framework now provides sufficient safeguards to ensure spending integrity.

The suspension had been introduced amid corruption and abuse-of-power investigations involving former senior military leadership, reflecting ongoing scrutiny of defense procurement governance in Malaysia. [Free Malaysia Today 1]

Separately, Khaled stated that evaluating new multirole combat aircraft (MRCA) will begin around 2029–2030 to replace its ageing F/A-18 and Su-30MKM fleets, expected to retire by 2035–2036.

In the interim, 18 FA-50 light combat aircraft will be delivered in stages from end-2026 to replace the Hawk fleet and provide a stopgap capability alongside existing fighters. The procurement, valued at MYR 4.08 billion (USD 870 million), was signed in 2023 with Korea Aerospace Industries.

Khaled added that a previous plan to acquire Kuwait's F/A-18s has been dropped, while the FA-50 fleet is assessed as sufficient for current air defense needs. [Free Malaysia Today 2]

Myanmar: Government expands Thilawa SEZ logistics capacity

(dql) The government is are moving to expand storage and logistics infrastructure at the Thilawa Special Economic Zone near Yangon, as part of efforts to reinforce trade capacity and supply-chain resilience amid ongoing economic pressure and disrupted regional commerce.

Myanmar Agro Green Development Public Co Ltd plans to invest over USD 3.7 million in new warehouse facilities at Thilawa port, with capacity to handle up to 25,000 tons of cargo. The project aims to improve the handling of agricultural and other commercial goods, strengthening import and export logistics at one of the country's key maritime gateways.

Thilawa SEZ, Myanmar's largest industrial and trade zone, has taken on greater importance as overland border routes have been disrupted by armed conflict since the 2021 coup, increasing reliance on maritime trade through Yangon.

The expansion comes amid continued macroeconomic strain, including currency volatility, high logistics costs, and reduced foreign investment. The authorities have prioritized infrastructure development to stabilize trade flows and ensure access to essential imports such as fuel, industrial input, and consumer goods. [Mizzima]

Myanmar: Energy talks with Thai firm focus on declining gas output and pipeline security

(dql) Myanmar's Ministry of Electricity and Energy held talks on May 8 in Naypyidaw with the chief executive of Thai energy company PTTEP International Limited, focusing on cooperation in oil and gas development, falling production at key fields, and security of cross-border gas pipelines.

The discussions centered on technical measures to boost output at the Yadana gas project, where production has declined, including possible new drilling. The Yadana gas project is a long-established offshore field that currently produces natural gas for export to Thailand.

Both sides also reviewed development of the M3 (Aung Thinkha) block—an offshore oil and gas exploration and production concession in Myanmar's maritime

energy sector—to support domestic power generation, as well as potential investment in deepwater offshore projects.

Pipeline security along the Myanmar–Thailand energy corridor was also addressed, amid concerns over infrastructure safety in conflict-affected areas since the 2021 military takeover.

The meeting followed earlier energy-related discussions during a April 2026 visit by Thailand's foreign minister to Myanmar, underscoring continued bilateral engagement despite Myanmar's political and security instability. [The Nation]

Myanmar: Breakaway Karen fighters join main ethnic armed group, strengthening resistance unity

(dql) A group of 37 fighters from the Kawthoolei Army (KTLA), including senior field commanders, has formally aligned with the Karen National Union (KNU) in Myanmar's Tanintharyi Region.

According to KNU officials, the group integrated into Karen National Liberation Army Battalion 27 on May 4. The defectors included multiple mid-level commanders and had previously operated along the strategically important Dawei–Htee Khee corridor, an area linked to cross-border movement and logistics.

The absorption of the KTLA unit reduces the number of independent armed actors in the region, potentially strengthening operational cohesion under the KNU's command structure. [Mizzima]

The KTLA is a relatively new Karen armed splinter force in southeastern Myanmar. It was formed in 2022 after internal tensions within the broader Karen armed movement, particularly following the suspension of KTLA founder General Nerdah Mya from the Karen National Defence Organization—the militia or armed wing structure closely associated with theKNU—over disputed allegations related to civilian deaths in Karen State.

Myanmar: Military secures key highway and recaptures Kennedy Peak in coordinated offensives

(su) The military has regained control of two strategically significant areas following intensified operations in early May in central and western parts of the country.

In Sagaing Region, forces fully secured the Mandalay–Myitkyina highway after capturing Mawlu on May 5. The offensive, which intensified from March, involved advances northward through multiple towns and the use of air support, drones, and large-scale troop deployments.

The highway, a key logistical corridor linking central Myanmar to Kachin State, had been partly under resistance control for over a year.

Authorities stated it has now been reopened for civilian movement and military logistics, with analysts noting that restored access could strengthen troop movements into Kachin State and complicate coordination among resistance forces operating across Sagaing and Kachin. [The Irrawaddy]

In Chin State, military forces recaptured Kennedy Peak in Tedim Township on May 5 after several days of fighting with Chin resistance groups. The operation reportedly began with renewed airstrikes and drone attacks on May 3, forcing resistance fighters to withdraw from the high-altitude position.

Kennedy Peak, which hosts communications and broadcasting infrastructure and has changed hands multiple times since late 2023, remains strategically important.

Both sides are reported to have suffered casualties, though no figures were disclosed, and local sources indicate that tensions in the area remain high with the possibility of further clashes. [Mizzima]

Myanmar: Resistance force captures military outpost

(su) Fighting intensified in Hpakant Township in the northern state of Kachin after the Kachin Independence Army (KIA) launched attacks on military positions in the Lone Khin–Maw Si Sar area on May 5, capturing a military outpost at Say Yone Gone following clashes with troops and allied militias.

The clashes form part of continuing fighting in Kachin State, including in Hpakant, Shwegu, and Bhamo townships, where military operations and resistance offensives have intensified since 2025.

Hpakant remains strategically important due to its jade mining industry and control of surrounding territory. [The Irrawaddy]

Philippines: House impeaches Sara Duterte again, shifting fight to Senate trial

(ms) The Philippine House of Representatives has impeached Vice President Sara Duterte for a second time, sending her case to the Senate for a trial that could remove her from office and bar her from running for president in 2028.

The House voted 257 to 25, with nine abstentions, far above the 106 votes required under the Constitution. The margin was also higher than the 215 votes publicly forecast by some lawmakers before the vote, showing that the House majority closed ranks behind the case despite pressure from Duterte allies.

The articles of impeachment accuse Duterte of betrayal of public trust, culpable violation of the Constitution, graft and corruption, and other high crimes. The most concrete allegations involve the alleged misuse of PHP 500 million, about USD 8.7 million, in confidential funds at the Office of the Vice President and PHP 112.5 million, about USD 2 million, at the Department of Education, where Duterte previously served as secretary. The complaint also cites alleged unexplained wealth and her public threat to have President Ferdinand Marcos Jr., First Lady Liza Araneta-Marcos and former House speaker Martin Romualdez killed if she herself were assassinated.

Duterte denies wrongdoing. Her legal team said after the vote that the burden now rests on the accusers to prove their case before the Senate sitting as an impeachment court. It also noted that constitutional questions remain pending before the Supreme Court.

The case now moves to the Senate, where conviction requires a two-thirds vote, or 16 of 24 senators. If convicted, Duterte would be removed as vice president and disqualified from holding public office, effectively ending her expected 2028 presidential bid.

The Senate math is the central issue. The House vote was overwhelming, but Duterte's position is stronger in the upper chamber. Several senators are politically aligned with, or sympathetic to, the Duterte camp. On the same day as the House vote, Duterte-aligned senators helped remove Senate President Vicente "Tito" Sotto III and install Alan Peter Cayetano as the

new Senate president. Cayetano denies that the leadership change was intended to affect the impeachment trial, but the shift gives the Duterte camp a stronger position over Senate procedure and timing (see following two article).)

The impeachment is also politically significant because it is the second attempt against Duterte. The House first impeached her in February 2025, but the Supreme Court later voided that complaint on procedural grounds, citing the constitutional ban on filing more than one impeachment complaint against the same official within one year. This time, the House used committee hearings and a plenary vote on the articles of impeachment before transmitting the case.

The dispute is part of the wider collapse of the Marcos-Duterte alliance. Marcos and Duterte ran together in 2022 and won by large margins, but their political relationship has since broken down. The conflict deepened after the Marcos administration allowed the arrest and transfer of former president Rodrigo Duterte to the International Criminal Court, where he faces crimes against humanity charges over his drug war.

For Sara Duterte, the Senate trial is now both a legal and political test. The House has delivered a strong impeachment mandate, but the final outcome depends on whether opponents can secure 16 Senate votes in a chamber where the Duterte camp has just improved its position. [Deutsche Welle] [PhilStar 1] [PhilStar 2] [The Diplomat]

Philippines: Duterte allies seize Senate leadership as Sara impeachment reaches chamber

(ms) Alan Peter Cayetano has replaced Vicente “Tito” Sotto III as Senate president in a sudden leadership coup that appears closely tied to Vice President Sara Duterte’s impeachment trial. The move came on May 11, just as the House of Representatives moved to impeach Duterte and send the case to the Senate, which will act as the impeachment court.

The timing was central. Thirteen senators voted to remove Sotto and install Cayetano, giving the Duterte-aligned camp control of the chamber before the trial begins. Cayetano denied that the leadership change was intended to block the impeachment process, but the composition of the new majority points in that direction politically.

Cayetano is a veteran politician and former House speaker under Rodrigo Duterte. His winning bloc included several senators linked to or sympathetic toward the Duterte family, including Christopher "Bong" Go, Ronald "Bato" dela Rosa, Robin Padilla, Rodante Marcoleta and Imee Marcos. Dela Rosa's role was especially revealing. After months away from the Senate, he returned on the day of the vote, helped deliver Cayetano's narrow majority and was immediately shielded by the chamber after agents reportedly tried to arrest him on an International Criminal Court warrant.

That sequence made the Senate coup look planned rather than spontaneous. Dela Rosa's return supplied the crucial vote for Cayetano, while the new leadership then placed him under protective custody. Dela Rosa is not just another senator: he was Rodrigo Duterte's national police chief during the drug war and is now wanted by the ICC over alleged crimes against humanity. His protection by the new Senate majority shows how the Duterte camp is using institutional control to defend its key figures.

Sotto, by contrast, had become the more acceptable leader for senators outside the Duterte bloc. He had served as Senate president during Rodrigo Duterte's presidency, but under President Ferdinand Marcos Jr. he was no longer seen as firmly aligned with the Duterte family. His supporters included Panfilo Lacson, Risa Hontiveros, Kiko Pangilinan, Bam Aquino, Sherwin Gatchalian, Lito Lapid and the Tulfo brothers. That group is politically mixed, but in this vote it functioned as the bloc opposing the Duterte-aligned takeover.

The result is that the Duterte camp now enters the impeachment phase from a stronger position. The Senate leadership controls procedure, timing and the chamber's institutional posture. It cannot simply erase the impeachment case, but it can shape how aggressively, slowly or narrowly the trial moves forward.

The leadership change also brings together two Duterte-linked legal battles: Sara Duterte's impeachment and Dela Rosa's ICC arrest warrant. Both now run through a Senate led by Cayetano and backed by several Duterte allies. For Marcos and the anti-Duterte camp, that means the impeachment fight has become harder. For the Dutertes, the Senate coup may be their most important defensive move yet. [Inquirer] [Philippine News Agency] [PhilStar 1] [PhilStar 2] [Rappler]

Philippines: ICC issues arrest warrant for Bato dela Rosa over drug-war killings

(ms) The International Criminal Court has unsealed an arrest warrant for Philippine Senator Ronald “Bato” dela Rosa, accusing the former national police chief of crimes against humanity over killings linked to Rodrigo Duterte’s drug war. The warrant immediately triggered a confrontation in Manila after agents tried to arrest Dela Rosa inside the Senate, where he was later placed under protective custody.

The ICC said on May 11 that its Pre-Trial Chamber I had originally issued the warrant under seal on November 6, 2025. Judges found reasonable grounds to believe that Dela Rosa is allegedly criminally responsible as an indirect co-perpetrator for the crime against humanity of murder. The warrant covers at least 32 killings between July 3, 2016, and the end of April 2018.

Dela Rosa was Duterte’s first Philippine National Police chief and one of the central figures in the government’s anti-drug campaign. Before taking over the national police on July 1, 2016, he had served in senior police posts in the Davao region, including as Davao City police director from 2012 to 2013, when Duterte was still the city’s dominant political figure. The ICC alleges that Dela Rosa was involved in a broader common plan, running from November 2011 to March 2019, to kill alleged criminals, including people suspected of involvement in drugs.

The warrant makes Dela Rosa the most prominent Duterte-era official after the former president himself to face ICC action over the drug war. Duterte has been detained in The Hague since March 2025 on charges related to killings during the campaign. The ICC investigation covers alleged crimes committed in the Philippines from November 2011 to March 2019, including Duterte’s time as Davao mayor and president.

Duterte’s own ICC defense is also changing. Trial Chamber III has allowed lawyer Nicholas Kaufman to withdraw as Duterte’s lead defense counsel, finding that his departure would not prejudice the case or cause inconvenience. Kaufman told the court that his one-year engagement had ended on March 31 and that Duterte had decided to hire a replacement lawyer, whose identity has not yet been made public. The judges reminded Kaufman that he remains bound by professional conduct and confidentiality obligations.

The unsealing of the Dela Rosa warrant quickly spilled into Philippine politics. On May 11, National Bureau of Investigation agents reportedly tried to arrest him at

the Senate. Local media said surveillance footage showed Dela Rosa moving through Senate corridors and stairwells as agents followed him. He later claimed he was blocked and injured during the incident.

The Senate responded by placing the building on lockdown and putting Dela Rosa under protective custody. Senators also moved to hold the NBI agents in contempt. Newly installed Senate President Alan Peter Cayetano said the chamber would not allow Dela Rosa's arrest unless the warrant came from a Philippine court.

That position sets up a legal clash over enforcement. Dela Rosa's lawyers asked the Supreme Court to block any arrest, detention, transfer or surrender without a Philippine judicial warrant. Interior Secretary Jonvic Remulla separately argued that local authorities could not enforce an ICC warrant unless it came through Interpol and proper domestic channels.

The timing is politically sensitive. Dela Rosa reappeared in the Senate after months of absence on the same day senators replaced Vicente Sotto III with Cayetano as Senate president. The leadership change came as the House of Representatives again impeached Vice President Sara Duterte, Rodrigo Duterte's daughter, sending another major political case to the Senate (see article above). [Bloomberg] [ICC] [Inquirer] [PhilStar 1] [PhilStar 2] [Rappler]

Philippines: Peso rebounds as oil relief eases pressure on fragile economy

(ms) The Philippine peso posted its strongest daily gain in about a month after hopes for progress in U.S.-Iran peace talks pushed oil prices lower, offering temporary relief to an economy under pressure from high inflation, weak growth and heavy dependence on imported energy.

The peso rose 1.6 percent to 60.345 per U.S. dollar on May 7, the largest gain in Asia that day. Before the rebound, it had been one of Asia's weakest currencies this year as the war in the Middle East drove up oil prices. The Philippines is especially exposed because it imports almost all of its oil, much of it from the Middle East.

The currency move came despite weak economic data. First-quarter GDP grew only 2.8 percent from a year earlier, below the 3.3 percent expected by economists and the weakest non-pandemic expansion since 2009. Inflation, meanwhile, accelerated to 7.2 percent in

April, far above the central bank's target range and much higher than expected.

The combination has raised concerns about stagflation, a situation in which growth slows while prices keep rising. Finance Secretary Frederick Go rejected that label, saying the government expects growth to return to the mid-5 percent range once the Iran conflict and related energy disruptions ease. He said the government will increase spending in the coming months, especially on infrastructure, classrooms, farm-to-market roads and social assistance.

The challenge is that the oil shock is already spreading through the economy. In Caraga, regional inflation jumped to 10.1 percent in April from 5.5 percent in March. Rice inflation rose to 21.2 percent, diesel inflation reached 126.7 percent and gasoline inflation climbed to 66.3 percent. Transport costs also rose sharply, showing how fuel prices are feeding into local prices.

Consumer demand is also weakening. BMI Research cut its forecast for Philippine household spending growth in 2026 to 4.4 percent, citing weak consumer confidence, high inflation, household debt and concerns over corruption and natural disasters. Household consumption grew only 3 percent in the first quarter, its weakest non-pandemic pace since 2010.

The Bangko Sentral ng Pilipinas, the countries central bank, has already raised its policy rate by 25 basis points to 4.5 percent and is expected to tighten further if inflation remains elevated. ING said the central bank is likely to prioritize inflation control even if growth disappoints, because rising fuel, transport and fertilizer costs risk feeding into broader price pressures.

For now, lower oil prices have helped the peso and markets stabilize. But the broader economic outlook still depends heavily on whether the Middle East conflict eases, whether fuel prices fall further and whether government spending can support growth without worsening inflation or reviving concerns over public-sector corruption. [Bloomberg 1] [Bloomberg 2] [ING] [Inquirer] [Philippine News Agency]

Singapore: Parliament passes media bill despite warnings over independent journalism

(ms) Singapore's Parliament has passed amendments giving the Infocomm Media Development Authority (IMDA) wider powers over media companies, prompting opposition concerns that the law could deter investment in independent journalism and strengthen executive control over future news outlets.

The bill, passed on May 7, expands IMDA's authority over regulated media entities, including newspaper publishers and broadcasters. It introduces approval requirements for major ownership changes, allows IMDA to issue proactive regulatory directions and gives the minister power to order structural separation of media businesses in exceptional cases.

The government says the changes are aimed at preventing anti-competitive conduct and protecting consumers. Senior Minister of State for Digital Development and Information Tan Kiat How said media companies shape Singapore's information environment, especially amid artificial intelligence and disinformation risks. He argued that the law aligns media regulation with rules already used in the telecommunications sector.

Workers' Party Non-Constituency MP Andre Low warned that media cannot be treated like telecom infrastructure because journalism shapes public debate. The Workers' Party is Singapore's main opposition party, and NCMPs are opposition candidates appointed to Parliament despite losing their constituency races, based on their vote share. Low said the bill may discourage wealthy individuals or private investors from backing independent media if future ownership changes require regulatory approval.

Low pointed to Section 59, which allows the minister to designate newspaper publishers or broadcasters as regulated entities. Once designated, an investor seeking to acquire 30 percent or more of such an outlet would need approval. IMDA could also issue directions on broad "public interest" grounds.

He argued that the law may not be aimed at today's government-linked media landscape, dominated by SPH Media Trust and Mediacorp, but at future independent outlets that could grow in reach and influence. He cited local publication Jom as an example of a subscriber-funded outlet that could face uncertainty if it expanded.

Tan rejected those concerns, saying the powers are intended to support fair competition and would be used only within the law's stated policy aims. But critics say the bill's broad wording could create a chilling effect even without enforcement, as investors may

avoid funding independent journalism if regulatory risk is unclear. [The Online Citizen]

Singapore: Government delays political pay decision as Iran war clouds economy

(ms) Singapore has completed a review of political office holders' salaries but will delay deciding whether to adjust pay until the economic impact of the Iran war becomes clearer.

Coordinating Minister for Public Services Chan Chun Sing said in a written parliamentary reply on May 6 that an independent committee submitted its recommendations in April. The government will release the report and its response at a later "appropriate time," he said.

The delay comes as Singapore faces greater uncertainty from the U.S.-Israeli war on Iran, which has pushed up energy prices and added pressure on inflation. As a small, trade-dependent economy that imports most of its energy, Singapore is especially exposed to global price shocks and disruptions to shipping and supply chains.

Political pay is a sensitive issue in Singapore because ministers are among the highest paid in the world. Under the 2012 framework, an entry-level minister earns about SGD 1.1 million, or about USD 856,000, a year, while the prime minister's annual salary is SGD 2.2 million, or about USD 1.7 million. The system links political salaries to top private-sector earnings, with a discount applied, on the argument that competitive pay helps attract capable leaders and reduce corruption risks.

The framework is supposed to be reviewed every five years. A 2017 review found the system remained valid, but the government did not raise salaries. The next scheduled review in 2023 was postponed because of global economic risks.

Chan said lawmakers would be able to consider the committee's report and the government's position together, allowing for a fuller debate once the economic outlook is clearer. [Bloomberg] [The Online Citizen]

Singapore: Tightening of executive condo rules to curb flipping and help first-time

buyers

(ms) Singapore has tightened rules for executive condominiums, a housing category that sits between public housing and private condos, after rising prices and quick resale profits raised concerns that these homes were becoming less affordable for first-time buyers.

Executive condominiums, or ECs, are built and sold by private developers and usually have condo-style facilities such as pools, gyms and security. But they are initially treated partly like subsidized public housing: buyers must meet eligibility rules, including an income ceiling, and cannot immediately sell freely on the open market. ECs were created in the 1990s for middle-income Singaporeans who earn too much for many public housing options but may still be priced out of fully private condominiums.

The Ministry of National Development announced on May 8, 2026, that buyers of new ECs will now have to live in their units for 10 years before selling them to Singapore citizens or permanent residents, renting out the entire unit, or buying another residential property. The previous minimum occupation period was five years. Full privatization, when owners can sell to foreigners and companies, will now take place after 15 years instead of 10.

The changes apply to government land sale sites with tenders closing on or after May 8. Five upcoming projects are exempt because their tenders closed earlier.

The government also raised the share of units reserved for first-time buyers at launch from 70 percent to 90 percent and extended the priority period from one month to two years. Officials said second-time buyers, often using proceeds from earlier home sales, have increasingly outbid first-time applicants.

Singapore also scrapped the deferred payment scheme for uncompleted ECs. Buyers must now make progressive payments during construction rather than paying 20 percent upfront and deferring the rest until completion.

The move is meant to reduce speculation in a market where ECs have become attractive for “flipping”: buying at a restricted, lower price and selling after the lock-up period at a large profit. New EC prices averaged S$1,843 per square foot from January to April 2026, more than double the 2016 level. [Bloomberg 1] [Bloomberg 2] [The Online Citizen]

Thailand: Former candidates of military establishment-backed party seek party dissolution

(lm) More than 100 former candidates of the Palang Pracharath Party (PPRP), a conservative party founded in 2018 to support then military coup leader and later prime minister Prayut Chan-o-cha, have petitioned the Election Commission (EC) to seek the party's dissolution. The group was led by Sonthiya Sawasdee, a former party candidate and political activist known for filing complaints with oversight bodies, and accused the party of failing to provide adequate financial support during the general election campaign.

The complainants alleged that party executives supported some candidates while neglecting others, creating unfair competition and potentially violating ethical standards under the political party law. Sonthiya also asked the Election Commission to investigate reports that the party had received funding from a major financier, including whether the reports were true and how any funds were spent, and to submit the case to the Constitutional Court for review. [Bangkok Post]

The petition follows a sharp decline in the party's position within Thailand's conservative camp. PPRP won 116 seats in the 2019 election and became the core party in the coalition government. Before the 2023 election, Prayut left the party for the United Thai Nation Party (UTN), another conservative party, while PPRP continued under Prawit Wongsuwon and fell to 44 seats. Prawit stepped down as party leader in early January for health reasons, and Treenuch Thienthong was elected party leader on February 8. In the 2026 campaign, PPRP won five seats, while United Thai Nation won two, as conservative support shifted toward the Bhumjaithai Party of incumbent Prime Minister Anutin Charnvirakul.

Thailand: House approves new Council of State secretary-general

(lm) Thailand's House of Representatives has endorsed Nopadhol Pereeroek as secretary-general of the Council of State, the government's legal advisory body. The post had been vacant since March 30, following the resignation of Pakorn Nilprapunt, who was later appointed deputy prime minister in the Bhumjaithai-led government. The cabinet approved Nopadhol's

nomination on April 21 before the appointment was submitted to the House for endorsement. [Bangkok Post]

Thailand: Former prime minister released on parole

(lm) Former Prime Minister Thaksin Shinawatra was released on parole from a Bangkok prison on May 11 after serving 243 days of a one-year prison sentence. Thaksin, one of Thailand's most influential and polarizing political figures, was ousted in a 2006 military coup, lived abroad for years, and returned to Thailand in 2023. In September 2025, the Supreme Court ordered him to serve a one-year sentence for abuse of authority and conflict of interest from his time in office before the coup, after ruling that his earlier prolonged stay at the Police General Hospital did not count as prison time. [Bangkok Post 1]

The Justice Ministry and the Department of Corrections defended the parole decision after activist groups opposed to Thaksin sought to suspend or review his release. Justice Minister Rutthapon Naowarat said the ministry's parole committee had approved the ex-prime minister's parole on April 29 after reviewing the relevant facts and legal grounds. The Department of Corrections said Thaksin qualified for general parole under the Corrections Act and ministerial regulations because he had served two-thirds of his sentence and had no disciplinary violations during detention. It said the process did not provide special treatment to any individual. Thaksin was among 859 inmates approved for general parole. [Bangkok Post 2] [Bangkok Post 3]

Thaksin's parole runs until September 9. He must wear an electronic monitoring bracelet, stay at his registered Bangkok residence, report monthly to probation officials, seek permission to travel outside Bangkok, and is prohibited from leaving the country. Temporary removal of the monitoring device may be allowed for medical procedures, while any breach of conditions could lead to reconsideration of his parole status. The Justice Ministry also clarified that parole conditions do not prohibit political expression. [Bangkok Post 3]

Thaksin's release has immediate political significance because Pheu Thai, the party built around his political network, remains one of Thailand's major parties but has lost much of its former dominance. Thaksin is not expected to take a formal party position during parole, but party figures and analysts still regard him as a central strategic figure for Pheu Thai. Analysts expect him to remain influential through informal

consultations while keeping a lower public profile until his sentence ends on September 9. His release could affect relations with Prime Minister Anutin Charnvirakul, whose Bhumjaithai Party leads the current government and competes with Pheu Thai for political influence, especially through local political networks and former Pheu Thai-aligned constituencies. [Bangkok Post 4] [Bangkok Post 5]

Legal issues also remain. Thaksin continues to face scrutiny over his 2023–2024 stay at the Police General Hospital, which the Supreme Court ruled could not be counted as prison time. He also faces a lese-majeste case under Section 112 of Thailand's Criminal Code, which criminalizes royal defamation, over remarks made in a 2015 interview. These unresolved matters may limit how openly he can re-enter political life during and after parole. [Bangkok Post 6]

Thailand: Reformist opposition criticizes delay in constitutional reform

(lm) Thailand's main opposition People's Party (PP) has accused the government of delaying constitutional reform after the Cabinet excluded pending constitutional amendment bills from a list of legislation to be carried over from the previous Parliament. The dispute follows a February 8 referendum in which 21.6 million voters supported drafting a new constitution, while 11.2 million opposed it.

The pending proposals included amendment drafts related to establishing a Constitution Drafting Assembly, the body that would prepare a new charter. A People's Party lawmaker said the government must either reaffirm the two pending amendment drafts before May 14 so they can continue through Parliament, or submit a new amendment bill for fresh deliberation.

The People's Party argued that allowing the drafts to lapse without a replacement would contradict the referendum result and signal that the government does not intend to pursue charter reform. It also rejected the government's argument that economic problems should take priority, saying constitutional reform and economic policy could proceed at the same time.

A former Election Commission member also criticized the delay, questioning the value of holding the referendum if the government allows the amendment process to lapse. He warned that restarting the process could delay a new constitution by another two

years, despite the referendum reportedly costing THB 8.9 billion (USD 267 million). [Bangkok Post]

Thailand: Minister says committee may probe disputed rainmaking department transfer

(lm) Agriculture and Cooperatives Minister Suriya Juangroongruangkit has said he is ready to establish a committee to investigate the controversial transfer of Rachen Sillaparaya, the former director of the Department of Royal Rainmaking and Agricultural Aviation. The department oversees royal rainmaking operations, a weather-modification program rooted in a royal initiative to alleviate drought and support farmers, making transfers or alleged interference involving its senior leadership politically sensitive.

Rachen was recently transferred to an inspector-general post and later resigned, in a case that had already prompted petitions to the National Anti-Corruption Commission (NACC) and the Election Commission (EC). Rachen had earlier said he was contacted in early April by a person who claimed to be both related to a high-ranking figure and an airline executive, and who allegedly asked him to present the department's budget proposal. [AiR No. 18, May/2026, 1]

Suriya denied that this person was his nephew, Wutthiphum Jurangkool, the chief executive officer of Nok Air, a Thai low-cost airline, while acknowledging that Wutthiphum had been in contact with Rachen in July 2025. Suriya said that contact was unrelated to him because he was not serving at the Agriculture and Cooperatives Ministry at the time. The minister also denied asking to see ministry budgets for personal projects, saying he had requested budget information only to report to the cabinet after the change of government, and that no budget revisions had been made. [Bangkok Post 1]

In a later statement, Rachen said he had heard the explanation for his transfer and understood that it was not related to personal circumstances or the rumored issue involving Suriya's nephew. A ministry representative said the transfer was intended to improve the department's operational efficiency as Thailand prepares for possible impacts from this year's El Niño phenomenon, a climate pattern that can worsen drought risks. Rachen's resignation from the civil service has not been withdrawn and is scheduled to take effect on June 23. [Bangkok Post 2]

Thailand: Cabinet approves Clean Air Bill resubmission as Senate signals conditional support

(lm) Thailand's cabinet has approved the Clean Air Bill for resubmission to parliament before the May 12 deadline, preventing the long-delayed draft from lapsing under legislative carry-over rules. The bill had already passed its third reading in the House of Representatives in October 2025 and was accepted in principle by the Senate in the same month. After the House was dissolved in December, the new cabinet had to ask parliament to continue deliberations by May 12; otherwise, the bill would have had to restart from the beginning.

The draft aims to establish a national framework for tackling air pollution and PM2.5 fine dust, recognize access to clean air as a public right, decentralize powers to local communities to address haze, apply the "polluter pays" principle through compensation requirements, and introduce traceability measures to ensure that supply chains, including agricultural imports, do not contribute to transboundary haze.

The government said it would continue supporting the legislation, but noted concerns raised by relevant agencies, including unclear provisions on clean air fees that could overlap with existing funds, the fact that the proposed clean air fund has not yet been reviewed by the committee overseeing revolving funds, and criminal penalties considered comparatively severe. [Bangkok Post 1]

The Senate has rejected speculation that it may block the bill. Senator Wuthichat Kallayanamitr, who chairs a Senate committee studying the draft, said government, opposition, and Senate whips would discuss the legislation after the cabinet's decision and that a joint committee would likely be formed to resolve differences between versions or provisions. He said senators broadly agreed that the bill would benefit the public, but that businesses should be given a reasonable adjustment period, possibly six months to one year, before inspections and enforcement begin. [Bangkok Post 2]

The bill remains politically sensitive because Prime Minister Anutin Charnvirakul had previously said he would support only the version drafted by his ruling Bhumjaithai Party. Civic groups and opposition lawmakers have pushed for a broader multi-party draft with stronger controls on pollution sources, decentralized enforcement, supply-chain traceability,

and substantive penalties against polluters. [AiR No. 18, May/2026, 1]

Thailand: Stalled labor protection bills set for new legislative push

(lm) Thailand's labor minister, Julapun Amornvivat, has backed a renewed push to revive two stalled labor protection bills aimed at expanding workers' rights and workplace welfare. The proposals were raised in a petition submitted to parliament by a lawmaker from the main opposition People's Party together with the Textile, Garment and Leather Workers' Federation of Thailand.

The two draft laws had been approved in principle by the House of Representatives in September 2025 and were subsequently reviewed by a special House committee. However, they were left pending after the House was dissolved in December before the second reading could take place. Julapun said the cabinet had not endorsed the drafts for renewed parliamentary consideration, meaning the legislative process would have to restart from the beginning.

One bill would reduce the maximum working week to no more than 40 hours and increase public holidays and annual leave. The other would focus on workplace dignity and welfare, including menstrual leave and designated lactation spaces in workplaces.

Julapun said he was ready to take the proposals forward, while emphasizing the need to balance differing views and conduct further consultations. He added that key proposals, including menstrual leave, would be considered by a working group tasked with developing a joint draft bill for submission to the House of Representatives. [Bangkok Post]

Thailand: New committee appointed amid debate over former lawmakers' benefits

(lm) Thailand's parliament has appointed eight members to oversee the welfare fund for former members of parliament and senators, amid renewed debate over pensions and other benefits for former lawmakers. The appointments were approved during a House sitting under the 2013 Fund for Former Members of Parliament Act, which governs welfare support for former parliamentarians.

The debate was triggered by Warong Dechgitvigrom, leader and lawmaker of the Thai Pakdee Party, a small conservative political party, who called for a review of what he described as excessive benefits. He said members of parliament contribute THB 3,500 (USD 102) per month to the fund but remain eligible for lifelong pensions, medical reimbursements, disability payments, and education support for their children. He also questioned whether lawmakers who serve only briefly should receive lifetime benefits and raised concerns over potential conflicts of interest because most committee members are serving or former lawmakers.

Warong urged current members of parliament and senators to declare that they would not accept pensions as a starting point for parliamentary reform, saying taxpayers contribute THB 400 million to THB 500 million (USD 11.6 million to USD 14.5 million) annually to the fund. Sanong Thepaksorn-narong, one of the appointed committee members, defended the scheme, saying some former lawmakers face financial difficulties after leaving office, and challenged Warong to reject his own entitlement. [Bangkok Post]

Thailand: Prime minister says compensation payouts point to systemic justice flaws

(lm) Prime Minister Anutin Charnvirakul has said that the large volume of compensation paid to innocent people affected by criminal proceedings reflects persistent flaws in Thailand's justice system. Speaking at a national event marking 24 years of assistance under the Compensation for Victims and Defendants in Criminal Cases Act, a law enacted in 2001 to provide financial support to victims and wrongly accused or innocent defendants in criminal cases, Anutin said such payouts should be regarded as a sign of systemic failure rather than an achievement.

Since the law came into force, more than 145,000 people have received assistance totaling more than THB 8 billion (USD 232 million). More than 1,000 foreign nationals have also received compensation totaling about THB 47 million (USD 1.4 million). Anutin said these figures showed that innocent people had been forced to fight criminal cases and endure violations of rights, reputational harm, loss of liberty, and in some cases loss of life, despite not having committed wrongdoing.

Anutin linked judicial reform to Thailand's bid to join the Organisation for Economic Co-operation and

Development (OECD), a group of mostly high-income economies that sets policy and governance standards, saying stronger legal standards would support public confidence and improve Thailand's international credibility. [Bangkok Post]

Thailand: Emergency borrowing decree becomes official but court challenge looms

(lm) Thailand's emergency decree authorizing the Ministry of Finance to borrow up to THB 400 billion (USD 12 billion) was published in the Royal Gazette on May 9, making it official, while opposition parties continue to question whether it meets the Section 172 constitutional requirement of urgent necessity and lack of viable alternatives. The government says the borrowing is needed to respond to energy and commodity pressures linked to the ongoing Middle East war, rising living costs, and risks to businesses and employment. The decree will be submitted to Parliament for discussion on May 14.

The decree divides the borrowing into two parts. THB 200 billion (USD 6 billion) is allocated to assistance for people, farmers, and business operators affected by the energy crisis. Earlier government explanations indicated that this includes public relief measures such as a co-payment scheme and state welfare card top-ups. The other THB 200 billion (USD 6 billion) is allocated to energy-efficiency measures, renewable and alternative energy technologies, and skills training related to the energy transition. Borrowing can be raised domestically or abroad, or through government debt instruments, and must be completed by September 30, 2027.

Finance Minister Ekniti Nitithanprapas defended the decree, saying repeated shocks and rising energy prices are increasing production costs, lifting living costs, and raising risks of business losses and job cuts. He argued that doing nothing could lead to contraction, falling incomes, and a higher debt-to-gross-domestic-product ratio even without new borrowing. He said Thailand's public debt remains in the 60 percent range, below the fiscal discipline ceiling of 70 percent of gross domestic product, and that credit rating agencies and foreign investors had not expressed concern. [Bangkok Post 1] [Bangkok Post 2]

The government has argued that ordinary fiscal channels are insufficient. It says emergency reserves in the 2026 budget amount to only about THB 20 billion (USD 600 million), a budget transfer bill would likely

free only another THB 20 billion to THB 30 billion (USD 600 million to USD 900 million), and the 2027 budget will not take effect until October 1, leaving a funding gap. It also says energy-transition projects could not be included in the 2027 budget because submissions closed on May 1 and few relevant proposals had been filed in time. A screening committee will review spending plans and projects, while the Public Debt Management Office will oversee borrowing, disbursement, risk management, project evaluation, and repayment.

Opposition parties dispute both the emergency legal basis and the scope of the spending. The Democrat Party said it will petition the Constitutional Court, arguing that current conditions are not comparable to the 1997 financial crisis, the 2009 global financial crisis, or COVID-19, when emergency borrowing was used during clearly severe downturns. It also argues that the government still has ordinary fiscal options, including reallocating budget funds, using remaining borrowing space, or submitting a mid-year budget bill. The party has proposed cutting the oil excise tax, while the Finance Ministry warned that such a cut could reduce excise revenue by about THB 200 billion (USD 6 billion). [Bangkok Post 3] [Bangkok Post 4]

The People's Party, the main opposition party, separately criticized the decree's design. It said the relief measures may be too broad or poorly targeted, especially if access is first-come, first-served and requires co-payment from recipients. It also argued that the THB 200 billion (USD 6 billion) energy-transition component remains too vague and should be separated for review through the normal fiscal year 2027 budget process rather than authorized through an emergency decree. [Bangkok Post 5] [Bangkok Post 6]

Thailand: Transport corridor review proceeds as economic doubts, land speculation claims and public opposition intensify

(lm) Thailand's proposed Land Bridge transport corridor has effectively been put on hold pending a 90-day government review, while scrutiny of the project's economic viability, environmental impact, financing risks, land implications, and public acceptance continues to intensify. The Land Bridge is a long-discussed proposal to connect the Gulf of Thailand and the Andaman Sea through deep-sea ports in Chumphon and Ranong linked by road, rail, logistics

facilities, and pipeline systems, with estimated investment of at least THB 1 trillion (USD 30 billion).

Late last week, Tourism and Sports Minister Phiphat Ratchakitprakarn cancelled a planned visit to the project area, saying it would be premature to draw conclusions before the 90-day study led by Finance Minister Ekniti Nitithanprapas is completed. The study, commissioned by Prime Minister Anutin Charnvirakul earlier this month, is expected to determine whether the project proceeds and to assess environmental impacts, national benefits, employment opportunities, and mitigation measures for affected residents, including local fishermen in Chumphon and Ranong [see AiR No. 18, May/2026, 1].

While the government is waiting for the study, political and civic pressure has continued to build. A Senate motion calling for a review of the project was postponed until next week to allow more deliberation, while senators said committees were gathering information from relevant agencies and raised questions about the project's urgency because it was not included in the government's policy statement. Industry Minister Varawut Silpa-archa said a working group would examine the project's environmental, economic, and geopolitical dimensions. [Bangkok Post 1]

New research and commentary have also questioned the project's commercial logic. The government has promoted the Land Bridge as a way to bypass the Strait of Malacca, reduce shipping time, and create a Southern Economic Corridor modeled partly on Thailand's Eastern Economic Corridor. However, transport specialists warned that the official business case appears heavily dependent on container transshipment rather than Thai export cargo, with one researcher saying about 80 percent of projected economic viability under the official study rests on transshipment activity. Researchers argued that if the aim is mainly to support Thai cargo through an Andaman gateway port, a smaller project could reduce environmental impact, investment risk, and overall project size.

The main logistical concern is that the project may not provide enough total time or cost savings to attract major shipping operators. Cargo using the corridor would have to be unloaded on one coast, moved through port and customs systems, transferred by rail or road across southern Thailand, and reloaded onto another vessel on the opposite coast. Critics argue that these additional handling steps could offset the advertised advantage of bypassing the Strait of Malacca, especially for large container vessels that rely

on uninterrupted long-distance sailing and economies of scale. The project would also enter a competitive regional logistics landscape, with Malaysia advancing the East Coast Rail Link, Singapore expanding Tuas Mega Port, and Indonesia developing port and logistics infrastructure. [Bangkok Post 2] [Bangkok Post 3]

The project has also faced allegations of advance land purchases in Ranong. An opposition People's Party lawmaker said more than 500 rai, equivalent to about 0.8 square kilometers, had reportedly been acquired over the past two to three months by nominee-linked companies connected to investors anticipating the megaproject, even though the project remains under study. Former national parks chief Chaiwat Limlikit-aksorn, who has been examining alleged forest encroachment in Pak Triam forest in Ranong, also linked some land acquisitions to the project and alleged that some plots had changed hands informally without legal title transfers. He said he planned to petition the Administrative Court for an injunction to suspend an Interior Ministry land survey project, arguing that state and forest land could fall into private hands. A Senate natural resources and environment committee has separately opened an inquiry into alleged unlawful land title issuance and forest encroachment in Pak Triam. [Bangkok Post 4]

Public opposition has also grown. More than 100,000 people have signed an online petition launched by the EnLAW Foundation, a Thai environmental justice non-governmental organization, together with other civic groups, opposing the Land Bridge project and proposed Southern Economic Corridor legislation. [Bangkok Post 5]

Thailand: legal team urges national police to widen probe into attack on southern lawmaker

(lm) The investigation into the March 20 shooting attack on a sitting lawmaker has continued to focus on whether the assault was ordered or supported by actors beyond the suspects already identified. Kamolsak, a third-term Prachachart Party lawmaker from Narathiwat in Thailand's conflict-affected far south and a former human rights lawyer known for handling security-related cases, escaped unharmed when gunmen attacked his vehicle outside his home, while his driver and police escort were seriously wounded.

The case had already moved beyond the initial group of five suspects after two additional individuals

allegedly linked to the attack were summoned by investigators, following a further complaint filed by Kamolsak. In an earlier development, two naval officers attached respectively to the Internal Security Operations Command (ISOC), Thailand's military-led internal security agency, and Marine Corps intelligence had been accused by Kamolsak of involvement, although police had not confirmed the allegations and the officers' procedural status remained unclear. [AiR No. 18, May/2026, 1]

Kamolsak's legal team has now asked national police chief Kittharath Punpetch to broaden the investigation, arguing that authorities should identify any alleged masterminds behind the attack and conduct a more comprehensive and impartial probe. The petition said local investigators had made unsatisfactory progress and that arrests or summonses alone would not be enough to secure convictions without stronger evidence for court proceedings.

The legal team also said the case appeared to have been handled less rigorously than other security-related investigations and warned that it should not remain unresolved like the 2004 disappearance of human rights lawyer Somchai Neelapaijit, whose wife, Angkhana Neelapaijit, is now a senator and chair of the Senate's Human Rights Committee. [Bangkok Post]

Thailand: Ruling party proposes community service instead of jail for unpaid fines

(lm) The Bhumjaithai Party, the lead party in Thailand's coalition government, has submitted a Criminal Code amendment that would allow offenders who cannot pay court-imposed fines to perform community service instead of serving jail terms. Under the current system, unpaid fines can be converted into jail time, generally at a rate of one day in prison for every THB 500 (USD 14.50) owed. Bhumjaithai's legal team said this has become a significant social problem because people may lose their liberty not because of the seriousness of the offense, but because they are unable to pay.

The party plans to revise two sections of the Criminal Code to let courts order community service as an alternative to incarceration for fine defaulters. Bhumjaithai said the proposal could help reduce prison overcrowding and provide a more equitable option for offenders unable to pay fines. Party representatives said they expected broad cross-party support and suggested the bill could either be fast-tracked through three readings or reviewed by an ad

hoc committee if placed promptly on the legislative agenda. [Bangkok Post]

Timor-Leste: Starlink connects 450 remote villages

(ms) Timor-Leste has connected 450 remote villages to high-speed internet through a government-backed Starlink rollout, in one of the country's largest digital inclusion projects to date.

The program is led by the Ministry of Transport and Communications and supports the Ministry of State Administration's digital reform agenda. It is being implemented with Vorakai Lda, a Timor-Leste-based connectivity provider and authorized Starlink reseller.

The rollout is intended to bring online public services to remote sucos, reducing the need for residents to travel long distances for basic administrative procedures. It is also expected to support schools, clinics and local governments that previously had little or no reliable internet access.

For education, the connection gives students and teachers access to online learning materials and training tools. In healthcare, clinics and frontline workers can communicate more easily with hospitals and specialists, opening the door to wider telemedicine use.

The project also complements Timor-Leste's investment in submarine fiber infrastructure. Fiber provides national backbone capacity, while satellite internet can reach isolated areas where cable networks are slow or expensive to build.

Officials and project partners frame the rollout as part of Timor Digital 2032, the country's long-term strategy to modernize public services and expand digital access. For a young state with difficult terrain and scattered rural communities, satellite connectivity could become a shortcut to broader administrative, educational and economic inclusion. [The National Law Review]

Vietnam: National Assembly approves USD 312 billion public investment plan for 2026–2030

(hn) National Assembly Chairman Trần Thanh Mẫn has signed Resolution No. 27/2026/QH16 approving

Vietnam's medium-term public investment plan for 2026–2030, aimed at strengthening infrastructure, supporting economic growth and improving social welfare. The plan seeks to enhance the effectiveness of public investment, use it as a key growth driver and attract greater non-State investment resources.

Under the strategy, public investment is expected to account for 20–22 percent of total social investment during the period, while total social investment is targeted at around 40 percent of GDP. The government aims to disburse more than 95 percent of allocated public investment capital and reduce the number of projects by at least 30 percent compared with the 2021–2025 period to improve efficiency and focus on strategic priorities.

Total medium-term public investment capital from the State budget is set at 8.22 quadrillion VND (about USD 312 billion), including from the central budget and from local budgets. The resolution also requires stricter management of public funds, faster implementation of nationally important projects and closer coordination among ministries and local authorities. [Nhandan]

Vietnam: Free annual health check-ups to be rolled out nationwide this year

(hn) Vietnam will begin offering free annual health check-ups or screening tests for all citizens from this year under a new government directive aimed at improving public healthcare and disease prevention. Signed by Deputy Prime Minister Phạm Thị Thanh Trà, the policy also requires the creation of electronic health records for every citizen to support long-term medical monitoring.

The Ministry of Health will develop technical guidelines and integrate medical data with the national digital identification app VNeID, while the Ministry of Public Security will oversee data verification and privacy protection. Local authorities were instructed to priorities vulnerable groups, including the elderly, disabled people, low-income households and patients with chronic illnesses.

The directive also requires employers to provide annual health check-ups for workers, while schools will begin offering free periodic health examinations for students from the 2026–27 academic year. Authorities will strengthen inspections and monitoring to ensure effective implementation, particularly in industrial

zones and high-risk occupations. [Tuoitrenews] [Nhandan]

Vietnam: New centralized lodging registration portal to launch on May 21

(hn) Vietnam's Ministry of Public Security will launch a centralized online portal on May 21 for accommodation providers to register lodging guests and temporary stays for both domestic and foreign visitors, replacing older systems currently in use. The new platform will become the single system for hotels, guesthouses and other lodging facilities to submit guest information.

The platform has already been deployed in several provinces and cities, including An Giang, Hai Phong, Bac Ninh, Phu Tho, Quang Ninh, Thanh Hoa and Ho Chi Minh City, along with several wards in Hanoi.

According to the ministry, the new system includes features such as online account verification, centralized management for multiple branches, automatic extraction of data from passport and national ID images during check-in, and searchable guest history records. [Vietnamnews] [Tuoitrenews]

Vietnam: Authorities urge nationwide 24/7 child protection hotlines after abuse cases

(hn) Vietnam's Ministry of Health has urged authorities nationwide to operate 24/7 child protection hotlines and strengthen measures to prevent child abuse and violence following a series of serious abuse cases that have sparked widespread public concern. The ministry said recent incidents involving abuse by parents or caregivers highlighted the urgent need to improve child protection systems and intervention measures.

The ministry instructed provincial and municipal authorities to enhance child protection and care services while increasing efforts to detect, report and handle violations of children's rights. Local governments were also asked to strengthen public awareness campaigns to improve the responsibility of families, organizations and communities in protecting children and preventing violence and abuse.

Authorities were urged to provide parents, caregivers and family members with better access to knowledge

and skills related to child safety and child protection. The ministry also emphasized the importance of timely intervention and support for child victims in order to minimize physical and psychological trauma.

In addition, local authorities were instructed to strictly handle agencies, organizations or individuals that conceal abuse cases, fail to report violations or neglect their responsibilities in addressing child abuse. The ministry also called for stronger inspections and reviews of current laws and regulations to improve the overall effectiveness of child protection and anti-abuse efforts nationwide. [Vietnamnews] [Vietnam]

Vietnam: Communist Party plans AI- and influencer-driven push to shape online narratives

(hn) Vietnam's ruling Communist Party is planning a major overhaul of its propaganda strategy by recruiting social media influencers and AI experts while increasing the use of podcasts, short videos and targeted digital content. According to an internal draft document, authorities aim to build a network of 1,000 influencers and 5,000 AI specialists by 2030 to spread "positive" information and counter content considered harmful or false.

The strategy proposes using AI tools developed by Vietnamese technology companies to monitor online discussions, guide social narratives and help remove content deemed inconsistent with party guidelines within 24 hours. Authorities also want at least 80 percent of Vietnamese-language online content to be classified as positive by the end of the decade.

The document highlights the need to adapt propaganda methods to younger generations who increasingly consume visual and short-form content on platforms such as Facebook or Tiktok. Officials and influencers would receive digital communication training to help explain government policies in simpler and more engaging formats.

The effort comes as Vietnam tightens control over online discourse and public narratives. State media have also been encouraged to become more creative in promoting government activities and senior leaders, while influencers may be invited to participate in official campaigns and study trips. However, the push has raised concerns about tighter control over public discourse and media freedom in Vietnam, where authorities already closely regulate traditional and social media content. [Reuters] [Bankokpost]

Vietnam: Hà Nội approves USD 29 billion Red River scenic boulevard project

(hn) Hà Nội has approved a nearly USD 29.35 billion Red River scenic boulevard project, one of the city's largest-ever infrastructure and urban redevelopment plans. Covering more than 11,400 hectares and running through 16 wards and communes along both sides of the Red River, the project is expected to play a major role in shaping Hà Nội's long-term urban development and transport network.

The project will include two scenic boulevard routes stretching about 80km in total, with one route on each bank of the river. Plans also include ecological and entertainment parks, embankment and riverbank improvement systems, urban redevelopment zones, technical infrastructure and water-surface development areas. Construction is scheduled to take place from 2026 to 2038, while the first phase from 2026 to 2030 will priorities major transport routes, public parks, resettlement zones and land clearance projects.

City officials said the project aims to improve transport infrastructure, expand urban space beyond the city center and support sustainable development goals. It is also intended to align with Hà Nội's long-term master planning strategies and broader national development policies. [Vietnamnews] [Vietnam]

Vietnam: New infrastructure projects emerge in disputed waters

(hn) Vietnam has expanded its island-building activities in the disputed Spratly Islands, adding around 534 acres of reclaimed land over the past year, according to a report by the Center for Strategic and International Studies' Asia Maritime Transparency Initiative. The report said Vietnam's total reclaimed land in the Spratlys has now reached approximately 2,771 acres, with additional infrastructure projects including new harbors and specialized facilities.

The report noted that after completing landfill operations at Barque Canada Reef, now Vietnam's largest base in the archipelago, Hanoi continued smaller expansion projects at several other reefs in late 2025. Vietnam has also developed additional harbors at Grierson Reef, Petley Reef and South Reef,

bringing its total number of harbors in the area to 15, most of which were built after 2021.

It also noted that while Vietnam's reclamation activities had narrowed the gap with China earlier in 2025, new Chinese land reclamation at Antelope Reef has widened the difference. China continues to claim most of the South China Sea despite overlapping claims from Vietnam, the Philippines, Malaysia and Brunei. [Reuters]

International Relations, Geopolitics and Security in Asia

ASEAN maritime declaration gives Philippines platform to push back against China's South China Sea expansion

(ms) ASEAN leaders have adopted a maritime cooperation declaration at the 48th ASEAN Summit in Cebu, giving the bloc a new framework to coordinate on maritime security, freedom of navigation and the rules-based order at sea. The declaration includes the Philippine proposal to establish an ASEAN Maritime Center, a step Manila wants to use to strengthen regional coordination at a time of rising tensions with China in the South China Sea.

The move is significant because ASEAN has often struggled to present a unified position on maritime disputes. Several member states have overlapping claims with China, while others are more cautious because of economic ties with Beijing. By placing maritime cooperation high on the summit agenda, the Philippines is using its 2026 ASEAN chairmanship to push the bloc toward a more structured response to

China's growing presence, coercive actions and island-building in disputed waters.

The proposed ASEAN Maritime Center would be based in the Philippines and serve as a platform for maritime policy coordination, information-sharing and cooperation among ASEAN members. President Ferdinand Marcos Jr. said the center should help ensure that regional waters remain safe, that territories are respected and that the United Nations Convention on the Law of the Sea (UNCLOS) is followed.

That UNCLOS reference is central. The Philippines has repeatedly framed its South China Sea position around international law, especially after the 2016 arbitral ruling that rejected China's expansive "nine-dash line" claim. China has refused to accept the ruling and continues to assert control over most of the South China Sea. For Manila, strengthening ASEAN maritime coordination is therefore not only about patrols or technical cooperation, but about reinforcing UNCLOS as the legal basis for maritime rights, exclusive economic zones and freedom of navigation.

The declaration does not directly confront China by name, but its political direction is clear. It comes amid repeated incidents involving Chinese coast guard and maritime militia vessels near Philippine-controlled areas, as well as broader concerns over China's artificial island construction and militarization. ASEAN's adoption of the declaration gives Manila a regional instrument to argue that China's actions are not just a bilateral problem between Beijing and individual claimant states, but a regional challenge to maritime order.

At the same time, the center remains a work in progress. ASEAN still needs to define its mandate, funding, structure and operational role. It is also unclear how far more China-friendly member states will allow the mechanism to go. The likely first step will be coordination and policy support rather than enforcement.

The initiative also connects to the long-delayed ASEAN-China Code of Conduct for the South China Sea. ASEAN and China agreed on a non-binding declaration in 2002, but a legally binding code has still not been completed. Marcos said finalizing the Code of Conduct by the end of 2026 is one of the Philippines' goals as ASEAN chair. That will be difficult, but the maritime declaration gives Manila a stronger platform to press for clearer rules, stronger regional coordination and greater reliance on UNCLOS in managing the dispute. [ASEAN] [GMA News] [Jakarta Globe] [PhilStar]

Japan conducts first overseas Type 88 live-fire missile launch during expanded Balikatan drills

(dql) Japan's Self-Defense Forces (SDF) fired Type 88 surface-to-ship missiles from the Philippines for the first time on May 6, marking a significant operational expansion during joint Balikatan military exercises with the United States, the Philippines, Australia, and other partners.

The live-fire strike targeted a decommissioned Philippine Navy vessel approximately 75 km off Paoay, Ilocos Norte. Around 1,400 Japanese personnel were deployed, alongside warships, aircraft, and anti-ship missile systems.

The Type 88 system, with a range of roughly 100 km, is designed for coastal maritime denial operations. Japan has previously limited its role in Balikatan to observers and small-scale participation, but this year's deployment included combat-role integration and amphibious forces, including elements of the Amphibious Rapid Deployment Brigade.

The drills also included multinational live-fire exercises simulating island defense scenarios and repelling amphibious landings, reflecting growing alignment with U.S.-led regional contingency planning, including potential Taiwan-related scenarios. Taiwan lies approximately 400 km from the exercise area. [The Japan Times] [Naval News]

The missile launch followed Japanese Defense Minister Shinjiro Koizumi's May 5 meetings in Manila with Philippine President Marcos Jr. and Defense Secretary Teodoro Jr., during which both sides reaffirmed opposition to unilateral status quo changes by force or coercion, citing China's "coercive activities" in the East and South China Seas. [Ministry of Defense, Japan 1]

Both sides also agreed to begin discussions on a framework enabling Japan to transfer used Abukuma-class destroyers—relatively small destroyer escort / light destroyer ships—to the Philippine Navy. Details remain under negotiation. [Ministry of Defense, Japan 2]

Japan's move follows recent policy shifts including the lifting of restrictions on lethal weapons exports in April (see AiR No. 16, April/2026, 3) and deployment of long-range strike capabilities in March (see AiR No. 13, March/2026, 5), marking a broader shift away from strict postwar defense constraints. [AP News]

Mongolia, Organization for Security and Cooperation in Europe discuss support for bilingual education, minority rights

(fs) Mongolia's Minister of Education Enkh-Amgalan Luvsantseren met with Organization for Security and Cooperation in Europe (OSCE) High Commissioner on National Minorities, Christophe Kamp, to discuss cooperation on improving education for national minorities, including bilingual instruction and teacher training.

The two sides agreed to cooperate on implementing bilingual education programs, strengthening teacher capacity, expanding access to bilingual textbooks and learning materials, and supporting digital education initiatives. Particular attention will be given to making digital content accessible to minority communities and improving methodological training for bilingual teachers. [Montsame 1]

Separately, Kamp also met Mongolia's Minister of Foreign Affairs Battsetseg Batmunkh to discuss cooperation and collaboration ahead of the 17th Conference of the Parties to the United Nations Convention to Combat Desertification, which will take place in Ulaanbaatar in August 2026. [Montsame 2]

South Korea expands NATO defense-industrial cooperation

(dql) The Defense Acquisition Program Administration (DAPA)—South Korea's state defense procurement and arms-export agency under the defense ministry—and NATO held their second defense industry consultative meeting on May 11, discussing expanded cooperation in arms production, interoperability and multilateral projects involving ammunition and space capabilities.

Seoul stressed the importance of aligning South Korean defense systems with NATO technical standards as domestic firms seek deeper access to European markets and supply chains. NATO officials encouraged greater South Korean participation in alliance-linked industrial projects.

The talks reflect NATO's growing interest in South Korea as a major non-member defense supplier amid efforts to replenish European stockpiles following the Russia-Ukraine war. For Seoul, closer NATO ties support its broader strategy of positioning itself as a

leading global arms exporter and a key Indo-Pacific security partner for the Euro-Atlantic alliance.

The meeting follows the establishment of a formal Korea-NATO defense industry consultative mechanism at the 2025 NATO Summit in The Hague. [The Korea Times]

South Korea's investigation links Hormuz vessel fire to airborne strike amid regional tensions

(dql) A South Korean government investigation has concluded that two unidentified airborne objects struck the Panama-flagged cargo vessel HMM Namu in the Strait of Hormuz last week, triggering an explosion and engine-room fire aboard the South Korean-operated ship amid escalating regional tensions involving the United States, Israel, and Iran.

The vessel was among thousands of ships stranded in the strategic waterway amid the ongoing U.S.-Israeli confrontation with Iran. No injuries were reported among the 24 crew members, including six South Koreans, and the vessel has since been towed to Dubai for inspection.

The findings come after U.S. President Donald Trump accused Iran of attacking the vessel and other targets in the area, allegations that Tehran has categorically denied. South Korea has avoided assigning blame pending further forensic analysis of debris recovered from the scene. Iranian Ambassador Saeed Koozechi was summoned to Seoul's foreign ministry following the release of the investigation results.

Seoul is also reviewing possible participation in U.S.-led maritime security initiatives, including the Maritime Freedom Construct, highlighting growing concern over the vulnerability of South Korea's energy supply lines and commercial shipping routes through the Gulf. [Yonhap News Agency] [Reuters]

The incident places South Korea in an increasingly delicate diplomatic position as it seeks to balance alliance coordination with Washington against the risks of deeper involvement in Middle East security tensions.

Indian prime minister's five-nation tour targets Europe-Gulf trade, technology and strategic partnerships

(dql) Prime Minister Narendra Modi will undertake a five-country tour from May 15-20 covering the United Arab Emirates, Netherlands, Sweden, Norway and Italy amid India's broader push to expand strategic, economic and technology partnerships across Europe and the Gulf.

Talks throughout the trip are expected to focus on trade, investment, semiconductors, artificial intelligence, clean energy, defense cooperation and supply-chain resilience, with the recently concluded India-EU Free Trade Agreement likely to feature prominently in discussions with European leaders and industry representatives.

In Abu Dhabi, Modi will meet UAE President Mohamed bin Zayed Al Nahyan to discuss energy security, investment and diaspora issues. The UAE remains India's third-largest trading partner and a major energy and investment partner in the Gulf.

In the Netherlands, Modi is scheduled to hold talks with Prime Minister Rob Jetten as well as meet King Willem-Alexander and Queen Máxima. Discussions are expected to cover semiconductors, green hydrogen, water management, innovation and defense cooperation.

The Sweden leg will include talks with Prime Minister Ulf Kristersson and participation in the European Round Table for Industry alongside European Commission President Ursula von der Leyen, with emphasis on AI, emerging technologies, climate transition and defense manufacturing.

In Norway, Modi will attend the 3rd India-Nordic Summit with leaders from the Nordic states. The visit is significant as it marks the first trip by an Indian prime minister to Norway in more than 40 years. Discussions are expected to focus on clean energy, Arctic cooperation, sustainability, maritime issues and advanced technologies. Modi will also meet Norwegian Prime Minister Jonas Gahr Støre and King Harald V.

The final stop in Italy will include talks with Prime Minister Giorgia Meloni and President Sergio Mattarella on defense, clean energy, innovation and implementation of the India-Italy Joint Strategic Action Plan 2025-2029. [Firstpost]

India deepens trilateral strategic coordination with France, UAE

(dql) India, United Arab Emirates (UAE) and France agreed to advance their trilateral partnership through a structured roadmap focused on artificial intelligence, space cooperation and cultural heritage, following high-level talks in Abu Dhabi on May 7 between Indian Foreign Secretary Vikram Misri, UAE Minister of State for International Cooperation Reem Al Hashimy and Martin Briens, Secretary General of France's Ministry for Europe and Foreign Affairs.

The three sides agreed to institutionalize cooperation through defined timelines and implementation mechanisms, with discussions centered on emerging technologies, the space sector and cultural initiatives.

During Misri's visit, India and the UAE separately reviewed progress in their bilateral Comprehensive Strategic Partnership across trade, investment, energy, defense, fintech and connectivity, while also exchanging views on regional developments in West Asia. [Ministry of External Affairs, India] [The Tribune]

India strengthens Caribbean partnerships during foreign minister's regional tour

(dql) India is expanding its diplomatic and development footprint in the Caribbean as External Affairs Minister S. Jaishankar conducted visits to Suriname on May 6-7 and Trinidad and Tobago on May 8-9 as part of a wider Caribbean outreach.

In Suriname, Jaishankar co-chaired the 9th Joint Commission Meeting with Foreign Minister Melvin Bouva, with discussions covering trade, defense, energy, healthcare, infrastructure, and digital cooperation. India outlined a six-point cooperation agenda focused on development support, security cooperation, trade expansion, and the sharing of digital and AI expertise, while also signaling readiness to extend new lines of credit for Surinamese priority projects.

The two sides also reviewed ongoing India-backed initiatives, including agricultural processing projects, early warning systems, and community-level development programs implemented with support from the United Nations Development Programme. [Ministry of External Affairs, India 1] [DD News]

In Trinidad and Tobago, Jaishankar held talks with Prime Minister Kamla Persad-Bissessar and oversaw the signing of eight agreements covering healthcare, tourism, culture, renewable energy, digital cooperation, and heritage preservation. Key initiatives

included support for solar infrastructure, healthcare cooperation, and education and technology assistance projects. [Ministry of External Affairs, India 1] [Firstpost]

Maldives prepares further Chagos legal steps as Mauritius signals openness to talks

(lm) The Maldives government is preparing further legal and diplomatic steps over the Chagos Archipelago dispute, while its former President Mohamed Nasheed has said Mauritius is open to talks on restoring diplomatic relations with Malé. The dispute concerns the Chagos Archipelago, an Indian Ocean island group south of the Maldives and home to the Diego Garcia military base used by the United States and the United Kingdom, as well as overlapping maritime zones between the Maldives and Chagos.

Maldivian Attorney General Ahmed Usham said last week the cabinet had made decisions based on a report submitted to President Mohamed Muizzu on December 22, 2025, and that the government is working to assign international lawyers and experts to follow up on those decisions. He said further details may be shared within about two weeks, but declined to comment clearly on Muizzu's earlier announcement that a presidential commission would investigate the former administration's handling of the Chagos issue.

The Muizzu administration argues that the Maldives has historical and geographic claims to the Chagos Archipelago and has objected to the UK's plan to transfer sovereignty over Chagos to Mauritius. In April 2023, the International Tribunal for the Law of the Sea (ITLOS) divided a disputed 95,563-square-kilometer maritime area between Mauritius and the Maldives using the equidistance method, granting the Maldives 47,232 square kilometers and Mauritius 45,331 square kilometers. Muizzu's People's National Congress (PNC) has argued that the Maldives should have received the entire area.

The dispute is also tied to a 2022 letter sent by then-President Ibrahim Mohamed Solih from the main opposition Maldives Democratic Party (MDP) to then-Mauritian Prime Minister Pravind Jugnauth, recognizing Mauritius' sovereign authority over Chagos in the context of decolonization and self-determination. Muizzu has decided to retract the letter and has accused the previous administration of surrendering part of the Maldives' maritime territory. Solih has denied this, arguing that the letter concerned

recognition of Mauritian sovereignty over Chagos and did not change the Maldives' legal position in the maritime delimitation case before ITLOS.

Mauritius suspended diplomatic relations with the Maldives on February 27 over the current Maldivian position on Chagos. The Maldives later said it was pursuing a formal submission to the International Court of Justice (ICJ) over its objection to the Chagos arrangement. Nasheed, also a senior member and co-founder of the MDP, after attending the Indian Ocean Dialogue in New Delhi, said he had met Mauritian Foreign Minister Dhananjay Ramful and believed Mauritius was ready for talks to restore ties. He said the Maldives should engage Mauritius and seek a peaceful resolution, while also stating that the Maldives does not need to abandon its position.

The UK had agreed in May 2025 to transfer sovereignty over Chagos to Mauritius while retaining the US and UK military base on Diego Garcia for 99 years, but paused the plan in April 2026 after opposition from United States President Donald Trump. [The Sun 1] [The Sun 2]

Pakistan's mediation over United States-Iran war continue while Saudi red line is reaffirmed

(lm) As of May 11, no agreement had been announced in the United States-Iran war, and Islamabad's role remained one of facilitation rather than confirmed settlement. Pakistan continued its mediation role after Iran sent its response to a United States proposal through Pakistani channels on May 10, but United States President Donald Trump publicly rejected the response as unacceptable, leaving the diplomatic track unresolved.

Iran's reported response focused on ending the war on all fronts, lifting United States sanctions, addressing restrictions on Iranian imports and exports through southern ports, and restoring maritime security around the Strait of Hormuz, the key Gulf waterway for global energy and cargo flows. Iranian reporting also suggested that Tehran sought a 30-day confidence-building period before possible nuclear talks, while the United States has demanded stronger restrictions on Iran's nuclear enrichment program and related facilities. [Financial Times]

On May 10, Prime Minister Shehbaz Sharif confirmed that Pakistan had received Iran's response to the United States proposal. Iranian reporting said the

response focused on ending hostilities, lifting sanctions, and restoring maritime security around the Strait of Hormuz, the key Gulf waterway for global energy and cargo flows. On May 11, Deputy Prime Minister and Foreign Minister Ishaq Dar met United States Chargé d'Affaires Natalie Baker in Islamabad to discuss the regional situation and Pakistan's role in facilitating communication between Washington and Tehran. [Arab News 1] [Arab News 2]

Pakistan also coordinated with Qatar during the same period. Sharif spoke with Qatar's prime minister on regional de-escalation, while a Qatari liquefied natural gas cargo reached Pakistan after passing through the Strait of Hormuz. The passage was reportedly approved by Iran as a confidence-building step with Qatar and Pakistan, both of which have been involved in mediation efforts. [Arab News 3]

At the same time, Pakistan drew a clear red line around Saudi Arabia. While continuing to facilitate communication between Washington and Tehran, Pakistani civilian and military officials said they had warned parties to the conflict that Saudi Arabia was a "no-go area" for Pakistan. The warning was framed generally, but is particularly relevant to Iran given recent attacks and threats involving Gulf states. Pakistani officials tied the position to the Strategic Mutual Defense Agreement with Saudi Arabia, under which aggression against either country is to be treated as an attack on both. [Arab News 4] [Arab News 5] [Arab News 6]

Pakistan, Iran discuss rail connectivity as overland corridors gain renewed attention

(lm) Pakistan and Iran discussed expanding railway connectivity on May 7, adding an overland transport dimension to Islamabad's wider effort to use regional disruption around the Strait of Hormuz to strengthen alternative trade corridors. Pakistan's Railways Minister Hanif Abbasi met Iranian Ambassador Reza Amiri Moghadam in Islamabad, with talks focusing on the Taftan–Zahedan rail route and the Islamabad–Tehran–Istanbul freight train project. [Arab News]

The Taftan–Zahedan route links Pakistan with Iran through Balochistan, Pakistan's southwestern province bordering Iran and Afghanistan. Both sides also reviewed work on repairing and rehabilitating the Quetta–Taftan railway section, which connects Pakistan's rail network to the Iranian border. Pakistan said improved infrastructure and security measures

would be necessary to ensure uninterrupted cross-border rail operations.

The Islamabad–Tehran–Istanbul freight train is a long-discussed regional rail corridor of more than 6,500 kilometers linking Pakistan, Iran and Türkiye. It was launched in 2009 under the Economic Cooperation Organization (ECO), a regional trade grouping, but suspended in 2012 due to security concerns. Pakistan and Iran agreed in December 2025 to resume the project.

The discussion follows recent Pakistani efforts to use ports, road corridors and possible onward land routes to handle diverted Gulf-linked cargo and Iran-bound transit during maritime disruption [see AiR No. 18, May/2026, 1]. Expanded rail links with Iran would fit into the same connectivity agenda, but practical constraints remain, including Pakistan Railways' aging infrastructure, security risks in border areas, and the sector's reliance on government support.

ASEAN fuel reserve proposal puts Lao hydropower exports in focus

(ms) ASEAN leaders have discussed creating a shared emergency fuel reserve after oil supply disruptions linked to the Middle East conflict, while also pushing faster work on the ASEAN Power Grid — a plan that would make Laos more important as a regional electricity supplier.

Speaking after the 48th ASEAN Summit in Cebu, Philippine President Ferdinand Marcos Jr. said member states had agreed that ASEAN needs fuel stocks that could be shared during future shortages, similar to the bloc's existing rice reserve system. He said details still need to be worked out, including where reserves would be stored and how countries could access them.

Marcos also said the longer-term response should be to reduce fossil fuel dependence by expanding alternatives such as hydropower, solar and possibly nuclear power. He specifically pointed to Laos as an existing electricity exporter, saying the country already produces power for its neighbors.

Laos is central to that discussion because it already sells large volumes of electricity across borders. It exported more than USD 2.34 billion worth of electricity to Thailand in 2025, according to Lao officials. Thailand is its largest buyer and also sells fuel products back to Laos, worth between USD 1.5 billion and USD 1.8 billion last year.

Vietnam is buying more Lao power as well. In the first quarter of 2026, Vietnam imported about 2.92 billion kilowatt-hours from Laos, nearly 120 percent more than a year earlier. By the end of 2025, Vietnam had approved imports from 47 Lao energy projects with combined capacity of more than 8,260 megawatts.

Laos also supplies power under the Laos-Thailand-Malaysia-Singapore Power Integration Project, ASEAN's first multilateral electricity-trading arrangement. The project sends Lao hydropower to Singapore through Thailand and Malaysia. Current exports to Singapore reach up to 100 megawatts, and a second phase signed earlier this year is expected to double that.

The Cebu talks therefore connect two separate issues: short-term fuel security and long-term power integration. A fuel reserve would help ASEAN manage the next oil shock. A stronger power grid would let countries buy more electricity from neighbors, including Lao hydropower, when fossil fuel markets are disrupted.

The challenge for Laos is reliability. Most of its electricity comes from hydropower, which can fall during the dry season. That means Laos can benefit from ASEAN's energy plans, but only if transmission links, dry-season backup and grid management improve alongside export deals. [The Laotian Times 1] [The Laotian Times 2] [The Laotian Times 3]

ASEAN bloc weighs limited Myanmar re-engagement as junta seeks legitimacy

(ms) ASEAN leaders used last week's summit in Cebu to discuss whether and how to re-engage with Myanmar's military-backed government, while maintaining pressure for access to detained civilian leader Aung San Suu Kyi and progress on the bloc's stalled peace plan.

Myanmar has been largely excluded from high-level ASEAN meetings since the military overthrew Suu Kyi's elected government in February 2021. The bloc has only allowed non-political representatives to attend summits because the junta has failed to implement ASEAN's Five-Point Consensus, which calls for an end to violence, dialogue among all parties, humanitarian access and engagement by a special envoy.

The latest summit showed that ASEAN is searching for a more workable approach after years of limited progress. Leaders discussed Myanmar's recent transfer of Suu Kyi from prison to house arrest, its military-

backed election and the question of whether ASEAN should open more direct channels to the new government. Philippine President Ferdinand Marcos Jr., this year's ASEAN chair, said the discussions were intense and that members agreed the process had become stagnant.

Several governments see small openings. Thailand has pushed for more direct engagement and proposed talks with Myanmar's foreign minister. Foreign ministers also reportedly agreed to hold a virtual meeting with their Myanmar counterpart "in the very near future," a move that would mark a limited step toward re-engagement without restoring full summit participation.

At the same time, ASEAN has not recognized Myanmar's election results, and key members remain cautious. The Philippines has called for ASEAN's special envoy to be allowed to meet Suu Kyi and for her to communicate with her family. Malaysia, Indonesia and Singapore have also been among the states wary of normalizing ties while the military continues operations against resistance forces and civilians.

Myanmar's military-backed government is trying to use the election, Suu Kyi's transfer to house arrest and limited diplomatic outreach to break its regional isolation. Its foreign ministry later complained that "discriminatory measures" inside ASEAN were preventing equal representation, reflecting the regime's frustration that the bloc has not fully accepted its new political order. [Bloomberg 1] [Bloomberg 2] [The Diplomat] [The Irrawaddy] [The Japan Times]

Philippines moves toward defense pacts with Canada and New Zealand

(ms) The Philippines is moving closer to approving new visiting forces agreements with Canada and New Zealand, expanding Manila's defense network beyond its traditional U.S. alliance.

The proposed Status of Visiting Forces Agreements, or SOVFAs, were reviewed by the Senate foreign relations committee on May 11 and are expected to move to the Senate floor next week. They would set the legal framework for Canadian and New Zealand troops to join approved training, humanitarian, disaster response and defense activities in the Philippines.

Defense Secretary Gilbert Teodoro Jr. presented the pacts as both security and economic tools. He said secure sea lanes in the South China Sea and West

Philippine Sea are essential for trade, supply chains and keeping business costs down.

The New Zealand pact focuses on maritime security, joint training and disaster response. Wellington has already ratified the agreement. The Canada pact follows a similar model but includes stronger provisions on environmental protection, human health and indigenous peoples' rights. Canada has also been assisting the Philippines on cyber protection.

The agreements are modeled partly on the Philippines' existing framework with Australia. They do not create permanent foreign bases, but define rules for visiting troops, jurisdiction and approved activities.

The move fits Manila's wider strategy of building a broader security coalition as tensions with China continue in the South China Sea. For Canada and New Zealand, the agreements provide a clearer legal basis for operating with Philippine forces. For Manila, they add support from middle-power partners without relying only on Washington. [Philippine News Agency] [PhilStar]

Alleged artificial intelligence chip diversion from United States to China via Thailand draws scrutiny

(lm) Allegations that advanced artificial intelligence hardware was diverted from the United States to China through Thailand have drawn scrutiny in the wider US-China technology and export-control dispute. US export controls restrict sales of advanced chips to China because Washington argues that they could support Chinese military or strategic capabilities.

According to reporting on a US indictment, at least USD 2.5 billion worth of servers containing advanced Nvidia graphics processing units (GPUs) were allegedly moved through a Southeast Asian intermediary identified as Bangkok-based OBON Corporation. Nvidia is a US chipmaker whose GPUs are widely used for artificial intelligence computing. The servers were reportedly made by Super Micro Computer, a US-based server manufacturer, and the indictment reportedly accuses one of its co-founders of working with OBON and brokers to evade export controls. Alibaba, one of China's largest technology companies, was named in reporting as an alleged end customer.

The Thai dimension centers on OBON's reported links to Siam AI Cloud, a company associated with Thailand's national artificial intelligence initiative. Siam AI Cloud is

led by a nephew of former Prime Minister Thaksin Shinawatra, one of Thailand's most influential political figures. He said he had left OBON before launching Siam AI Cloud and denied involvement in the alleged smuggling, saying the company imports GPUs for its own use. Alibaba also denied business ties with Super Micro, OBON, or brokers cited in the indictment, and said banned Nvidia chips were not used in its data centers.

Thailand's main opposition People's Party said it would examine how the servers entered Thailand through OBON between 2024 and 2025, how any sales were recorded, and whether GPU rental services in Thailand could be used as a cover for resale to Chinese buyers. [Bangkok Post 1] [Bangkok Post 2]

Vietnam: Hanoi expands South China Sea outposts as China widens reclamation lead

(ms) Vietnam has added 534 acres of artificial land to its outposts in the disputed Spratly Islands over the past year, continuing a major island-building campaign even as China remains far ahead in total land reclamation.

The figures come from the Asia Maritime Transparency Initiative at the Center for Strategic and International Studies. The report says Vietnam has now reclaimed about 2,771 acres of land across the Spratlys. Its total reef destruction, including areas covered by landfill and dredged for channels and harbors, has reached about 4,120 acres.

Vietnam's largest outpost is now Barque Canada Reef, where land reclamation was completed in spring 2025. Satellite imagery shows that Hanoi has since installed a navigation beacon system similar to those used at China's Spratly airstrips. AMTI said the system could support aircraft navigation within about 100 nautical miles.

Vietnam is also building additional harbor infrastructure. New harbors are taking shape at Grierson Reef, Petley Reef and South Reef, bringing Vietnam's total number of Spratly harbors to 15. Eleven of those have been created since 2021, showing how quickly Hanoi has turned small reefs and outposts into more functional maritime positions.

The build-up is part of Vietnam's effort to strengthen its position against China in the South China Sea. Beijing claims most of the waterway and has built large

artificial islands with airstrips, ports and military infrastructure. Vietnam also claims parts of the Spratly and Paracel island chains and has been expanding its own facilities since 2022.

China still holds the larger lead. AMTI estimates that Chinese reclamation now totals about 5,460 acres of artificial land and 6,224 acres of reef destruction. New Chinese work at Antelope Reef has widened the gap again and likely made it the largest island in the South China Sea.

The expansion matters because these artificial islands are not just symbolic. They allow claimant states to station personnel, berth vessels, support aircraft and monitor nearby waters. For Vietnam, more harbors, runways and navigation infrastructure could make it easier to patrol its claims and respond to Chinese coast guard or maritime militia activity.

The environmental cost is also significant. Both Chinese and Vietnamese dredging have destroyed large areas of coral reef in one of the world's busiest and most contested maritime regions.

The latest work shows that the South China Sea dispute is increasingly being shaped by infrastructure. Even as Vietnam and China continue diplomatic engagement, both are reinforcing their claims on the water through land reclamation, ports, airstrips and surveillance-capable facilities. [Bloomberg] [CSIS] [Reuters]

Vietnam highlights proactive role at ASEAN Summit

(hn) Le Minh Hung concluded his trip to attend the 48th Association of Southeast Asian Nations Summit in Cebu on May 8 at the invitation of Philippine President Ferdinand Marcos Jr., Chair of ASEAN 2026. During the summit, Hung attended plenary and retreat sessions, where he presented Vietnam's foreign policy priorities and proposed measures to strengthen ASEAN's resilience and responsiveness to regional and global challenges, particularly the impacts of the Middle East situation.

Vietnam's proposals on addressing multidimensional challenges and enhancing regional resilience were welcomed by ASEAN leaders, contributing to the adoption of an ASEAN leaders' statement on priority actions to strengthen regional resilience.

On the sidelines of the summit, Hung held bilateral meetings with leaders of Brunei, Philippines, Timor-Leste and Cambodia, as well as with the President of the Asian Development Bank, focusing on strengthening economic, trade, defense and regional cooperation.

During talks with Sultan Hassanal Bolkiah, both sides agreed to deepen cooperation in trade, energy and fisheries while effectively implementing their comprehensive partnership program. In meetings with President Ferdinand Marcos Jr., Hung pledged to expand cooperation in trade, food and energy security, tourism, defense and maritime issues, with both sides aiming to raise bilateral trade to USD 10 billion.

Meeting Prime Minister Xanana Gusmao, Hung reaffirmed Vietnam's support for Timor-Leste's ASEAN integration and proposed stronger cooperation in telecommunications, energy, trade and investment. Meanwhile, Cambodian Prime Minister Hun Manet and the Vietnamese leader agreed to deepen defense, border security and economic cooperation while accelerating infrastructure connectivity projects and border negotiations.

In talks with Masato Kanda, Hung called for stronger support in green transition, infrastructure, climate response and private-sector development, while the ADB reaffirmed its commitment to supporting Vietnam's long-term development goals. [nhandan] [vietnamagency]

Vietnam deepens regional partnerships in South Asia

India and Vietnam enter new phase of strategic cooperation

(hn) To Lam concluded his three-day state visit to India from May 5–7 before departing for a state visit to Sri Lanka. During his visit to India, the Vietnamese leader held talks with Indian Prime Minister Narendra Modi, met Indian President Droupadi Murmu and other senior officials, attended the Vietnam - India Innovation Forum, and delivered a policy speech at the Indian Council of World Affairs. He also met representatives of the Vietnamese community in India and paid tribute at memorial sites dedicated to Mahatma Gandhi and Ho Chi Minh.

In Mumbai, To Lam met leaders of Maharashtra state, held discussions with Indian corporations and businesses, attended the India–Vietnam Business

Forum, and rang the bell at the National Stock Exchange of India. Both sides highlighted strong progress since the establishment of the Vietnam - India Comprehensive Strategic Partnership, with political trust, defense and security cooperation, and economic ties continuing to deepen.

Vietnam and India agreed to elevate ties to an "Enhanced Comprehensive Strategic Partnership," marking a new phase in bilateral relations. The two countries pledged to expand cooperation in trade, investment, supply chains, science and technology, digital transformation, semiconductors, artificial intelligence, healthcare, critical minerals, 6G and the peaceful use of nuclear energy.

They also set a target of raising bilateral trade to USD 25 billion by 2030 through improved market access and reduced trade barriers. On regional and global issues, both countries reaffirmed support for multilateral cooperation through the United Nations, ASEAN and ASEAN-led mechanisms, while stressing the importance of maintaining peace, stability, security and freedom of navigation in accordance with international law, including UNCLOS 1982.

During the visit, the two sides witnessed the signing of multiple cooperation agreements covering technology, finance, healthcare, cybersecurity, tourism, culture and local cooperation. [Firstpost] [Vietnamnet] [Vietnamplus]

Sri Lanka and Vietnam strengthen comprehensive partnership

Following his visit to India, To Lam paid a state visit to Sri Lanka from May 7–8, during which the two countries upgraded bilateral ties to a "Comprehensive Partnership." The visit reaffirmed more than 55 years of friendship and mutual trust between Vietnam and Sri Lanka, based on shared commitments to peace, development, independence and international law.

During talks with Sri Lankan President Anura Kumara Dissanayake and other leaders, both sides agreed to strengthen cooperation across politics, defense, security, trade, investment, agriculture, science and technology, culture, education and people-to-people exchanges. They pledged to deepen high-level exchanges, expand defense and cybersecurity cooperation, combat transnational crime, and enhance collaboration in legal and judicial affairs.

Economically, Vietnam and Sri Lanka set a target of reaching USD 1 billion in bilateral trade by 2030 while promoting investment in infrastructure,

telecommunications, healthcare, education, logistics, tourism and renewable energy. The two sides also agreed to strengthen cooperation in digital transformation, biotechnology, electronics, automation and information technology, while Sri Lanka requested Vietnam's support in fertilizer supply for agriculture.

Both countries highlighted their longstanding Buddhist and cultural connections and agreed to expand cooperation in heritage preservation, tourism, media, education and direct flight connectivity. They also emphasized closer collaboration between universities, youth and women's organizations, and friendship associations.

On regional and international issues, Vietnam and Sri Lanka reaffirmed support for multilateralism, ASEAN-led mechanisms and the United Nations, while stressing the importance of peace, stability, freedom of navigation and compliance with international law, including UNCLOS 1982.

During the visit, the two countries signed multiple cooperation agreements in security, science and technology, religion, culture and communications. [Vietnamplus] [Newswire]

China backs new Bangladesh government as Dhaka seeks economic support

(ms) China pledged support for Bangladesh's new government during talks in Beijing, as Dhaka looks to stabilize its economy, attract investment and keep room for maneuver in an increasingly competitive regional environment.

Chinese Foreign Minister Wang Yi told Bangladeshi Foreign Minister Khalilur Rahman that Beijing supports Bangladesh's sovereignty, development path and independent foreign policy. Wang also said China wants to align Belt and Road projects more closely with Bangladesh's national development priorities and expand cooperation in trade, investment, infrastructure, water management, green development and the digital economy.

For Bangladesh, the visit was important because the new government is trying to reassure major partners after taking office in February. Rahman described China as a "trustworthy and indispensable" partner and said Dhaka wants to upgrade the bilateral relationship. Bangladesh also reaffirmed its support for the one-China principle, a core political demand from Beijing.

The economic dimension is central. China has been Bangladesh's largest trading partner for 15 years, with bilateral trade reaching about USD 17.35 billion in 2024, heavily in China's favor. Since Bangladesh joined the Belt and Road Initiative in 2016, Beijing has pledged roughly USD 24 billion in loans and aid. For Dhaka, Chinese financing remains important for infrastructure and industrial development, even as the government faces fiscal pressure, energy import costs and scrutiny over past mega-project spending.

Beijing's message also had a geopolitical layer. Wang said China's relations with Bangladesh and other South Asian countries are not directed at any third party and should not be influenced by outside powers. That reflects China's concern over US and Indian influence in the region, while Bangladesh is trying to avoid being pulled too far into any one camp. [Anadolu Ajansi] [China Daily] [InKunming] [Dhaka Tribune 1] [Dhaka Tribune 2]

Brunei's Crown Prince's visits China

(dql) Brunei's Crown Prince Haji Al-Muhtadee Billah is visiting China this week at the invitation of Vice President Han Zheng, in a high-level engagement underscoring continued momentum in bilateral relations.

The five-day visit takes place as the two countries mark the 35th anniversary of diplomatic relations. Since establishing diplomatic relations in 1991, China and Brunei have steadily expanded cooperation across key sectors including trade, energy, infrastructure development, and people-to-people exchanges, supported by sustained political trust.

China is among Brunei's largest trading partners, with energy-related cooperation forming a central pillar of the relationship. Major industrial projects, notably the Hengyi petrochemical complex, are often cited as flagship examples of mutually beneficial economic engagement and Chinese investment in Brunei's downstream energy sector. [Bastille Post]

Brunei–Malaysia police cooperation deepens with focus on cybercrime and transnational threats

(DQL) The Commissioner of Police of the Royal Brunei Police Force (RBPF), Pahlawan Sulaiman Alidin, led a

delegation to Malaysia from May 6 to 8 in a working visit aimed at strengthening bilateral policing ties, operational coordination, and strategic cooperation with the Royal Malaysia Police (RMP).

Discussions focused on expanding collaboration against cybercrime, online fraud, commercial offences, and wider transnational criminal activity. Both sides also emphasized enhancing intelligence-sharing mechanisms, joint operational coordination, capacity-building, and cooperation through regional platforms such as Interpol and ASEANAPOL.

The talks also covered institutional development, professional training, and the long-term trajectory of strategic police cooperation between the two countries. [Borneo Bulletin]

Brunei, Thailand reaffirm defense cooperation

(dql) The Royal Brunei Armed Forces (RBAF) and the Royal Thai Armed Forces have reiterated their close and longstanding defense relationship, highlighting continued cooperation through high-level visits, military education and training exchanges, and professional engagement between the two militaries.

The ties were reaffirmed at a Royal Thai Armed Forces Day reception held on May 11, attended by RBAF Commander Major General Dato Paduka Seri Muhammad Haszaimi Bol Hassan as guest of honor. [The Star]

Azerbaijan, Cambodia agree to expand cooperation across economic and strategic sectors

(dql) Cambodia and Azerbaijan have pledged to deepen bilateral relations and broaden cooperation across multiple sectors. The commitment was made during a meeting on May 11 in Phnom Penh between Cambodian Prime Minister Hun Manet and Elchin Amirbayov, representative of the President of Azerbaijan for special assignments.

Both sides reviewed opportunities to expand cooperation in politics, trade, investment, energy, tourism, culture, education, and agriculture.

They also agreed to promote stronger private-sector engagement, including the organization of business-to-business meetings and business forums aimed at identifying new investment opportunities and increasing bilateral trade flows. Cambodian officials emphasized the untapped potential in the relationship, while the Azerbaijani side signaled interest in exploring new areas of economic and commercial cooperation. [Cambodianess]

Cambodia, India expand military cooperation

(dql) Cambodia and India further strengthened defense ties following the inauguration of an Indian-donated infantry weapon training simulator system. The simulator system, transferred in February 2025, is part of expanding practical cooperation between the two armies.

Ongoing collaboration, furthermore, include training programs and the bilateral Exercise CINBAX II, currently underway in Cambodia until May 17 with participation from 120 Indian military personnel. The exercise includes command-post and field-training activities aimed at improving operational coordination and interoperability. [The Hindu]

The growing defense engagement reflects India's broader effort to expand security cooperation with ASEAN states under its "Act East" policy, while allowing Cambodia to modestly diversify its defense partnerships beyond China. [Cambodianess]

Cambodia, Turkmenistan explore direct air links and expanded tourism cooperation

(dql) Cambodia and Turkmenistan have discussed the potential launch of direct flights connecting Ashgabat with Phnom Penh and Siem Reap, as part of broader efforts to strengthen bilateral tourism and economic ties.

The issue was raised on May 9 during a courtesy call in Phnom Penh between Cambodian Tourism Minister Huot Hak and Turkmen Deputy Foreign Minister Ahmet Gurbanov. Both sides also explored wider tourism cooperation measures, including familiarization trips for investors, media, and tourism operators, joint

promotional activities, and increased high-level exchanges to stimulate travel demand.

The two sides also considered accelerating a memorandum of understanding on tourism cooperation between their respective tourism authorities to institutionalize collaboration and improve implementation effectiveness.

Gurbanov's visit also included the first political consultations between the two foreign ministries. On May 8, he met acting Foreign Minister Eat Sophea, where both sides welcomed progress in bilateral engagement and discussed expanding cooperation beyond tourism into trade, investment, energy, education, and agro-industry. [Cambodianess]

UK extends support for Cambodia's demining efforts

(dql) The United Kingdom has pledged an additional GBP 1.6 million (USD 2.17 million) in humanitarian mine-action assistance to Cambodia for another year, reinforcing long-standing bilateral cooperation aimed at eliminating the country's remaining landmine threat. [Government, United Kingdom]

The funding will support clearance operations, explosive ordnance risk education and post-clearance agricultural rehabilitation in some of Cambodia's most heavily contaminated provinces.

The British support comes shortly after the Cambodian government approved the draft National Mine Action Policy 2026–2035 on April 23. Under the policy's six strategic priorities, Cambodia aims to eradicate all landmines by 2030 and clear all cluster munitions and priority explosive remnants of war-contaminated areas by 2035.

British support for Cambodian mine action has reached roughly GBP 65 million over the past four decades. [The Phnom Penh Post] [Kiripost]

China confirms technical support for Pakistan's air force during India conflict

(ms) China has confirmed for the first time that its aviation engineers provided on-site technical support to Pakistan's air force during last year's four-day conflict with India, a rare public acknowledgment that

also strengthens the combat-tested image of Chinese fighter jets.

The confirmation came in a CCTV interview with Zhang Heng, an engineer at the Chengdu Aircraft Design and Research Institute under Aviation Industry Corporation of China. Zhang said Chinese personnel were in Pakistan during the conflict and focused on ensuring that Chinese-made equipment could perform effectively under wartime conditions. Pakistan operates Chinese-made J-10CE fighter jets, produced by an AVIC subsidiary.

The disclosure matters because the conflict gave China's fighter technology one of its most visible real-combat tests. Pakistan has said it shot down multiple Indian aircraft during the fighting, including at least one French-built Rafale. A Chinese-made J-10CE was reported to have downed the Rafale, which would mark both the first reported enemy kill by the Chinese fighter and the first reported combat loss of a Rafale.

China's timing is also notable. The announcement comes after AVIC Chengdu reported record 2025 results and a sharp jump in first-quarter sales. The company posted revenue of CNY 75.4 billion, about USD 11 billion, in 2025, up 15.8 percent, while profit rose 6.5 percent to CNY 3.4 billion, about USD 470 million. First-quarter sales nearly doubled from a year earlier.

Chinese combat aircraft have long competed with Western and Russian systems in price-sensitive markets, but they lacked the same battlefield reputation. The India-Pakistan conflict changed that perception. If Chinese jets and missiles are seen as having performed well against Indian aircraft, including Rafales, Beijing can use that record to increase interest from potential buyers.

The J-10CE is especially important because Pakistan is the only known foreign operator of the model. A strong combat narrative around Pakistan's use of the aircraft could help China market the fighter to other developing countries looking for advanced capabilities without buying Western jets. Previous reports have pointed to interest in Chinese-made fighters from countries including Indonesia, Iraq and Bangladesh. [Decann Herald] [Militarnyi] [South China Morning Post]

China gives U.S. senators its priorities before Trump-Xi summit

(ms) China told a visiting group of U.S. senators that it wants “stable and predictable” trade relations with the United States, using the delegation’s visit to Beijing to set out its priorities ahead of President Donald Trump’s expected meeting with Xi Jinping next week.

Premier Li Qiang met Senator Steve Daines, a Montana Republican and close Trump ally, at the Great Hall of the People on May 7. Daines led a five-member Senate delegation to Shanghai and Beijing before Trump’s planned May 14–15 visit, which would be the first trip to China by a U.S. president in more than eight years.

Li urged Washington to choose dialogue over confrontation and cooperation over what Beijing calls “zero-sum” competition. He said stable economic and trade ties served the interests of both countries, signaling that Beijing wants the summit to prevent further escalation in tariffs, sanctions and technology restrictions.

China’s message also included its core political demand: Taiwan. Li told the senators that Taiwan is China’s “first red line” in relations with the United States. That warning is standard in Chinese diplomacy, but its placement before the Trump-Xi summit shows that Beijing wants political limits around U.S. support for Taipei to be part of the broader relationship reset.

Top diplomat Wang Yi also met the delegation and called for stability in bilateral ties. For Beijing, the Senate visit was a chance to communicate directly with people close to Trump before the leaders’ meeting, especially as the two sides remain divided over trade, technology controls, Iran-related sanctions and Taiwan.

The timing is sensitive. The planned summit comes during the U.S.-Israel war with Iran, which has disrupted energy markets and added another area of friction between Washington and Beijing. The United States has recently targeted Chinese firms and refiners over alleged Iran links, while China has publicly criticized U.S. sanctions and urged firms not to comply with some measures.

Beijing’s immediate goal appears to be risk control rather than a full reset. China wants to stabilize trade and keep communication channels open, but it is also making clear that any improvement in ties depends on Washington limiting pressure on issues China defines as strategic or sovereign, especially Taiwan, technology and sanctions. [Modern Diplomacy] [South China Morning Post]

U.S. sanctions Chinese and Hong Kong firms over alleged Iran military links

(ms) The United States has sanctioned nine mainland Chinese and Hong Kong entities and individuals accused of helping Iran's military obtain weapons, drone materials and satellite support, adding a new layer of pressure to already tense U.S.-China talks days before President Donald Trump's expected visit to China.

The U.S. Treasury and State departments announced the measures on May 9. According to the U.S. allegations, the targeted entities helped Iran secure weapons or raw materials that could be used in Shahed-series drones and ballistic missile programs. The Treasury sanctions cover five firms and one individual, while the State Department separately targeted four companies, including three mainland Chinese firms accused of providing satellite imagery that enabled Iranian attacks on U.S. forces in the Middle East.

The Treasury targets include Yushita Shanghai International Trade Company, accused of helping Tehran buy arms, and Hitex Insulation Ningbo Company, accused of supplying materials used in ballistic missile research and flight tests. Hitex's legal representative, Li Genping, was also sanctioned. Two Hong Kong-based firms were also named: HK Hesin Industry Company, accused of acting as a procurement intermediary, and Mustad Limited, accused of helping Iran's Islamic Revolutionary Guard Corps buy arms.

The satellite-imagery element is particularly important. It points to a newer category of military support: commercial intelligence rather than conventional arms transfers. Previous U.S. reporting and sanctions activity had already focused on Chinese satellite companies, including Chang Guang Satellite Technology, over alleged support linked to Iranian-aligned military operations. That kind of support sits outside traditional arms-transfer controls, because commercial satellite imagery can be sold through civilian channels but still have direct battlefield value.

The new sanctions also fit a broader pattern. Earlier U.S. Treasury designations in 2025 identified Chinese and Hong Kong-registered entities involved in Iran-related procurement networks for missile propellant chemicals, CNC machinery, composite materials and UAV electronics. Those cases included Shenzhen Amor Logistics and E-Sail Shipping in alleged missile-propellant shipments, Shanghai Tanchain New Material Technology and Hong Kong-based Super Sources Industrial in missile-applicable fiber supplies,

and networks supporting IRGC-linked drone component production.

The issue is not that China is openly supplying Iran with major weapons systems. The more important pattern is the growth of dual-use and front-company networks that move components, materials and intelligence support through mainland China, Hong Kong and other transit hubs. China has maintained formal restraint on major arms transfers to Iran, partly to preserve relations with Gulf states and avoid direct sanctions exposure, but U.S. designations suggest that informal procurement channels have continued to expand.

The timing makes the move politically sensitive. Washington is escalating enforcement against China-linked Iran networks shortly before a planned Trump-Xi summit, while Beijing is already pushing back against U.S. sanctions on Chinese refiners tied to Iranian oil. The sanctions therefore turn Iran from a regional security issue into another test of U.S.-China economic and military competition. [Global Times] [South China Morning Post]

China presses EU heavyweights as Brussels tightens its economic security policy

(ms) China has urged Germany and France to help keep European markets open, in the latest sign that Beijing is trying to slow the European Union's shift toward a tougher economic security policy. The appeals came as Brussels moves to restrict Chinese technology, scrutinize Chinese subsidies and protect strategic industries, even as China and the EU still cooperate in areas such as carbon pricing.

China's Commerce Ministry said on May 9 that Commerce Minister Wang Wentao had called on Germany to play a "constructive role" in preventing the EU from drifting further toward protectionism. In a separate exchange with French officials, Beijing urged Paris to help resolve trade disputes through dialogue and keep EU markets open. The message was aimed at Europe's two largest economies, but the dispute is no longer mainly about bilateral ties with Berlin or Paris. It is about the EU's broader attempt to reduce strategic dependence on China while avoiding a full economic break.

The immediate trigger is a cluster of EU measures that Beijing says would discriminate against Chinese companies. Chinese officials have objected to the EU's

proposed Cybersecurity Act revisions, which could force member states to phase out equipment from “high-risk” suppliers in critical sectors. The proposals are widely understood to target Chinese firms such as Huawei and ZTE, especially in telecoms and other sensitive infrastructure. Reuters reported that China has threatened countermeasures if the EU does not revise the proposed rules.

The dispute has also widened into clean energy. The European Commission has moved to block EU funding for projects using Chinese-made solar inverters, citing risks to critical electricity infrastructure. China has “strongly opposed” the step, while EU officials argue that connected energy equipment could pose security risks if suppliers are subject to pressure from foreign governments.

At the same time, the relationship is not purely confrontational. On May 7, China, the EU and Brazil launched a coalition on compliance carbon pricing in Florence. The initiative is intended to make carbon markets more transparent, help align emissions-trading systems and support access to carbon-credit markets under the Paris Agreement. The coalition is expected to include countries such as the UK, Canada, France, Germany, Turkey and New Zealand.

That climate cooperation shows the split nature of China-EU relations. Brussels is tightening scrutiny of Chinese technology and industrial subsidies, but it still sees Beijing as an important partner in parts of global climate policy, especially as the United States under President Donald Trump moves back toward fossil fuels and away from international climate commitments.

For Beijing, the EU’s technology and clean-energy restrictions look like protectionism under a security label. Chinese officials argue that Europe still needs Chinese technology to meet its green and digital transition goals, and that forced replacement of Chinese equipment would raise costs for European businesses and consumers. A study by the China Chamber of Commerce to the EU and KPMG estimated that phasing out Chinese technology in critical sectors could cost the bloc more than USD 400 billion between 2026 and 2030, with the largest impact falling on Germany.

For Brussels, however, the issue is not only price. The EU has spent the past several years redefining its China policy around “de-risking”: keeping trade open where possible, but limiting dependence in sectors such as telecoms, electric vehicles, batteries, solar equipment, critical raw materials and digital

infrastructure. That approach reflects concerns over Chinese state subsidies, industrial overcapacity, market access barriers and the potential use of economic ties for political leverage.

China's outreach to Germany and France is therefore strategic. Germany has deep commercial exposure to China through automakers, machinery firms and chemical producers. France has often argued for European strategic autonomy, including avoiding excessive alignment with Washington. Beijing is trying to use those instincts to prevent a harder EU consensus from forming around Chinese technology and investment restrictions.

But the room for Beijing to shape European policy has narrowed. EU institutions have become more willing to use trade defense tools, foreign subsidy investigations and security-based restrictions. The proposed Industrial Accelerator Act adds another layer by seeking to support European industries facing competition from China and the United States. Chinese officials have warned that the act could create new investment barriers and disrupt global supply chains. [Bloomberg 1] [Bloomberg 2] [Bloomberg 3] [Reuters] [South China Morning Post]

Mozambique weighs yuan debt swap on Chinese loans, aligning with Chinese de-dollarization efforts

(ms) Mozambique is considering converting about USD 1.4 billion in debt owed to China from US dollars into yuan, a move that could ease short-term pressure on its finances while advancing Beijing's effort to expand use of its currency in African sovereign lending.

The proposal is part of debt restructuring talks with China, Mozambique's largest bilateral creditor. The Finance Ministry said the option had been raised in discussions and was "a valid possibility" on the table, according to Bloomberg.

The talks come as Mozambique faces a worsening liquidity crunch. The International Monetary Fund and World Bank have warned that the country's debt is unsustainable, while Fitch Ratings recently downgraded Mozambique and said a default is probable. The country's USD 900 million Eurobond begins amortizing in 2028, with USD 225 million in annual repayments due.

A yuan conversion could reduce Mozambique's exposure to the dollar at a time when foreign-currency

debt has become harder to service for many African borrowers. Kenya converted several Chinese loans into yuan last year, while Ethiopia and Zambia have discussed similar arrangements with Beijing.

The move would also serve China's broader goal of internationalizing the yuan. The currency still accounts for less than 2 percent of global foreign-exchange reserves, compared with more than half for the dollar, but Beijing has increasingly used bilateral lending, trade settlement and currency swaps to expand its role.

Mozambique is also discussing a debt-for-development arrangement with China. Under that model, part of the debt could be redirected into investment projects in areas such as agriculture, energy, infrastructure, health, education and climate resilience. Officials said one early project under consideration would focus on children.

The country holds some of Africa's largest natural gas reserves, with projects led by TotalEnergies and ExxonMobil expected to transform export revenues later this decade. But delays in those projects have left Maputo facing immediate debt pressure before major gas income arrives. [360Mozambique] [Bloomberg] [Business Insider Africa]

Brazil becomes China's top global investment destination as Lula keeps rare earths open

(ms) Brazil became the world's largest recipient of Chinese investment in 2025, drawing USD 6.1 billion across 52 projects as Chinese companies expanded in mining, electricity, electric vehicles, technology and logistics.

The figures, released by the Brazil-China Business Council, show a 45 percent increase from 2024. Brazil absorbed 10.9 percent of all Chinese outbound investment, ahead of the United States at 6.8 percent and Guyana at 5.7 percent. The jump far outpaced the 4.8 percent rise in total foreign investment into Brazil.

The investment surge comes as President Luiz Inácio Lula da Silva is trying to position Brazil as a strategic supplier without choosing sides between Washington and Beijing. During a three-hour meeting with U.S. President Donald Trump at the White House, Lula said Brazil's rare earth reserves would be open to investors from China, the United States and other countries, as

long as processing and value creation take place in Brazil.

That point is central to Brasília's strategy. Lula said Brazil does not want to repeat its history of exporting raw silver, gold and iron ore while losing most of the industrial value abroad. His government wants rare earths and other critical minerals to be mined, separated and processed domestically, making the sector part of Brazil's industrial policy and national sovereignty agenda.

Chinese capital is already moving into sectors linked to that strategy. Electricity remained the leading destination for Chinese money, while mining investment more than tripled to USD 1.76 billion. Chinese companies have targeted minerals such as nickel and copper, which are important for batteries, electric vehicles and renewable-energy supply chains.

The automotive sector also became a major pillar of Chinese investment. BYD and Great Wall Motor have bought former Western-owned factory sites and are converting them into hubs for electric and hybrid vehicle production. Chinese automakers are betting on Brazil's large consumer market, relatively clean power mix and growing demand for cheaper electric mobility.

The trend has geopolitical weight. As Chinese firms face more restrictions in the United States and Europe, Brazil offers scale, natural resources, clean energy and a government open to Chinese capital. At the same time, Lula's message to Trump makes clear that Brazil will not reserve strategic minerals for the United States or exclude China from future projects.

For Brazil, the inflow brings capital, factories and technology transfer, but also deeper exposure to China at a time when global supply chains are becoming more politicized. Chinese investment in Brazil has now reached USD 85.5 billion since 2007 across 355 projects, making the relationship one of Beijing's most important economic footholds outside Asia. [Global Times] [Reuters] [South China Morning Post 1] [South China Morning Post 2]

India, Japan advance economic security cooperation focused on critical supply chains, strategic technologies

(dql) India and Japan agreed on May 11 to deepen cooperation in strategic industrial sectors and strengthen resilient supply chains during the second Economic Security Dialogue held in New Delhi. The

talks were co-chaired by India's Foreign Secretary Vikram Misri and senior Japanese officials from the foreign and economic ministries, with participation from multiple sectoral agencies including electronics, telecom, pharmaceuticals, energy, heavy industry, and atomic energy. [Ministry of External Affairs, India]

The dialogue serves as the implementation mechanism for economic security initiatives announced by Prime Ministers Narendra Modi and Shigeru Ishiba at the August 2025 India–Japan summit in Tokyo.

Discussions focused on cooperation in critical minerals, semiconductors, ICT and AI, clean energy, and pharmaceuticals, alongside coordination of national economic security policies and expanded public–private partnerships to secure trusted supply chains. Both sides also welcomed private-sector recommendations aimed at reducing barriers to bilateral economic engagement.

A subsequent Foreign Secretary–Vice Minister meeting reviewed broader cooperation in defense, trade, investment, technology, and regional issues under the India–Japan Special Strategic and Global Partnership. [The Tribune]

The meeting reflects continued India–Japan alignment on supply chain diversification and economic security amid global fragmentation. The focus on semiconductors, critical minerals, and AI signals an effort to reduce strategic dependency risks, particularly linked to China-centric supply networks, while institutionalizing industrial cooperation through structured policy dialogue mechanisms.

Quad to meet in New Delhi to address critical minerals dependence on China

The Economic Security Dialogue was held ahead of a Quad ministerial meeting scheduled for late May, where top diplomats from India, Japan, the U.S., and Australia are expected to focus on critical minerals cooperation and supply chain resilience, with particular emphasis on reducing dependence on China's dominant position in rare earth processing and refining. [The Mainichi]

The planned meeting will be the first Quad ministerial engagement since July last year, reflecting a cautious attempt to restore momentum after a prolonged pause. A previously scheduled leaders' summit in India was postponed last autumn amid strains in US–India relations, contributing to a period of diplomatic uncertainty within the grouping.

A key source of strain was the escalation in India–Pakistan tensions following military clashes in May 2025. US President Donald Trump publicly claimed to have played a mediating role in de-escalating the crisis, a claim firmly rejected by New Delhi, contributing to mistrust at the political level. At the same time, economic relations between the two partners deteriorated due to reciprocal tariff measures and punitive trade actions imposed by the Trump administration on Indian exports.

More broadly, under Trump's second-term approach, Washington has adopted a more transactional foreign policy stance, showing reduced enthusiasm for multilateral coordination and a more complex relationship with both allies and China. Concurrent warming signals toward Pakistan and cautious engagement with Beijing have further complicated perceptions of US commitment to Indo-Pacific coalition-building. [Japan Forward] [South China Morning Post]

Trump is set to meet Chinese President Xi Jinping this week for talks expected to span some of the most sensitive issues in the bilateral relationship, including Iran, Taiwan, artificial intelligence, nuclear weapons, and the future of a critical minerals trade framework.

A central focus will be whether to extend an existing arrangement governing the flow of Chinese rare earth minerals to the United States. The deal, originally struck during last year's trade truce, remains in force but is nearing a decision point. U.S. officials expressed confidence that an extension will eventually be agreed, though formal confirmation may be delayed. [Reuters]

Canada, India push forward free trade negotiations

(dql) India and Canada concluded the second round of negotiations on a proposed Comprehensive Economic Partnership Agreement (CEPA) in New Delhi from May 4-8, reaffirming efforts to deepen bilateral economic ties despite recent diplomatic tensions.

The talks covered trade in goods and services, intellectual property, rules of origin, sanitary standards, and technical trade barriers. Both sides described the discussions as constructive and agreed to continue negotiations ahead of the next round in Ottawa in July.

Originally launched in 2010 and repeatedly interrupted over the years, the latest CEPA negotiation rounds

form part of a broader attempt to revive economic engagement after relations between New Delhi and Ottawa deteriorated sharply over political and security disputes, including tensions surrounding Sikh separatist activism in Canada. These tensions escalated after Ottawa alleged possible Indian involvement in the 2023 killing of Sikh separatist leader Hardeep Singh Nijjar, a claim India strongly denied, amid broader disputes over Canada's tolerance of pro-Khalistan activism and resulting diplomatic expulsions that severely strained bilateral relations.

The talks were formally revived following a political reset between Prime Minister Narendra Modi and Prime Minister Mark Carney. Both leaders agreed in recent months to relaunch talks and pursue a high-ambition framework to deepen economic integration (see AiR No. 9, March/2026, 1).

Bilateral trade reached USD 8.66 billion in FY 2024–25, with relatively balanced trade flows between the two countries, with India exporting pharmaceuticals, steel products, seafood, garments, electronics and chemicals, while imports from Canada include pulses, coal, fertilizers, and crude oil. India's major services exports include telecommunications, IT and business services.

The economic relationship is further underpinned by strong people-to-people ties, with Canada hosting more than 425,000 Indian students alongside a large Indian diaspora community. [The Tribune] [The Economic Times]

India expands US investment footprint amid deepening economic ties

(dql) Indian companies are preparing to invest more than USD 20.5 billion in the United States, reflecting accelerating economic integration between the two countries and growing Indian corporate expansion into strategic US industries.

The planned investments, announced during the SelectUSA Investment Summit in Maryland, are concentrated in pharmaceuticals, advanced manufacturing, energy infrastructure and emerging technologies. According to US Ambassador to India Sergio Gor, Indian firms accounted for the largest number of new investment commitments at the summit, with 12 companies alone announcing more than USD 1.1 billion in projects in a single day.

More than USD 19 billion of the proposed investments are expected to come from the pharmaceutical sector, including manufacturing, research and development, and new production facilities. Additional commitments target steel, connectivity and energy supply chains, sectors increasingly prioritized by Washington amid broader efforts to strengthen industrial resilience and reduce strategic dependencies. [The Tribune]

The investment surge is strategically significant as it highlights the growing alignment of Indian and US economic interests alongside wider geopolitical cooperation. Both governments are seeking to expand bilateral trade to USD 500 billion by 2030, while Indian companies continue to strengthen their position within critical US supply and technology networks. [The Economic Times]

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India-Peru trade talks gain momentum amid push for critical minerals security

(dql) India and Peru are expected to resume negotiations on a proposed free trade agreement in June, with both sides aiming to conclude the deal by the end of 2026, according to Peruvian diplomatic sources. The talks will reportedly include a separate chapter on critical minerals, underscoring India's growing focus on securing overseas resource supplies to support industrial expansion and energy transition goals.

Discussions are also underway regarding potential copper sourcing by Hindalco Industries, one of India's largest metals companies and a major global producer of aluminium and copper.

Peru produced approximately 2.7 million tons of copper in 2024, making it the world's third-largest producer and an increasingly important potential supplier for India.

India's copper imports rose 4 percent to 1.2 million tons in the financial year ending March 2025, while domestic demand is projected to increase to 3–3.3 million tons by 2030 and nearly 10 million tons by 2047. Official estimates suggest India may need to import up to 97 percent of its copper concentrate requirements by that time, prompting increased efforts to diversify supply chains and strengthen

economic partnerships with resource-rich countries in Latin America. [Reuters]

Japan's prime minister considers South Korea visit amid energy and security concerns

(dql) Japanese Prime Minister Sanae Takaichi is reportedly considering a visit to South Korea from May 19 for talks with President Lee Jae Myung focused on energy security, economic resilience, and regional strategic coordination.

The planned meeting in the southeastern city of Andong would reportedly address vulnerabilities in crude oil supply chains following Middle East-related disruptions linked to the U.S.-Israeli confrontation with Iran, as both countries remain heavily dependent on Gulf energy imports. Japan sources roughly 93 percent of its crude oil imports through the affected Strait of Hormuz, while South Korea depends on the same route for around 70 percent of its oil and 20 percent of its natural gas supplies. [DW]

Discussions are also expected to cover critical mineral cooperation and broader economic security coordination.

The visit would reinforce the resumed Japan–South Korea "shuttle diplomacy" mechanism revived in 2023 after years of tensions over wartime history and forced labor disputes. This mechanism refers to a framework of regular reciprocal visits and summit meetings between the leaders of Japan and South Korea aimed at maintaining continuous high-level political dialogue and improving bilateral relations. Since relations normalized, Tokyo and Seoul have steadily expanded bilateral and trilateral cooperation with the United States in response to North Korean military threats and China's growing regional assertiveness. [The Japan News]

Takaichi and Lee previously met in January in Nara, western Japan, where they agreed to sustain high-level exchanges and expand cooperation across multiple sectors (see AiR No. 3, January/2026, 3). Since Lee assumed office in June 2025 following the impeachment of his predecessor after a failed martial law declaration, Seoul has maintained its alignment with the broader strategic normalization process with Tokyo. [Kyodo News]

Inaugural "2+2" talks

In parallel, Japan and South Korea have held their first vice minister-level “two-plus-two” security talks in Seoul, marking an upgrade from the director-general framework that has operated since 1998 and signaling a deepening institutionalization of defense coordination.

The Japanese delegation, led by Vice Foreign Minister Takehiro Funakoshi and Vice Defense Minister for International Affairs Koji Kano, met their South Korean counterparts, First Vice Foreign Minister Park Yoon-joo and Vice Defense Minister Lee Doo-hee, to discuss regional security developments, including North Korea’s nuclear and missile programs and instability in the Middle East.

Both sides reaffirmed the growing importance of bilateral coordination as well as trilateral cooperation with the United States in responding to shared security challenges. The talks also touched on potential expansion of logistical interoperability, including a possible acquisition and cross-servicing arrangement that would allow reciprocal sharing of supplies such as fuel and food during joint operations or contingencies. [The Mainichi]

Japan, U.S. reaffirm currency coordination after yen intervention

(dql) Japan and the United States continue to strengthen economic policy coordination amid heightened global financial uncertainty, with currency stability emerging as an increasingly important pillar of bilateral cooperation alongside trade and security ties.

Following talks with U.S. Treasury Secretary Scott Bessent on May 11 in Tokyo, Japanese Finance Minister Satsuki Katayama said both sides had agreed to maintain close coordination on foreign-exchange developments following Japan’s recent intervention to support the yen. She added that Japan’s position on currency management had received U.S. understanding and support.

Both sides reportedly reaffirmed their commitment to a bilateral understanding reached in September under which currency intervention should be limited to periods of excessive volatility or disorderly market movements.

The discussions followed suspected Japanese market interventions on April 30 and in early May aimed at slowing the yen’s sharp depreciation against the dollar after the currency weakened into the upper JPY 160

range. Bessent had openly criticized that approach, expressing his preference for Bank of Japan interest rate hikes as the more appropriate mechanism for stabilizing the yen. His position reflects concerns in Washington that Japanese intervention operations — often financed through sales of U.S. Treasuries — could place upward pressure on American bond yields at a time when the administration of U.S. President Donald Trump remains highly sensitive to rising borrowing costs.

Washington's apparent acceptance of Japan's intervention is notable given longstanding U.S. sensitivity toward unilateral currency actions by trading partners. [Kyodo News] [Investing Live]

Japan prepares limited business outreach to Russia amid energy security concerns

(lr/dql) Japan is preparing to dispatch a high-level business delegation to Russia later this month, marking a cautious and politically sensitive step toward potential post-conflict economic re-engagement despite the ongoing war in Ukraine.

According to sources, the two-day visit is scheduled for 26 May and will include senior representatives from major Japanese firms. The delegation is expected to hold talks with officials from Russia's Ministry of Industry and Trade on potential areas of economic cooperation.

The initiative comes despite continued Western sanctions on Russia and widespread corporate withdrawals since 2022, including by Toyota Motor Corporation and Nissan Motor Co. Some Japanese firms are reportedly hesitant to participate due to reputational and compliance risks linked to the conflict.

The move follows recent signals of limited economic recalibration, including Japan's resumption of Russian crude oil imports amid heightened concerns over Middle East supply disruptions and vulnerability of energy transit routes.

While senior Japanese officials previously denied plans for such engagement, the current proposal suggests a tentative reassessment of long-term economic exposure and supply chain resilience rather than a formal policy shift. [Kyodo News]

At the same time, Japan has stressed that it has no plans at present to hold a foreign minister-level

meeting with Russia, despite signals from Moscow suggesting potential talks on the margins of ASEAN-related meetings in the Philippines in July.

Tokyo reiterated the position on May 11, following Russian indications that a bilateral meeting could be arranged if requested by Tokyo. It also underscored Japan's continued assessment of Russia's invasion as a grave violation of the international order, characterizing it as an act that undermines global peace and stability

The comments came after Japanese ruling Liberal Democratic Party lawmaker Muneo Suzuki reported that Russian Deputy Foreign Minister Andrey Rudenko had expressed readiness to facilitate such a meeting during recent talks in Moscow.

No Japan–Russia foreign ministerial contact has taken place since the onset of Russia's 2022 invasion of Ukraine, reflecting sustained diplomatic disengagement under Japan's alignment with G7 sanctions policy. [Nippon.com]

Japan, Morocco deepen economic security and supply-chain cooperation

(dql) Japan and Morocco moved to expand bilateral coordination on economic security, industrial investment, and supply-chain resilience during virtual talks between Japanese Foreign Minister Toshimitsu Motegi and Moroccan Foreign Minister Nasser Bourita on May 8. [Ministry of Foreign Affairs, Japan 1]

In a joint statement, both sides underscored the strategic importance of resilient supply chains, with particular emphasis on phosphate cooperation. Morocco, which holds the world's largest phosphate reserves, is increasingly viewed by Japan as a critical partner for securing inputs essential to fertilizers and semiconductor-related industries amid intensifying global competition over strategic resources.

The ministers welcomed new commitments between Japanese and Moroccan entities on phosphate fertilizer supplies to Japan, reflecting Tokyo's broader effort to diversify procurement channels and reduce vulnerability to geopolitical disruptions.

Discussions also highlighted Morocco's emergence as a major industrial platform in Africa, particularly in the automotive and aerospace sectors, where Japanese firms — including auto-parts manufacturers — have steadily expanded operations.

The talks additionally reinforced momentum toward deeper economic integration, with Japan's influential business federation Keidanren continuing to advocate for a bilateral economic partnership agreement. [The Mainichi] [Morocco World News]

Notably, Japan has shown increased diplomatic openness toward Morocco's autonomy proposal for Western Sahara. In the joint statement, Tokyo welcomed recent UN Security Council efforts on the dispute and indicated support for renewed negotiations without preconditions, while describing Rabat's autonomy initiative as a credible basis for a lasting settlement. The position suggests a gradual recalibration of Japan's traditionally cautious approach toward the Sahara issue in favor of a more pragmatic and stability-oriented posture. [Atalayar] [Ministry of Foreign Affairs, Japan 2]

The decades-long Western Sahara dispute centers on Morocco's sovereignty claim over the territory and is contested by the Algeria-backed Polisario Front, an armed separatist movement which seeks independence for the region and administers the self-proclaimed Sahrawi Arab Democratic Republic. Japan has traditionally maintained a cautious, UN-focused position emphasizing neutrality and negotiated settlement.

Japan, South Africa deepen critical minerals cooperation

(dql) Japan is strengthening engagement with African partners as part of a broader effort to secure critical mineral supplies and expand its strategic presence across the Global South amid intensifying competition with China.

Japanese Foreign Minister Toshimitsu Motegi and South African Foreign Minister Ronald Lamola agreed during talks on May 5 in Pretoria to enhance cooperation on critical mineral supply chains and facilitate greater Japanese corporate investment in South Africa, Japan's largest trading partner in Africa and a member of both the G20 and BRICS grouping. [Ministry of Foreign Affairs, Japan]

The mineral-focused discussions come as Japan seeks to reduce supply vulnerabilities linked to instability in the Middle East and tightening Chinese export controls on rare earths and other strategic materials. South Africa is a major producer of platinum group metals and manganese, both considered important for

advanced manufacturing, energy transition technologies and industrial supply chains.

Both sides also reaffirmed support for a "Free and Open Indo-Pacific," the strategic framework first advanced by former Prime Minister Shinzo Abe in 2016 during the Tokyo International Conference on African Development in Kenya. [The Mainichi]

Motegi's visit to South Africa formed part of his multi-country African tour, which also included visits to Zambia, Angola and Kenya (see AiR No. 18, May/2026, 1).

Japan's Mogami-class frigate shortlisted by New Zealand

(dql) New Zealand has shortlisted Japan's Mogami-class frigate for its naval replacement program, marking another potential breakthrough for Tokyo's expanding defense export ambitions following Australia's recent selection of the same platform for its SEA 3000 frigate program. [Defence 24]

New Zealand Defence Minister Judith Collins announced on May 7 that Wellington is evaluating the Mogami-class multi-mission frigate developed for the Japan Maritime Self-Defense Force as a replacement for the Royal New Zealand Navy's aging Anzac-class vessels, HMNZS Te Kaha and HMNZS Te Mana. Britain's Type 31 frigate remains the only competing bid.

The Japanese proposal has gained momentum after Tokyo and Canberra last month formalized contracts to implement their 2025 USD 7 billion agreement for the supply of 11 advanced warships (see AiR No. 16, April/2026, 3).

A New Zealand decision in favor of the same platform would significantly deepen interoperability and logistical integration between the Australian and New Zealand navies while reinforcing Japan's growing defense-industrial presence in the Indo-Pacific.

Developed by Mitsubishi Heavy Industries, the Mogami-class is designed as a compact multi-role frigate with advanced automation, reduced crew requirements and modular mission systems. The platform also incorporates mine countermeasure capabilities and flexible weapons integration, features viewed as attractive for medium-sized regional navies seeking lower operating costs and adaptable mission profiles.

The competing British Type 31 frigate, developed by Babcock International, is being marketed primarily on affordability and export flexibility, factors that may appeal to New Zealand's traditionally cautious defence spending approach. [Defence Blog] [South China Morning Post]

Russia weighs first fuel shipment as Laos looks beyond Thai supply

(ms) Russia is considering its first shipment of petroleum products to Laos, a move that would give the landlocked country another fuel source after a severe supply crisis exposed its dependence on Thailand.

Russian Deputy Prime Minister Alexander Novak said on May 9 that Moscow is assessing the logistics for an initial delivery. Because Laos has no seaport, any Russian fuel would likely move through Vietnamese ports and then overland into Laos, using a transit corridor Vietnam opened to Vientiane earlier this year.

The announcement followed talks in Moscow between Russian President Vladimir Putin and Lao President Thongloun Sisoulith, who visited Russia for Victory Day commemorations. The Kremlin said the two leaders discussed expanding bilateral trade and practical cooperation, with Russian energy officials among those attending the meeting.

For Laos, the talks come after one of its worst fuel disruptions in years. The country imports about 97 percent of its refined fuel from Thailand, leaving it highly exposed when regional supplies tightened during the Middle East crisis. In mid-March, more than 1,000 of Laos' 2,538 gas stations were closed, long queues formed in Vientiane, and diesel prices more than doubled.

The government responded by cutting fuel excise taxes, launching mobile fuel services and ordering ministries to reduce consumption, including through remote work. Vietnam later committed 50 million liters of emergency fuel and agreed to let Laos move petroleum from third countries through Vietnamese territory.

That route is now central to Russia's plan. If the shipment goes ahead, it would not replace Thailand as Laos' main fuel supplier, but it would mark a concrete step toward diversifying imports at a time when Southeast Asian governments are looking for backup supply channels.

The issue was also raised regionally. At the ASEAN Summit in Cebu on May 7–8, leaders discussed a shared emergency fuel reserve and faster progress on the ASEAN Power Grid, reflecting concern that another external shock could quickly hit transport, food prices and electricity systems across the region [Kremlin]. [The Laotian Times]

Australia expands support for Lao media

(ms) Australia will expand media cooperation with Laos through training, study tours and programs led by the Australian Broadcasting Corporation, as the two countries mark 74 years of diplomatic relations.

Australian Ambassador Megan Jones discussed the plan with Khamphan Pheuyavong, head of Laos' Commission for Information and Education, in Vientiane on May 7. The support will focus on English-language training, leadership skills, digital journalism and efforts to counter misinformation.

The ABC has already run a Digital Dialogue program in Laos and is expanding cooperation with Lao media through content sharing and capacity-building. Two Lao state media representatives also joined an ABC-backed leadership program earlier in 2026. [The Laotian Times]

Malaysia, Russia pledge deeper ties

(dql) Malaysia and Russia have agreed to further strengthen bilateral relations ahead of the 60th anniversary of diplomatic ties in 2027, following talks between Malaysian King Sultan Ibrahim and Russian President Vladimir Putin in Moscow.

Both sides reaffirmed their commitment to expanding cooperation across trade, multilateral coordination and broader strategic engagement. Sultan Ibrahim described Malaysia–Russia relations as a steadily deepening partnership since diplomatic ties were established in 1967 and called for a commemorative milestone celebration marking six decades of relations. He also invited Putin to undertake a state visit to Malaysia in 2027, which he said could further advance strategic cooperation.

Putin welcomed the proposal, highlighting continued collaboration in international forums such as the UN and ASEAN, as well as ongoing economic ties despite

fluctuations in trade. He expressed confidence in further strengthening bilateral engagement.

The visit followed earlier leadership contact in St Petersburg in January and included Sultan Ibrahim's participation as guest of honor at Russia's Victory Day military parade in Moscow on May 9, making him the first Malaysian head of state to attend the celebrations. [The Vibes] [The Rakyat Post]

Although officially ceremonial, the timing carries economic significance as Malaysia faces tightening fuel supply conditions. Prime Minister Anwar Ibrahim has confirmed that state energy firm Petronas is exploring crude purchases from Russia to secure domestic supply, while acknowledging that disruptions in the Strait of Hormuz have affected shipping costs and energy flows.

The visit also reflects Malaysia's broader diplomatic balancing strategy. Alongside other Southeast Asian states, Kuala Lumpur has shown increased openness to Russian energy engagement despite Western sanctions linked to the Ukraine war, which some Western governments argue risks indirectly supporting Moscow's war effort. [South China Morning Post]

Maldives, United States discuss defense cooperation

(lm) The Maldives and the United States have discussed strengthening defense and security cooperation, including maritime collaboration and other areas of mutual interest. The talks took place on May 6 between Maldivian Foreign Secretary Fathimath Inaya and the United States senior defense official and defense attaché accredited to Sri Lanka and the Maldives.

The meeting comes during the 60th anniversary year of Maldives–United States diplomatic relations. The two countries signed a defense cooperation agreement in 2020, under which the United States has supported the Maldives' maritime security capabilities through equipment and training for the Maldives National Defence Force (MNDF). Earlier this year, the two sides also held the joint military training activity "Exercise Flash Metal," focused on interoperability, specialized combat capabilities, and maritime security. [The Sun]

Maldives, Australia expand maritime security cooperation

(lm) The Maldives' Ministry of Defence and National Service and the Australian Border Force Command signed a memorandum of understanding on May 7 to strengthen civilian maritime safety and security cooperation. The agreement follows a separate Maldives–Australia arrangement signed in late April, under which Australia donated a new Guardian-class patrol boat to the Maldives through its Defence Cooperation Program. The vessel is intended to support the Maldives' management of its Exclusive Economic Zone and to strengthen capacity to prevent illegal activities and respond to disasters. [The Sun]

China, Mongolia discuss expanding economic ties, improving border connectivity

(fs) Chairman of the Mongolian parliament Byambatsogt Sandag met Ambassador of China to Mongolia Shen Minjuan on May 6 to discuss strengthening bilateral cooperation, with a focus on economic ties, investment conditions and inter-parliamentary relations.

Both sides agreed on the importance of advancing ongoing projects and discussed improving the operation of border ports by increasing accessibility, introducing more flexible schedules and converting seasonal crossings into permanent ones. They highlighted that such measures could facilitate cross-border movement, particularly for residents in remote areas, while helping ease price pressures on goods and supporting regional development. [Montsame]

Japan, Mongolia deepen cooperation on statistics

(fs) Japanese Deputy Minister of Internal Affairs and Communications Hideyuki Nakano met Chairman of the Standing Committee on Economics of the Parliament of Mongolia Seddorj Renchinbamba in Ulaanbaatar to discuss strengthening bilateral cooperation, particularly in statistics and economic relations.

Nakano expressed interest in studying the practices of the National Statistical Office of Mongolia, which is recognized in the Asia-Pacific region for its use of

diverse data sources, including mobile and satellite data. The two sides also discussed the arrival of Japanese experts scheduled to begin work in Mongolia in June.

Renchinbamba highlighted the importance of regular bilateral dialogue and efforts to maximize the benefits of the Economic Partnership Agreement while encouraging Japanese investment. The meeting also reviewed ongoing cooperation under existing memorandums of understanding. [Open.kg]

Azerbaijan, Mongolia sign air services agreement to expand transport cooperation

(fs) Mongolia and Azerbaijan have signed an Air Services Agreement aimed at strengthening bilateral transportation links and supporting broader economic and cultural cooperation between the two countries. The announcement was made by Azerbaijan's Minister of Digital Development and Transport Rashad Nabiyev following talks in Germany with Mongolia's Minister of Roads and Transport Borkhuu Delgersaikhan.

During the meeting, the two sides discussed opportunities to expand cooperation in the transport sector, with particular attention to increasing road and air connectivity between Azerbaijan and Mongolia.

Nabiyev stated that the document would contribute to the development of economic and cultural ties while creating favorable conditions for cooperation between airlines. He added that the agreement would help facilitate future air transport operations and strengthen bilateral connectivity. [Azernews]

Indian foreign secretary's visit to Nepal postponed amid fresh tensions over disputed Himalayan border area

(lm) Indian Foreign Secretary Vikram Misri's planned May 11–12 visit to Kathmandu has been postponed amid renewed tensions over Nepal's long-running territorial dispute with New Delhi concerning Limpiyadhura, Lipulekh, and Kalapani, a Himalayan border area near the Nepal-India-China trijunction.

The visit had been expected to provide an early channel of engagement with Nepalese Prime Minister Balendra Shah's new government and help set the

future course of Nepal-India relations. Indian officials reportedly cited Misri's other commitments, but Nepali officials pointed to two likely factors: Shah's refusal to meet foreign officials below ministerial rank, and Nepal's objection to India and China's decision to resume the Kailash Manasarovar Yatra, a Hindu pilgrimage route to Tibet, through Lipulekh Pass.

Lipulekh Pass is administered by India but claimed by Nepal as part of the Kalapani area. Nepal argues that Limpiyadhura, Lipulekh, and Kalapani fall within its territory under the 1816 Sugauli Treaty, which it interprets as placing areas east of the Mahakali River inside Nepal. India rejects Nepal's claims as unilateral, while China has treated the dispute as a matter to be resolved between Nepal and India. After India and China agreed to resume the pilgrimage route from June to August without consulting Nepal, Kathmandu sent separate diplomatic notes to both countries and reiterated that the three areas are integral parts of Nepal. [AiR No. 18, May/2026, 1]

The dispute has remained unresolved despite formal mechanisms. During Indian Prime Minister Narendra Modi's 2014 state visit to Nepal, the two countries' foreign secretaries were tasked with addressing the Kalapani and Susta boundary disputes, but no meeting dedicated to those issues has taken place. The dispute hardened after India released a new political map in 2019 showing Kalapani, Lipulekh, and Limpiyadhura within India, followed by Nepal's 2020 map update and constitutional amendment incorporating the areas into Nepal's national emblem.

Despite the postponement of Misri's visit, other engagements are expected to continue, including Foreign Minister Shisir Khanal's planned visit to New Delhi for the first International Big Cat Alliance Summit on June 1. Indian officials also said petroleum products and chemical fertilizer supplies to Nepal would continue under existing agreements. [The Kathmandu Post 1] [The Kathmandu Post 2]

U.S. nationals jailed for facilitating North Korean remote IT infiltration scheme

(dql) Two US nationals have been sentenced to 18 months in prison for operating "laptop farms" that enabled North Korean remote IT operatives to fraudulently obtain employment with American companies, in a case highlighting the growing scale of Pyongyang's cyber-enabled sanctions evasion and revenue-generation networks. [Department of Justice, USA]

According to the US Department of Justice, the two convicted received and hosted company-issued laptops at their residences, allowing North Korean operatives located overseas to remotely access the devices while appearing to work from within the United States. Authorities said the separate schemes affected nearly 70 US firms and generated approximately USD 1.2 million for the North Korean regime.

US authorities described the cases as part of a broader crackdown on North Korea's global IT worker network, which Washington assesses as generating hundreds of millions of dollars annually for the regime, including entities tied to military modernization and weapons development programs. [Cyberscoop]

North Korean troops join Russia's Victory Day parade in symbolic alliance display

(dql) North Korean troops participated in Russia's Victory Day military parade in Moscow for the first time on May 9, underscoring the rapidly deepening military alignment between Pyongyang and Moscow amid the Ukraine war. [KCNA]

A combined formation from the Korean People's Army's ground, naval and air forces joined the parade at Russia's invitation, marking the 81st anniversary of the Soviet victory over Nazi Germany.

South Korean intelligence estimates Pyongyang has deployed roughly 15,000 troops to support Russian operations since the signing of the June 2024 DPRK-Russia Comprehensive Strategic Partnership Treaty. [The Korea Herald]

U.K. imposes sanctions on North Korean children's camp over Ukrainian indoctrination allegations

(dql) The United Kingdom on May 12 sanctioned North Korea's Songdowon International Children's Summer Camp as part of a broader package targeting Russian-linked entities accused of facilitating the deportation and ideological conditioning of Ukrainian children from occupied territories.

London accused the camp of supporting Russia's "forced deportation and re-education" program for Ukrainian minors and of contributing to actions

undermining Ukraine's sovereignty. The sanctions package covers 85 entities and individuals, including Russian patriotic youth organizations, camps in occupied Crimea and related officials.

Songdowon resumed hosting Russian children and minors from Russian-controlled Ukrainian territories in 2024, including participants linked to the Kremlin-backed Youth Army movement. Human rights groups have previously warned that such exchanges could expose children to political indoctrination and militarized education. [NK News]

Pakistan signals expanded investment and security cooperation with Bangladesh

(dql) Pakistan and Bangladesh signaled further expansion of bilateral cooperation during Pakistani Interior Minister Mohsin Naqvi's visit to Dhaka, with discussions covering investment, trade, cultural exchanges, regional developments, and security coordination.

In talks on May 10 with Bangladesh's State Minister for Foreign Affairs Shama Obaed Islam, Naqvi said Pakistan offered investment opportunities across multiple sectors. Both sides also reviewed trade and business cooperation, cultural ties, and regional developments, and agreed to increase exchanges of official and cultural delegations to support institutional and people-to-people links.

The visit also produced new security cooperation. Pakistan and Bangladesh signed an agreement to strengthen cooperation against drug trafficking, including the formation of a joint working group between their interior ministries, timely exchange of information on drug smugglers and trafficking networks, and a joint strategy to disrupt illegal drug sales and supply lines.

In a related track, the two countries also signed a 10-year agreement covering human trafficking, drug smuggling, and related financial crimes. The agreement provides for intelligence exchange on trafficking networks and suspects, technical assistance, coordination on emerging smuggling routes and methods, and "controlled delivery" operations upon mutual consent. [Arab News] [Daily Sabah]

The developments come amid a wider improvement in Pakistan-Bangladesh relations since 2024, following the ouster of former Bangladeshi Prime Minister Sheikh Hasina. Pakistan and Bangladesh were part of

the same state until Bangladesh's independence in 1971, and relations had long been shaped by the legacy of the 1971 war and Bangladesh's close ties with India under Hasina's government.

First anniversary of India-Pakistan 2025 conflict marked by competing claims and water treaty dispute

(dql/lm) Pakistan and India marked the first anniversary of their May 2025 military confrontation with sharply different narratives about the conflict, its outcome, and its continuing implications for bilateral relations. The crisis followed the April 22, 2025, attack in Pahalgam in Indian-administered Kashmir, which killed 26 civilians. India blamed Pakistan-based militants for the attack, while Pakistan denied involvement and called for an independent investigation.

India launched "Operation Sindoor" on May 7, 2025, saying it had targeted militant infrastructure in Pakistan and Pakistan-administered Kashmir. Pakistan said civilian areas were hit and responded on May 10 with "Operation Bunyan-un-Marsoos," targeting Indian military installations. The fighting involved missiles, drones, artillery exchanges and air operations before a US-backed ceasefire was announced on May 10, 2025. Both countries possess nuclear weapons, making the confrontation one of the most serious South Asian security crises in decades.

On the anniversary, Pakistan's civilian and military leadership said any future aggression would be met with a stronger response. Pakistan Air Force officials said Pakistan had downed eight Indian aircraft or aerial systems and had not lost any aircraft, and also claimed cyberattacks disrupted Indian communications, power grids and transport infrastructure. India has disputed or not confirmed several Pakistani battlefield and cyber claims, and both sides continue to maintain competing accounts of aircraft losses, damage assessments and operational success. [Arab News 1] [Arab News 2] [Arab News 3]

India's government presented Operation Sindoor as a necessary response to cross-border terrorism and said it reflected the country's resolve to deter future attacks. However, Indian analysts cited in the reporting questioned whether the operation achieved its strategic objectives, arguing that the military outcome, deterrence effect and diplomatic impact remain contested. Some also said Indian officials have not

been fully transparent about losses and operational details. [Arab News 4]

The anniversary also renewed attention to the Indus Waters Treaty (IWT), the 1960 World Bank-brokered water-sharing agreement between the two countries. The treaty allocates the western rivers — the Indus, Jhelum and Chenab — primarily to Pakistan, while India has primary use of the eastern rivers — the Ravi, Beas and Sutlej. India held the treaty in abeyance in April 2025 after the Pahalgam attack. Pakistan accused India of weaponizing water and said it would defend its treaty rights, while India has linked its position to the unresolved issue of cross-border militancy. [Arab News 5]

Pakistan, Sri Lanka conclude counterterrorism exercise

(lm) Pakistan and Sri Lanka have concluded a two-week joint counterterrorism exercise, "Shake Hands II," in Tarbela, in northwestern Pakistan. The exercise began on April 27 and ended on May 7, with participation from Pakistan's Special Services Group (SSG), an elite special operations force, the Pakistan Army, and Sri Lankan Special Forces. Pakistan and Sri Lanka have maintained close defense relations for years, including Pakistani support to Sri Lanka during its long conflict with Tamil separatist rebels, which ended in 2009. [Arab News]

Pakistan-United States trade talks continue after tariff deal

(lm) Pakistan and the United States held virtual talks on May 6 on a broader trade agreement, following a 2025 tariff arrangement that reduced pressure on Pakistani exports after Washington threatened high "reciprocal tariffs." The earlier tariff dispute mattered because higher US duties could have weakened Pakistan's export competitiveness in one of its major overseas markets.

Pakistan's Commerce Minister Jam Kamal Khan met virtually with Deputy US Trade Representative Rick Switzer. The talks covered a wider trade framework, digital commerce, regulatory cooperation, and further technical negotiations. The aim is to move beyond the earlier tariff settlement toward a broader economic arrangement.

The 2025 tariff deal also included proposed cooperation in energy, mines and minerals, information technology, and cryptocurrency. In the latest talks, both sides agreed to continue technical-level engagement toward an early conclusion of the wider negotiations. Pakistan also invited the US side for a future visit. [Arab News]

Pakistan and Türkiye discuss climate cooperation ahead of COP31

(lm) Pakistan and Türkiye have discussed a possible strategic climate partnership ahead of the COP31 summit, expected to be held in Antalya later this year. A high-level Turkish delegation met Pakistan's Climate Change Secretary Aisha Humera Moriani in Islamabad to discuss cooperation on climate resilience, flood management, water security, and climate-resilient infrastructure.

The talks covered integrated flood and river basin management, glacier and avalanche risk reduction, multi-hazard early warning systems, combating desertification, sustainable land management, and water governance. Pakistan framed climate change as an economic, livelihood, and national security issue, while Türkiye emphasized technical cooperation and institutional collaboration.

The discussions come as Pakistan continues to face severe climate-related risks, including heavy monsoon rains, flash floods, glacial lake outburst floods, drought, and desertification. The country experienced major flood damage again last year, when intense monsoon rains and excess water released from Indian dams caused widespread flooding and killed at least 1,000 people. [Arab News]

Formal protest by Pakistan to Afghanistan follows deadly police-post attack

(lm/dql) Pakistan has issued a formal protest to Afghanistan after a suicide attack killed 15 police officers at a checkpoint in Bannu district, in Khyber Pakhtunkhwa, Pakistan's northwestern province bordering Afghanistan. The May 9 attack involved an explosives-laden vehicle driven into a police post, followed by an armed assault. A newly formed splinter group of the Tehreek-e-Taliban Pakistan (TTP), the Pakistani Taliban, claimed responsibility, while

Islamabad described the group as a front for the TTP. [Arab News 1] [Arab News 2]

The protest comes amid continued deterioration in Pakistan-Afghanistan security relations. The two countries have faced renewed border tensions since February, after Pakistani strikes on alleged militant camps in Afghan border areas and Afghan artillery fire in response. A short Eid pause in March expired, and Chinese-mediated talks in Urumqi in April did not prevent further clashes or militant activity. [AiR No. 18, May/2026, 1]

The same border province also saw further violence during the week. On May 7, six people, including two children, were killed and 13 others wounded when mortar shells hit a market in Hangu district. Police said the attackers struck the same location again while evacuation efforts were underway. No group claimed responsibility, but Hangu has previously experienced attacks by TTP-linked militants. On May 7–8, Pakistan's military also said security forces killed five militants in two intelligence-based operations in Tank and Dera Ismail Khan districts, and linked them to the TTP. [Arab News 3] [Arab News 4]

The security situation in the same border region has also affected foreign diplomatic presence. The United States announced the phased closure of its consulate in Peshawar, the capital of Khyber Pakhtunkhwa, citing the safety of diplomatic personnel and resource management. Diplomatic engagement with the province will shift to the United States Embassy in Islamabad, while the United States mission will continue operating through its remaining posts in Islamabad, Karachi, and Lahore. [Arab News 5]

Pakistan, Saudi Arabia discuss refinery upgrades and energy cooperation

(lm) Pakistan and Saudi Arabia discussed refinery upgrades and longer-term energy cooperation on May 7, as Islamabad continues to face higher fuel costs and supply pressures linked to the United States-Israel war with Iran and disruption around the Strait of Hormuz. Petroleum Minister Ali Pervaiz Malik met Saudi Ambassador Nawaf bin Saeed Al-Malki in Islamabad, with both sides reviewing cooperation in the petroleum sector and possible refinery investment or upgrade projects.

The talks are part of Pakistan's wider effort to reduce energy vulnerability after recent Gulf disruptions exposed its dependence on imported fuel. Saudi

Arabia has long supported Pakistan's energy needs, including through deferred oil payment facilities, and Pakistan said last month that Riyadh had committed USD 3 billion in additional financial support and agreed to extend an existing USD 5 billion deposit to help support Pakistan's foreign exchange reserves.

Pakistan also acknowledged Saudi support in maintaining petroleum supplies during the current energy shock. The petroleum ministry said technical consultations were making progress toward longer-term energy cooperation, including with Saudi Aramco, the kingdom's state-owned oil company. Pakistan and Saudi Arabia have previously discussed a multibillion-dollar refinery project at Gwadar, Pakistan's Chinese-backed deep-sea port on the Arabian Sea near the Iranian border. [Arab News]

Philippines: Marcos and Paraguay's Peña sign visa waiver, seek wider trade ties

(ms) Philippine President Ferdinand Marcos Jr. and Paraguayan President Santiago Peña used the first presidential visit between the two countries to push for closer trade, agriculture and investment ties.

Peña visited Manila on May 11 after arriving from Taipei. The trip marked the first presidential-level visit between the Philippines and Paraguay since diplomatic relations were established in 1962.

The main concrete outcome was a visa waiver agreement for ordinary passport holders, intended to support travel, business links, tourism and people-to-people exchanges. The two governments also signed an agreement on diplomatic training cooperation.

Marcos framed the relationship around complementary regional positions, describing the Philippines as a gateway to Asia and Paraguay as a gateway to Latin America. He raised possible Philippine exports of tuna, sardines, milkfish and other products to Paraguay.

Peña pointed to Paraguay's access to the Philippine market for beef, pork and poultry, approved in August 2025, and said Paraguay wants to expand food exports to the Philippines, including grains, maize, oilseeds and agro-industrial products. He presented this as part of Manila's food security needs and Paraguay's push to become a reliable supplier of animal protein in Southeast Asia.

The two sides also discussed agriculture, trade, renewable energy and business-to-business cooperation. Marcos welcomed an agreement between the Philippine Chamber of Commerce and Industry and Paraguay's Investment and Export Network as a way to connect companies directly. [PhilStar 1] [PhilStar 2]

Canada, South Korea expand strategic coordination amid submarine competition

(dql) South Korea President Lee Jae Myung and Canadian Prime Minister Mark Carney held a telephone conversation on May 6 to advance bilateral strategic cooperation across security, energy, critical minerals, and advanced industries.

The two leaders emphasized closer coordination on supply-chain resilience, stable energy flows, and international efforts to address the Middle East conflict, including maintaining freedom of navigation through the Strait of Hormuz.

Although Cheong Wa Dae did not directly link the leaders' discussion to the defense bid, the timing highlights Seoul's broader push to deepen long-term industrial and security partnerships with Canada.

Lee and Carney have intensified diplomatic engagement since Lee's inauguration in June last year, having previously met during the Group of Seven summit in Canada and later at the Asia-Pacific Economic Cooperation summit in Gyeongju in October Both sides reportedly assessed that implementation of agreements reached during their October summit has progressed steadily. [The Korea Herald]

The talks took place against the backdrop of Canada's forthcoming decision on its next-generation submarine procurement program, one of Ottawa's largest defense modernization projects. A South Korean consortium remains one of two finalists competing to supply up to 12 conventionally powered submarines to replace Canada's aging Victoria-class fleet, alongside Germany's Thyssenkrupp Marine Systems (see AiR No. 18, May/2026, 1).

They came on the heels of Industry Minister Kim Jung-kwan's May 5-6 visit to Ottowa for talks with senior Canadian officials aimed at expanding cooperation in defense, critical minerals, energy security, and advanced industries, as Seoul intensifies its bid for Canada's next-generation submarine program.

Kim met Senator Hassan Yussuff and defense-industry representatives to discuss the submarine project and broader defense cooperation. The visit followed a recent agreement between Hanwha Aerospace, Hanwha Ocean and Canada's Automotive Parts Manufacturers' Association to establish a joint venture for military and specialized industrial vehicles.

Kim also discussed Innovation Minister Melanie Joly and Natural Resources Minister Tim Hodgson supply-chain diversification, hydrogen cooperation, and critical minerals collaboration through the Korea-Canada Critical Minerals Working Group. He also requested continued Canadian support for South Korean firms participating in strategic industrial projects.

In addition, agreements were signed on cooperation on icebreaker research and industrial technology innovation. [The Asia Business Daily]

South Korea-U.S. discuss wartime operational control transition

(dql) South Korean Defense Minister Ahn Gyu-back and U.S. Defense Secretary Pete Hegseth agreed during Pentagon talks on May 11 to deepen cooperation on wartime operational control (OPCON) transition and alliance modernization, while reaffirming combined deterrence against North Korea.

The meeting highlighted continuing differences over the OPCON transfer timeline. Seoul reportedly seeks completion before the end of President Lee Jae Myung's term, potentially by 2028, while US military officials have indicated a later target extending into FY2029.

The OPCON issue remains one of the most politically sensitive questions in the US-South Korea alliance. Under the current arrangement, operational command of South Korean forces in a major war would shift to the US-led Combined Forces Command.

Progressive governments in Seoul have generally viewed the recovery of wartime command authority as both a sovereignty issue and a symbol of South Korea's emergence as a more capable military power, while US and conservative South Korean officials have tended to prioritize alliance readiness and deterrence against North Korea over a rapid transition timetable. The debate has therefore become closely tied to broader questions about the future balance of authority within the alliance and Seoul's long-term strategic autonomy.

The talks also reflected Washington's broader push under President Donald Trump for greater allied burden-sharing and expanded regional security roles. Hegseth praised Seoul's increased defense spending and support for a more "Korean-led" defense posture, aligning with US efforts to strengthen Indo-Pacific deterrence against China while shifting more operational responsibilities onto allies.

Discussions reportedly also touched on unresolved security coordination issues, including future force integration and possible cooperation related to nuclear-powered submarines. The Pentagon separately identified allied burden-sharing as a central pillar of the forthcoming 2026 US National Defense Strategy. [The Korea Herald] [Korea JoongAng Daily]

South Korean foreign minister reassures stability of alliance

Separately, South Korean Foreign Minister Cho Hyun reaffirmed Seoul's commitment to deepening its alliance with the U.S. despite growing concerns over tensions in bilateral relations, stressing that the partnership remains the foundation of South Korea's foreign and security policy.

Speaking at the National Assembly, Cho acknowledged rising speculation over strains in the alliance but described such concerns as reflecting the importance both countries attach to the relationship. He emphasized the need for sustained communication and mutual respect to address pending disputes and reinforce strategic trust.

Cho also highlighted Seoul's intention to assume a more proactive defense role through enhanced military capabilities, including pursuing nuclear-powered submarines and the eventual transfer of wartime operational control from the United States. [Anadolu Ajansı]

The remarks come amid indications of friction between Seoul and Washington, including reported U.S. restrictions on intelligence-sharing related to North Korea following an alleged information leak, as well as disagreements linked to South Korean investigations involving e-commerce company Coupang.

South Korean authorities launched investigations into Coupang after a major data breach reportedly exposed the personal information of millions of users, prompting scrutiny of the company's data security practices and alleged unfair business conduct. The issue became sensitive in US-South Korea relations because Coupang, while operationally South Korean, is

US-listed and backed by major American investors, leading to concerns in Washington over the treatment of US-linked firms under the Korea-US Free Trade Agreement (KORUS FTA). The case reflects broader tensions between South Korea's tougher regulation of major digital platforms and US concerns over investor protection and market access (see AiR No. 17, April/2026, 4).

South Korea, U.S. advance strategic investment and shipbuilding partnership

(dql) South Korea and the U.S. held detailed consultations on a proposed USD 350 billion strategic investment framework tied to last year's bilateral trade agreement, with discussions focusing on shipbuilding, energy infrastructure, and industrial cooperation.

During a visit to Washington on May 6-9, that followed his trip to Canada (see article in this article), South Korean Industry Minister Kim Jung-kwan met U.S. Commerce Secretary Howard Lutnick to review follow-up measures linked to South Korea's Special Act on Investment in the U.S. and discuss priority investment projects. The first major initiative under the framework focused on LNG export infrastructure in Louisiana.

The two governments also signed an MOU establishing a "Korea-U.S. Shipbuilding Cooperation Center" in Washington by the end of the year under the broader MASGA ("Making American Shipbuilding Great Again") initiative. The center will support bilateral shipbuilding cooperation, joint R&D, workforce training, and productivity improvements at U.S. shipyards through 2028.

Kim additionally met White House budget director Russell Vought to seek financial support for the shipbuilding initiative and held talks with Energy Secretary Chris Wright on expanding cooperation in nuclear energy and broader energy security. [The Chosun Daily]

Estonia expands procurement of South Korean rocket launchers

(dql) South Korea signed a follow-on agreement to export three additional Chunmoo multiple launch rocket systems (MLRS) to Estonia under a 10-year bilateral framework arrangement signed in 2025. Under the government-to-government contract

between Korea Trade-Investment Promotion Agency (KOTRA) and Estonia's defense procurement authorities, Hanwha Aerospace will deliver the systems and related equipment by end-2027.

The deal builds on an earlier USD 353 million agreement covering six launchers and associated missile packages. The Chunmoo system, originally developed to counter North Korean artillery threats, has emerged as a competitive export platform amid growing European demand for long-range precision firepower following the Russia-Ukraine war. [Yonhap News Agency] [ERR News]

Netherlands, South Korea seek broader technology partnership amid global uncertainty

(dql) South Korea President Lee Jae Myung held his first telephone talks with Dutch Prime Minister Rob Jetten since the latter took office in February, with both leaders agreeing to deepen bilateral cooperation in advanced technologies and strategic industries.

Lee emphasized expanding cooperation beyond the existing semiconductor partnership into artificial intelligence and quantum technology, while Jetten highlighted opportunities for greater collaboration in batteries and offshore wind energy.

The two leaders also agreed to maintain close communication regarding global instability linked to developments in the Middle East. [Yonhap News Agency]

India, Sri Lanka discuss post-civil war reconstruction package for Colombo

(lm) Sri Lanka and India discussed a USD 450 million post-conflict reconstruction package on May 11, referring to reconstruction linked to the aftermath of Sri Lanka's 1983–2009 civil war between the Sri Lankan state and the Liberation Tigers of Tamil Eelam (LTTE), the former Tamil separatist armed group defeated by government forces in 2009. [Daily Mirror]

Australia provides surveillance drones to Sri Lankan coast guard

(lm) Australia has handed over 12 surveillance drones to the Sri Lanka Coast Guard to strengthen maritime safety, security, and border management. The equipment was formally transferred at the Coast Guard Headquarters in Mirissa by the commander of Australia's Joint Agency Task Force Operation Sovereign Borders and Maritime Border Command. [Daily Mirror]

Chinese vessels enter restricted waters near Taiwan controlled island

(ak) Chinese coast guard vessels again probed Taiwan's control of the waters around Kinmen on May 7, in what Taiwan's coast guard calls "gray-zone harassment" tactics. Four ships entered restricted waters in two groups. [Taiwan News]

The waters around Kinmen are especially sensitive because the islands sit just a few kilometers off the coast of China but are controlled by Taiwan, making them a frontline flashpoint in cross-strait tensions.

Emerging Japan-Taiwan drone cooperation targets China-linked supply chain risks

(dql) Nascent Japan-Taiwan cooperation in drone technology and supply chains is expanding as both sides seek to reduce dependence on Chinese components and strengthen supply-chain resilience amid rising regional security tensions.

Since 2020, Taiwanese and Japanese companies, industry groups and research institutes have signed at least 15 cooperation agreements covering drone production, autonomous systems, logistics applications and component supply chains.

The cooperation is being driven primarily by private industry and quasi-governmental organizations rather than formal state-to-state defense ties, reflecting the political sensitivities surrounding Japan-Taiwan relations. Tokyo continues to avoid overt military cooperation with Taipei despite growing Japanese concern that a Taiwan contingency could directly affect Japan's security.

The push has gained urgency following China's tighter export controls on dual-use materials and components, including restrictions affecting Japanese

industrial firms reliant on Chinese rare earths for drone batteries and motors. Japan remains heavily dependent on Chinese drones, which account for more than 90 percent of its civilian market, prompting Tokyo to accelerate plans for a domestic drone industry and diversify procurement toward “non-red” supply chains.

Taiwan is positioning itself as a potential supplier of drone motors, batteries and related technologies, leveraging experience gained through exports to Ukraine and Eastern Europe. However, cooperation remains constrained by Japan’s still-limited domestic drone production ecosystem and political restrictions on formal defense-industrial integration with Taiwan. [Nikkei Asia] [Taiwan News]

Taiwanese president reaffirms commitment to deepening security, technology cooperation with Japan

(ak) Taiwanese President Lai Ching-te received de-facto Japanese Ambassador to Taiwan Shuzo Sumi to spotlight deepening Taiwan–Japan ties in security and technology. Lai thanked Japan for repeatedly stressing cross-strait peace and backing Taiwan over Chinese interference. He also endorsed Japan’s vision of an updated Free and Open Indo-Pacific strategy focused on AI, security cooperation, and resilient supply chains.

Sumi pointed to cooperation on semiconductors as a concrete example, citing Japanese Prime Minister Sanae Takaichi’s talks with Taiwan Semiconductor Manufacturing Company chair Che-Chia Wei and plans for Kumamoto-based Japan Advanced Semiconductor Manufacturing to start producing 3-nanometer chips in 2028. [Taiwan Today]

Taiwan, U.K. seek deeper technology and trade alignment under enhanced partnership

(dql) Taiwan and the United Kingdom are moving to expand bilateral cooperation in advanced technology, clean energy and digital trade, as both sides seek to institutionalize closer economic ties amid broader Indo-Pacific strategic realignments and supply-chain diversification efforts away from China.

UK Representative to Taiwan Ruth Bradley-Jones recently hosted Taiwanese Vice Premier Cheng Li-chiun for talks focused on advancing cooperation under the

UK-Taiwan Enhanced Trade Partnership (ETP) framework. Discussions centered on expanding collaboration in digital commerce, investment, renewable energy and net-zero transition policies, according to the British Office Taipei.

Both sides also highlighted growing interest in strategic technology sectors, including artificial intelligence, semiconductors and space-related industries, signaling an effort to broaden the relationship beyond traditional trade and into high-value innovation and industrial cooperation.

The UK side noted that existing collaboration in offshore wind and green energy projects has already produced tangible outcomes, providing a foundation for wider cooperation in emerging technologies. [Taiwan News]

Taiwanese Legislative Speaker calls stronger ties with France amid Europe outreach

(dql/ak) Taiwan Legislative Speaker Han Kuo-yu called for closer Taiwan-France ties during meetings with experts at the French Institute of International Relations (IFRI), stressing that broad international support would be a critical factor in deterring instability in the Taiwan Strait.

During discussions in Paris, Han argued that Taiwan's security is closely linked to the extent of its global partnerships, warning that the international response to a potential cross-strait crisis remains one of the key strategic uncertainties. He suggested that France, as a permanent member of the UN Security Council, could play a more active role in voicing support for Taiwan internationally.

Talks between Han's delegation and IFRI experts covered Taiwan's defense posture, energy security and cross-strait dynamics. Taiwanese lawmakers reportedly emphasized that despite domestic partisan divisions, there remains broad bipartisan consensus on safeguarding Taiwan's democratic system, strengthening self-defense capabilities and preserving peace and stability across the Taiwan Strait. [Taiwan News]

Han's visit to France is part of a broader legislative diplomacy campaign this week aimed at strengthening Taiwan's unofficial partnerships with European democracies at a time of heightened geopolitical competition with China.

His subsequent trip to the United Kingdom, including participation in events organized by the Council of Taiwanese Chambers of Commerce in Europe, reflect Taipei's growing focus on cultivating political, economic and diaspora networks across Europe. [Focus Taiwan]

Paraguay's president visits Taiwan to affirm partnership

(ak) Paraguay's President Santiago Peña arrived in Taiwan on May 7 for his first visit to the island, leading a business delegation from agriculture and finance sectors. [Washington Post]

President Lai Ching-te welcomed Peña with military honors at the Presidential Office Building on May 8, where they signed three agreements: a Memorandum of Understanding (MOU) for a joint sovereign AI computing center in Paraguay, a treaty on mutual legal assistance in criminal matters, and an MOU on cybersecurity cooperation. Taiwan also agreed to open its market to Paraguayan poultry imports, building on existing beef and pork trade.

Peña explicitly condemned China's military exercises, economic pressure, and interference with Lai's recent Eswatini trip, while urging global recognition of Taiwan's self-determination rights and criticizing China's exclusion of Taiwan from bodies like the UN. [Taipei Times]

Peña's visit comes amid near-daily Chinese military incursions and recent airspace denials that blocked Lai's trip to Eswatini, highlighting Taiwan's shrinking diplomatic space with just 12 formal allies remaining worldwide. [Reuters]

Cambodia, Thailand begin cautious re-engagement as maritime dispute enters new legal phase

(lm) Thailand and Cambodia have reopened high-level dialogue after Thai Prime Minister Anutin Charnvirakul and Cambodian Prime Minister Hun Manet met in Cebu, the Philippines, on the sidelines of the latest Association of Southeast Asian Nations (ASEAN) summit. The meeting was facilitated by Philippine President Ferdinand Marcos Jr, this year's ASEAN chair, and followed armed clashes along the disputed 817-kilometer Thailand-Cambodia land border in 2025 that left around 150 people dead and displaced about

300,000 people. A ceasefire is holding, but there is still no formal settlement, and both sides continue to dispute responsibility for violations and contested territory.

The immediate outcome was procedural rather than substantive. Both governments assigned their foreign ministers to work on confidence-building measures and discussed resuming existing bilateral mechanisms, including the Joint Boundary Commission, which deals with land-boundary survey and demarcation issues, the General Border Committee, and regional border channels. Thailand said border checkpoints remain closed for now and that reopening them, territorial claims, and encroachment allegations would first need to be handled through operational-level talks. [Bangkok Post 1]

The more consequential development concerns the Gulf of Thailand maritime dispute. Ahead of the Cebu meeting, Thailand's cabinet approved the termination of the 2001 memorandum of understanding on overlapping maritime claims with Cambodia, known in Thailand as MoU 44. The memorandum had provided the bilateral framework for negotiating maritime boundaries and possible joint development in a roughly 26,000-square-kilometer overlapping claims area believed to contain commercially valuable oil and gas reserves.

Cambodia has responded by notifying Thailand that it intends to use compulsory conciliation under the United Nations Convention on the Law of the Sea (UNCLOS), the main international treaty governing maritime rights and boundaries. Compulsory conciliation involves a panel of conciliators helping states address a dispute; its recommendations are not legally binding, but the process carries diplomatic and reputational weight. Thailand, by contrast, says it prefers direct bilateral negotiations using UNCLOS as a common legal framework before moving to outside dispute-settlement mechanisms. [Bangkok Post 2] [Bangkok Post 3] [Bangkok Post 4]

The cancellation of MoU 44 creates uncertainty over how both countries will handle overlapping claims and offshore resource interests. Cambodia presents UNCLOS conciliation as a peaceful route to a fair solution, while Thailand says both sides should rebuild trust and use the same legal rules for future talks. Thai experts have warned that negotiations could become more complicated without the old framework, including because offshore concession blocks in disputed areas may involve interests linked to companies or states such as Japan, the United States, France, and India. [Bangkok Post 5]

The issue is also politically sensitive inside Thailand. A King Prajadhipok's Institute poll conducted from April 24 to 27 found that 40.9 percent of respondents wanted the government to reconsider existing agreements with Cambodia, making it the top security and foreign relations issue in the survey. This suggests that Anutin's government is under domestic pressure to take a firmer line on Cambodia-related agreements, even while both governments publicly commit to renewed dialogue. [Bangkok Post 6]

Thailand to step up climate grant negotiations with Germany

(lm) Thailand will intensify negotiations with Germany on a grant framework under the International Climate Initiative (IKI) Large Grant 2026, a German government funding program supporting climate and biodiversity projects abroad. Natural Resources and Environment Minister Suchart Chomklin issued the directive after an April 29 virtual meeting between Thai authorities and Germany's Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection.

Initial discussions indicate that Thailand will seek around EUR 30 million, or about THB 1.1 billion (USD 31.9 million), in funding to support greenhouse gas reduction, climate resilience, and environmental management. Of this amount, EUR 10 million, or around THB 366.7 million (USD 10.6 million), would support policy coordination, institutional development, inter-agency cooperation, and implementation frameworks. The remaining EUR 20 million, or around THB 733.3 million (USD 21.3 million), would be allocated to projects targeting emissions reduction and environmental co-benefits, particularly in natural resource management.

Negotiations are ongoing, with both sides aiming to finalize the framework at the 2026 Bonn Climate Change Conference, a United Nations climate negotiation meeting held under the global climate process. Separately, the Department of Climate Change and Environment has begun drafting a Climate Change Act in consultation with the Council of State, the government's legal advisory body. The proposed law is expected to include mechanisms for setting net-zero targets, managing climate risks, reducing emissions in line with international commitments, and creating a climate fund to support Thailand's transition to a low-carbon economy. [Bangkok Post]

Timor-Leste President and Prime Minister start trip to Philippines, for countries first ASEAN summit as member

(ms) Timor-Leste's President José Ramos-Horta and Prime Minister Xanana Gusmão visited the Philippines for the 48th ASEAN Summit in Cebu, marking one of Dili's first major regional appearances after formally becoming ASEAN's 11th member in October 2025.

Gusmão arrived in Cebu on May 7 for the summit and related meetings in Lapu-Lapu City, where ASEAN leaders discussed regional security, economic cooperation and cultural exchange. Philippine President Ferdinand Marcos Jr. said Timor-Leste's participation reflected ASEAN's commitment to multilateralism and regional cooperation.

For Timor-Leste, the summit was less symbolic than practical: it gave the country a platform to take part in ASEAN-level discussions as a full member after more than two decades of seeking accession. The country had applied in 2011, gained observer status in 2022 and finally joined the bloc in 2025.

After the summit, Gusmão used the visit to build local ties in Cebu. He toured Cebu City Hall, Magellan's Cross, the Basilica Minore del Santo Niño and Fort San Pedro with city officials, including Mayor Nestor Archival. Gusmão said he would promote Cebu in Timor-Leste, while Archival said discussions touched on possible cooperation in tourism and agriculture.

The visit therefore had two outcomes: Timor-Leste joined ASEAN's work as a new member, and Cebu officials used the summit to open direct local-level engagement with Dili in tourism, heritage and possible agricultural exchanges. [Cebu Daily News] [GMA News] [PhilStar]

Vietnam seeks deeper defense cooperation with Türkiye and Azerbaijan

(hn) Vietnam and Türkiye have agreed to expand defense cooperation across a wide range of areas following talks between Vietnamese Deputy Minister of National Defense Nguyễn Trường Thắng and Turkish Deputy Minister of National Defense Musa Heybet on May 7. The meeting took place during the Vietnamese official's visit to Türkiye to attend the SAHA 2026 Defense and Aerospace Exhibition.

The two sides discussed strengthening collaboration through delegation exchanges, training programs, search and rescue operations, post-war mine clearance, defense industry cooperation, United Nations peacekeeping activities, coordination among military services and arms, cybersecurity and responses to non-traditional security threats. Vietnam also expressed readiness to receive Turkish officers for Vietnamese language training and international defense officials' courses in the country.

On the same day, Thắng held talks with Azerbaijani Deputy Minister of Defence Agil Gurbanov. During the meeting, the Vietnamese official proposed stronger coordination in delegation exchanges, training cooperation and links between defense enterprises, particularly in defense industry development, military trade and logistics-technical support. He also suggested expanding cooperation into other areas where both countries share mutual interests and potential.

Vietnam's Ministry of National Defense said it is prepared to welcome Azerbaijani military cadets for Vietnamese language studies and international defense training courses. Deputy Minister Thắng also conveyed an invitation from Defense Minister Phan Văn Giang to Azerbaijan's Minister of Defense to attend the Vietnam International Defense Expo 2026.

For his part, Gurbanov said there remains significant potential for defense cooperation between Azerbaijan and Vietnam, especially after the signing of a memorandum of understanding on defense cooperation between the two ministries. [Vietnamnews] [Vietnamplus]

Intel shifts semiconductor production from Costa Rica to Vietnam

(hn) Intel is relocating part of its semiconductor production lines from Costa Rica to its facility at Saigon High-Tech Park, highlighting Vietnam's growing importance in Intel's global manufacturing network. The move includes assembly, packaging and testing lines for high-end server chips used in data centers and next-generation networking systems, signaling a deeper commitment to Vietnam as a strategic semiconductor hub.

The relocation coincides with Intel's transfer of its proprietary Embedded Multi-die Interconnect Bridge advanced packaging technology to its Vietnam plant, further enhancing the facility's technological

capabilities. Intel Products Vietnam remains the company's largest assembly and testing site globally, with total registered investment reaching nearly USD 4.12 billion in the first quarter of 2026.

During talks with Vietnam's Ministry of Science and Technology in Hanoi, Intel also reaffirmed plans to expand investment, support semiconductor workforce training and help develop Vietnam's semiconductor ecosystem. Vietnamese officials proposed deeper cooperation in semiconductor research, chip production, workforce development and supply-chain expansion, aiming to position Vietnam as a key link in the global semiconductor value chain. [Vietnamews] [Theinvestor]

Announcements

Upcoming online events

13 May 2026 @ 10:00-11:15 a.m. (GMT+7), ISEAS – Yusof Ishak Institute, Singapore

Vietnam-U.S. Reconciliation: Addressing the Humanitarian Consequences of War

This webinar addresses the complex of Vietnam–U.S. reconciliation which has been pursued through bilateral efforts to address the enduring legacies of the Vietnam War. The discussion will focus on U.S.-supported initiatives on wartime missing persons and assistance for people with disabilities linked to Agent Orange/dioxin exposure. For more information and registration, visit [ISEAS].

13 May 2026 @ 2:30-3:30 p.m. (GMT+2), Bruegel, Belgium

Talks@Bruegel: Building economic resilience in Europe and the policy trade-offs with Malhar Nabar

This hybrid event welcomes Malhar Nabar, Assistant Director in the European Department of the International Monetary Fund, to discuss recent policy approaches to strengthening economic resilience and the trade-offs involved for Europe. The session will examine how European policymakers are responding to evolving economic challenges while balancing growth, stability, and long-term resilience objectives. For more information and registration, visit [Bruegel].

13 May 2026 @ 9:00 a.m. – 1:30 p.m. (GMT-4), Center for Strategic and International Studies (CSIS), USA

The Strategic Value of China to Korea

This webcast explores the strategic implications of intensifying U.S.–China competition and political transitions in Washington and Seoul for South Korea's relationship with China. The discussion focuses on the growing strains on Seoul's longstanding balance between its U.S. security alliance, economic ties with China, and approach toward North Korea, as well as the dilemmas posed by Beijing's limited influence over Pyongyang and the possibility of a Taiwan contingency. For more information and registration, please see [CSIS].

13 May 2026 @ 9:00 a.m. (GMT-5), Atlantic Council, USA

Is Russia's war machine running out of steam?

This live-streamed full-day conference brings together senior Iraqi officials, U.S. policymakers, private-sector leaders, and regional experts to discuss Iraq's political stability, economic reform, and regional integration amid a rapidly shifting Middle East landscape. The conference will examine challenges including government formation, fiscal pressures, and energy transition, while exploring pathways to durable stability, growth, and stronger U.S.–Iraq strategic cooperation. For more information and registration, visit [Atlantic Council].

14 May 2026 @ 8:30 a.m. (GMT-5), Atlantic Council, USA

Ecuadorian President Daniel Noboa on security in the Western Hemisphere

This live-streamed event features Ecuadorian President Daniel Noboa in a discussion on Ecuador's security priorities, U.S.–Ecuador cooperation, and regional approaches to addressing transnational crime and shared security challenges across Latin America and the Caribbean. The conversation will examine Ecuador's role on the front lines of countering narco-terrorist organizations and the growing emphasis on security cooperation between Washington and regional partners. For more information and registration, visit [Atlantic Council].

14 May 2026 @ 4:00 p.m. (GMT-5), Atlantic Council, USA

Trade over aid: Prosperity for the US and the developing world

This live-streamed panel discuss examines the U.S. government's new Trade Over Aid Initiative and its implications for development assistance, economic reform, and strategic engagement with developing economies. It will offer insight into how the initiative seeks to promote pro-business reforms that support both U.S. commercial interests and local economic development in strategically important countries. For more information and registration, visit [Atlantic Council].

15 May 2026 @ 11:00 a.m. – 12:00 p.m. (GMT-4), Center for Strategic and International Studies (CSIS), USA

What did the Trump-Xi Summit Achieve? | State of Play

This webcast discusses the outcomes of the U.S.–China summit, including its implications for trade, investment, the war with Iran, Taiwan, and the broader trajectory of U.S.–China relations. Featuring Edgard Kagan, Scott Kennedy, and Bonny Lin in conversation with Will Todman, the discussion will assess the summit's success and examine how major global actors are likely to respond. For more information and registration, please see [CSIS].

15 May 2026 @ 9:00 a.m. (GMT-5), Atlantic Council, USA

The Western Balkans' entry into SEPA and their European market future

This webinar discusses the U.S. government's new Trade Over Aid Initiative and its implications for development assistance, economic reform, and strategic engagement with developing economies. The discussion will examine how the initiative seeks to promote pro-business reforms that support both U.S. commercial interests and local economic development in strategically important countries. For more information and registration, visit [Atlantic Council].

18 May 2026 @ 2:00-3:00 p.m. (GMT+1), Chatham House, United Kingdom

US–Israel war with Iran: What is the impact on Gaza?

This webinar explores the worsening humanitarian, governance, and security conditions in Gaza amid the continuing Israel–U.S.–Iran war and the declining international focus on a ceasefire. It will examine how the broader regional conflict is reshaping the calculations of key actors, narrowing political pathways, and influencing possible future trajectories for Gaza and the wider region. For more information and registration, visit [Chatham House]

18 May 2026 @ 5:00-6:00 p.m. (GMT+1), Chatham House, United Kingdom

How can Sheinbaum's Mexico coexist peacefully with Trump's America?

The hybrid panel discussion focuses on Mexico's political, economic, and institutional trajectory under Claudia Sheinbaum as her administration seeks to balance continuity and change following the era of Andrés Manuel López Obrador. It also addresses the growing strategic importance of Mexico–U.S. relations, including cooperation and tensions surrounding trade, migration, security, climate policy, sovereignty, and regional leadership.

For more information and registration, visit [Chatham House]

19 May 2026 @ 9:00 a.m. - 1:35 p.m. (GMT+7), ISEAS – Yusof Ishak Institute, Singapore

Shaping Southeast Asia's Future Prosperity with Quality Growth

This conference examines how Southeast Asian economies can sustain growth while successfully transitioning beyond middle-income status, with a focus on the structural, institutional, and policy foundations needed for inclusive, resilient, and innovation-driven development. For more information and registration, visit [ISEAS].

19 May 2026 @ 10:00-11:00 a.m. (GMT-4), Hudson Institute, USA

Environmental Agendas, Geopolitical Ends: Climate Policy and Great Power Competition

This live-streamed panel addresses concerns over the role of some Western climate organizations in promoting anti-West narratives and the implications this may have for energy security, domestic cohesion, and geopolitical competition with China. The discussion will consider how climate-linked institutions intersect with strategic competition involving Beijing and the broader implications for North American policy and security. For more information and registration, visit [Hudson].

19 May 2026 @ 4:30-5:30 p.m. (GMT-4), Carnegie Endowment for International Peace, USA

Is Europe in Danger of Becoming a U.S. or China Colony?

This webinar explores Europe's ability to remain competitive in an era shaped by advanced technologies, artificial intelligence, and intensifying geopolitical rivalry while balancing democratic governance, market fairness, and consumer protection. The discussion will address Europe's regulatory and industrial strategies amid growing

competition from the United States and China. For more information and registration, visit [Carnegie].

Recent Book Releases

Laurie Parsons, ***Climate Hegemony: Confronting the Politics of Environmental Impasse***, LSE Press, 268 pages, published May 7, 2026. For a review, see [LSE].

Alan Manning, ***Why Immigration Policy Is Hard: And How to Make It Better***, Polity, 416 pages, published February 3, 2026. For a review, see [LSE].

Xiaobing Li, ***China's Mahan: Admiral Liu Huaqing and the Rise of the Modern Chinese Navy***, Naval Institute Press, 312 pages, published March 17, 2026. For a review, see [Asian Review of Books].

Bronwen Everill, ***Africonomics: A History of Western Ignorance***, The New Press, 320 pages, published September 9, 2025. For a review, see [Foreign Affairs].

Calls

The **UNU Institute on Comparative Regional Integration Studies (UNU-CRIS)** invites paper proposals for the **10th Asian International Economic Law Network Conference "Beyond Hegemonic Instability: Green Regionalism in the Global Context," to be held on December 3-4, 206.** The submission deadline is July 1, 2026. For more information, see [UNU-CRIS].

The **Ludwig Maximilian University of Munich (LMU)** invites paper proposals for the ***6th PIL Early Career Researcherś Conference "Crises in PIL – Crises of PIL,"*** to be held on April 9-10, 2027. The submission deadline is May 15, 2026. For more information, see [LMU].

Pacific Legal Foundation and Harvard Law Journal invite paper proposals for the **Fall 2026 Symposium**. The submission deadline is May 15, 2026. For more information, see [Pacific Legal Foundation].

The **Global Studies Research Network** invites paper proposals for its **Twentieth Global Studies Conference "The Social Question Revisited: Inequality, Ideology, and Interdependence,"** to be held on July 15-17, 2027, at Sorbonne University, Paris, France, and online. The manuscript submission

deadline is June 15, 2027. For more information, see [Global Studies Research Network].

The **European Society of International Law (ESIL)** invites paper proposals for the **conference "New Technologies and International Legal Accountability,"** to be held on October 22-23, 2026. The manuscript submission deadline is April 15, 2026. For more information, see [ESIL].

The Empowering Network for International Thai Studies at Chulalongkorn University invites full paper submission for the **2026 Chulalongkorn Asian Heritage Forum**, to be held on November 6, 2026. The submission deadline is June 30, 2026. For more information, see [Chulalongkorn University].

Jobs and Positions

The **United Nations Economic and Social Commission for Asia and the Pacific (UN ESCAP)** seeks a **Director – Statistical Institute for Asia and the Pacific** (Tokyo, Japan). The deadline for application submission is May 21, 2026. For more information, see [UN].

The **World Intellectual Property Organization (WIPO)** seeks a **Head – Policy and Legislative Advice Section** (Geneva, Switzerland). The deadline for application submission is May 22, 2026. For more information, see [WIPO].

The **United Nations Environment Programme (UNEP)** seeks a **Senior Programme Management Assistant** (Bangkok, Thailand). The deadline for application submission is May 22, 2026. For more information, see [UN].

The **United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)** seeks a Director – Statistical Institute for Asia and the Pacific (Tokyo, Japan). The deadline for application submission is May 21, 2026. For more information, see [UN].

The **United Nations Secretariat (UN)** seeks **a Regional Director** – Arab States. The deadline for application submission is May 21, 2026. For more information, see [UN].

The **United Nations Children's Fund (UNICEF)** seeks a **Programme Specialist** – Climate & Environment (Bangkok, Thailand). The deadline for application submission is May 15, 2026. For more information, see [UNICEF]

The **World Intellectual Property Organization (WIPO)** seeks a Head – Policy and Legislative Advice Section (Geneva, Switzerland). The deadline for application submission is May 22, 2026. For more information, see [WIPO].

The **International Organization for Migration (IOM)** seeks a **Programme Officer** – Protection (Phnom Penh, Cambodia). The deadline for application submission is May 14, 2026. For more information, see the [IOM].

The **NATO** seeks a **Head of Operations Department** (Versailles, France). The deadline for application submission is June 8, 2026. For more information, see [NATO].

The **World Bank Group** seeks a **Senior Economist** (Washington, DC, USA). The deadline for application submission is May 12, 2026. For more information, see [World Bank].

The **Asian Development Bank (ADB)** seeks a **Senior Public Sector Specialist** (Manila, Philippines). The deadline for application submission is May 13, 2026. For more information, see [ADB].

The **European Defence Agency (EDA)** seeks a Project Officer – Military Mobility/Logistics (Brussels, Belgium). The deadline for application submission is May 27, 2026. For more information, see [EDA]

The **Council of Europe** seeks a **Head of the Artificial Intelligence and Data Protection Division** (Strasbourg, France). The deadline for application submission is May 20, 2026. For more information, see [Council of Europe].

The **European Investment Bank (EIB)** seeks a **Restructuring Lawyer** (Luxembourg). The deadline for application submission is May 13, 2026. For more information, see [EIB].

The **European Defence Agency seeks a Project Officer** – Military Mobility/Logistics (Brussels, Belgium). The deadline for application submission is May 27, 2026. For more information, see [EDA].

The **Graduate Institute of International and Development Studies** invites applications for the position of **Associate Professor of International Law**. The deadline for application submission is May 30, 2026. For more information, see [IHEID].

The **Central European University (CEU)** seeks a **Post-doctoral Researcher** (Department of Historical

Studies). The deadline for application submission is May 30, 2026. For more information, see [CEU].

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