



ROYAL UNIVERSITY OF PHNOM PENH



# SOUTHEAST ASIA QUARTERLY UPDATE

April – June 2024

**Edited by**  
Neak Chandarith  
Yun Kea  
Po Sovinda  
Lak Chansok



**IISPP**  
INSTITUTE FOR INTERNATIONAL  
STUDIES AND PUBLIC POLICY

CENTER FOR SOUTHEAST ASIAN STUDIES

# Contents

## Note on Contributors

|  |           |
|--|-----------|
| <b>ASEAN</b>   | <b>1</b>  |
| Keo Sokkosol, Khim Sotheara, & Ly Rachana  |           |
| <b>Cambodia</b>  | <b>11</b> |
| Sok Sothearak, Mey Minith, Poun Huyching,<br>& Thai Sreyvin                          |           |
| <b>Indonesia</b>   | <b>20</b> |
| Cheng Ousa, Sum Pichkanika, & Mey Monita   |           |
| <b>Laos</b>  | <b>26</b> |
| Meung Chansomanita, Lim Cheamara, Lim Ponleu,<br>Ngoun Socheata, & Raksmev Lytangoun |           |
| <b>Malaysia</b>  | <b>34</b> |
| Long Sovitou, Ngoun Sovannmakara, Chum Sothealeap,<br>& Chan Mary                    |           |
| <b>Myanmar</b>   | <b>44</b> |
| Keo Sokkosol & Khim Tepsopheaktra  |           |
| <b>Singapore</b>   | <b>53</b> |
| Chhun Phalanady, Bou Nisa & Ngov Sodanet   |           |

|   |    |
|---|----|
| <b>Thailand</b>   | 61 |
| Long Sovitou, Chhem Sovannarith, Khim Sotheara,<br>& Hol Theaneth |    |
| <b>The Philippines</b>  | 68 |
| Cheng Ousa, Hok Srunheng, & Thorng Pisethvisal                    |    |
| <b>Vietnam</b>  | 75 |
| Chhun Phalanady, Pech Posocheata & Pheng Thean                    |    |

# The Contributors

## The Editors

**Dr. Neak Chandarith** is the Designated Director of the Institute for International Studies and Public Policy (IISPP), Royal University of Phnom Penh.

**Dr. Yun Kea** is the Deputy Director in charge of Research and Development of IISPP.

**Dr. Po Sovinda** is the Designated Director of the Center for Southeast Asian Studies of IISPP.

**Dr. Lak Chansok** is a Senior Lecturer of International Relations and Master's Program Coordinator at IISPP.

## The Authors

Keo Sokkosol

Chan Mary

Khim Sotheara

Khim Tepsopheaktra

Ly Rachana

Chhun Phalanady

Sok Sothearak

Bou Nisa

Mey Minith

Ngov Sodanet

Poun Huyching

Chhem Sovannarith

Thai Sreyvin

Hol Theaneth

Cheng Ousa

Srun Sokheng

Sum Pichkanika

Thorng Pisethvisal

Mey Monita

Pheng Thean

Meung Chansomanita

Pech Posocheata

Lim Cheamara

Lim Ponleu

Ngoun Socheata

Raksmey Lytangoun

Long Sovitou

Ngoun Sovannmakara

Chum Sothealeap

## ASEAN

**Keo Sokkosol, Khim Sotheara, and Ly Rachana**

### **Introduction**

This second quarterly update reports on ASEAN's three community pillars: Political-Security Community, Economic Community, and Socio-Cultural Community. In the Political-Security pillar, the negotiation for the Code of Conduct on the South China Sea, progress on the Five-Point Consensus for Myanmar political development, and roadmap for Timor-Leste admission are ongoing; ASEAN faces internal divisions amidst the US-China rivalry. In the Economic Community, there have been numerous meetings between ASEAN leaders and other stakeholders under the framework of ASEAN+3, EU-ASEAN, ASEAN-Korea Free Trade Agreement, and ASEAN Economic Community Dialogue. As for the Socio-Cultural Community, ASEAN leaders strengthened relations with numerous countries, namely Australia, China, Pakistan, and the United Kingdom, through dialogues. Moreover, meetings on the ASEAN Environmental Rights Working Group and the 4<sup>th</sup> Meeting of the Ad Hoc Working Group to Develop the ASEAN Socio-Cultural Community (ASCC) Post-2025 Strategic Plan were convened.

### **ASEAN Political-Security Community**

One of the longstanding challenges facing ASEAN is the South China Sea dispute, which has regional stability and security implications. Despite ongoing negotiations with China for a Code of Conduct (COC) to prevent conflicts, internal divisions among ASEAN members have hindered progress. Economic ties with China have led to conflicting interests within the bloc, with some member states prioritizing economic benefits over territorial disputes.<sup>1</sup> Moreover, efforts for cooperation, like the ASEAN Coast Guard Forum, aim to address maritime security and achieve a unified response against drug trafficking and illegal fishing. However, internal

---

<sup>1</sup> Tanamal, Yvette. SCS Code of Conduct Unlikely Concluded on Time due to Lack of ASEAN Unity. The Jakarta Post, June 8, 2024. <https://www.thejakartapost.com/world/2024/06/05/scs-code-of-conduct-unlikely-concluded-on-time-due-to-lack-of-asean-unity.html>

disunity and external pressures limit ASEAN's effectiveness in managing the South China Sea dispute.<sup>2</sup>

While the South China Sea dispute remains a pressing concern, ASEAN also faces a broader strategic challenge on the horizon. The escalating US-China rivalry poses significant strategic challenges for ASEAN. The 2024 State of Southeast Asia Survey reveals a split among ASEAN elites, reflecting the dilemma of balancing economic ties with China and security concerns influenced by the United States.<sup>3</sup> Unlike the Philippines, which aligns closely with the United States, most ASEAN states avoid firm alliances to maintain autonomy and economic flexibility. Instead, they prefer pragmatic partnerships across multiple domains without exclusive alignment. This hedging strategy reflects ASEAN's desire to navigate great power rivalry while preserving regional stability and economic growth.<sup>4</sup>

Beyond the immediate challenge of the US-China rivalry, ASEAN faces internal divisions on other pressing international issues. ASEAN's stance on the Israel-Palestine conflict remains a topic of debate and divergence among member states. For instance, Indonesia, Malaysia, and Brunei, which do not recognize Israel, are vocally pro-Palestine, whereas countries like Myanmar, which has longstanding ties with Israel, show a different approach. ASEAN's inability to vote consistently at the UN and the varied national responses highlight its struggle to present a unified front on the issue.<sup>5</sup>

On April 18, ASEAN Foreign Ministers issued a statement that continues to express deep concern over the escalating conflicts in Myanmar, particularly in Kayin (Karen) and Rakhine states, which have led to significant civilian displacement. They have called for an immediate cessation of violence, adherence to international humanitarian law, and measures to protect

---

<sup>2</sup> Mangosing, Frances. Philippines Hosts Asean Coast Guard Forum, Eyes Stronger Cooperation. Asia News Network, June 10, 2024. <https://asianews.network/philippines-hosts-asean-coast-guard-forum-eyes-stronger-cooperation/>

<sup>3</sup> Liow, Joseph. ASEAN Unity Key to Dealing with East Asia's Strategic Dilemma. East Asia Forum, May 19, 2024. <https://eastasiaforum.org/2024/05/19/regional-unity-is-key-to-overcoming-southeast-asias-strategic-dilemma/>

<sup>4</sup> Kuik, Cheng-Chwee. Impossible Trinity Drives Southeast Asia's Prudent Hedging. East Asia Forum, June 8, 2024. <https://eastasiaforum.org/2024/06/08/impossible-trinity-drives-southeast-asias-prudent-hedging/>

<sup>5</sup> Singh, Gurjit. ASEAN's Response to the Gaza Crisis. Observer Research Foundation, May 23, 2024. <https://www.orfonline.org/research/asean-s-response-to-the-gaza-crisis>

civilians, including foreign nationals.<sup>6</sup> Despite repeated calls for peace, the Myanmar junta has intensified military actions, using Russian-made jets and helicopters against resistance groups.<sup>7</sup>

Moreover, on May 15, ASEAN envoy Mr. Alounkeo Kittikhoun visited Myanmar and discussed with Senior General Min Aung Hlaing, aiming to have The State Administration Council (SAC) implement a five-point roadmap for peace and development and discussed Myanmar's cooperation with ASEAN, humanitarian aid distribution, and efforts to establish a multiparty democratic system and prepare for a fair general election.<sup>8</sup> However, ASEAN's efforts have been criticized for their limited impact and failure to engage with key resistance parties, such as the National Unity Government (NUG). The organization's principle of non-interference and the junta's rejection of the NUG have hindered effective conflict resolution.<sup>9</sup>

Moving beyond the challenges of internal divisions, a recent development offers a promising sign for ASEAN's future. Since receiving observer status and in-principle approval for ASEAN membership in 2022, Timor-Leste has been progressing towards full membership in the 10-nation bloc. Prime Minister Xanana Gusmão emphasized that ASEAN membership would boost foreign investment and economic growth in Timor-Leste. The nation has since appointed a vice minister for ASEAN affairs and approved a draft government resolution to facilitate accession. Despite significant progress, Timor-Leste faces challenges in meeting the Roadmap's criteria, which some argue contradicts ASEAN's goal of promoting regional growth and partnership.<sup>10</sup>

Building on this commitment to regional growth, ASEAN continues to strengthen its partnerships. At the 12th ASEAN-New Zealand Joint Cooperation Committee (ANZJCC) Meeting, ASEAN and New Zealand reaffirmed their partnership and reviewed the ASEAN-

---

<sup>6</sup> ASEAN Foreign Ministers' Statement on the Escalation of Conflicts in Myanmar. 2024. ASEAN. April 18, 2024. <https://asean.org/asean-foreign-ministers-statement-on-the-escalation-of-conflicts-in-myanmar/>

<sup>7</sup> Strangio, Sebastian. ASEAN Calls Again for End to Myanmar Violence as Conflicts Flare. The Diplomat. April 19, 2024. <https://thediplomat.com/2024/04/asean-calls-again-for-end-to-myanmar-violence-as-conflicts-flare/>.

<sup>8</sup> Global New Light of Myanmar. ASEAN Plans to Assist Myanmar in Peacefully Solving Current Issues, May 16, 2024. <https://www.gnlm.com.mm/asean-plans-to-assist-myanmar-in-peacefully-solving-current-issues/#article-title>.

<sup>9</sup> Strangio, Sebastian. ASEAN Envoy Travels to Myanmar, Meets Military Junta Chief. The Diplomat. The Diplomat. May 17, 2024. <https://thediplomat.com/2024/05/asean-envoy-travels-to-myanmar-meets-military-junta-chief/>

<sup>10</sup> Cardoso, Joao da Cruz, "When Can Timor-Leste Expect to Become a Full Member of ASEAN?", The Diplomat, March 29, 2024, <https://thediplomat.com/2024/03/when-can-timor-leste-expect-to-become-a-full-member-of-asean/>



New Zealand Plan of Action (2021-2025). They noted progress in peace and security cooperation and agreed to enhance collaboration in digital transformation, climate change, and disaster management. New Zealand reiterated its support for ASEAN Centrality and aims to establish a Comprehensive Strategic Partnership with ASEAN.<sup>11</sup>

This focus on regional cooperation extends beyond individual partnerships. ASEAN attended high-level meetings in Vientiane, Laos. On June 7-8, Deputy Foreign Minister Đỗ Hùng Việt led Vietnam's delegation at the ASEAN+3, East Asia Summit (EAS), and ASEAN Regional Forum (ARF) Senior Officials' Meetings. Discussions assessed cooperation, set future directions, and addressed regional tensions, particularly in the East and Korean Peninsula. Participants emphasized the need for effective implementation of the DOC and a substantive COC. Additionally, they focused on strengthening consultation and cooperation within ASEAN frameworks.<sup>12</sup>

Further demonstrating ASEAN's commitment to regional security, representatives from several countries participated in the Vientiane meetings. First, at the ASEAN Regional Forum Senior Officials' Meeting (ARF SOM), Md Rais Hasan Sarower of Bangladesh urged ASEAN's support for their bid as a Sectoral Dialogue Partner. He emphasized ASEAN's crucial role in resolving the Rohingya crisis and called for enhanced cooperation.<sup>13</sup> Meanwhile, Jaideep Mazumdar, Secretary (East) of India's Ministry of External Affairs, highlighted the EAS's role in Indo-Pacific peace and called for collective action against terrorism during the EAS SOM.<sup>14</sup> Similarly, at the ARF SOM, Pakistan's Ambassador Imran Ahmed Siddiqui, reaffirmed Pakistan's commitment to global stability and prosperity, emphasizing the resolution of the Jammu and Kashmir dispute, condemning rising Islamophobia, and advocating for an immediate ceasefire in Gaza, during the ARF SOM.<sup>15</sup> South Korea's Deputy Foreign Minister

---

<sup>11</sup> “New Zealand Reiterate Commitment to Intensify Strategic Partnership”, ASEAN. May 15, 2024, <https://asean.org/12th-meeting-of-asean-new-zealand-joint-cooperation-committee-convenes/>

<sup>12</sup> “Deputy FM Attends ASEAN+3, EAS, ARF Senior Officials’ Meetings in Laos”, Việt Nam News, June 8, 2024, <https://vietnamnews.vn/politics-laws/1657148/deputy-fm-attends-asean-3-eas-arf-senior-officials-meetings-in-laos.html>

<sup>13</sup> “Bangladesh Seeks ASEAN’s Support to Become Sectoral Dialogue Partner”, The Business Post, June 9, 2024, <https://businesspostbd.com/diplomacy/bangladesh-seeks-aseans-support-to-become-sectoral-dialogue-partner>

<sup>14</sup> “Laos: MEA Secy Represents India at East Asia Summit and ASEAN Regional Forum Senior Officials’ Meeting”, ANI News, June 9, 2024, <https://www.aninews.in/news/world/asia/laos-mea-secy-represents-india-at-east-asia-summit-and-asean-regional-forum-senior-officials-meeting20240609113557/>

<sup>15</sup> “Pakistan’s Commitment to Regional Peace, Security, Prosperity Highlighted at ASEAN Regional Forum”, Associated Press of Pakistan, June 10, 2024, <https://www.app.com.pk/national/pakistans-commitment-to-regional-peace-security-prosperity-highlighted-at-asean-regional-forum/>

Chung Byung-won, who also participated in the ARF Senior Officials' Meetings, condemned North Korea's recent provocations and urged the international community to pressure them to comply with UN sanctions.<sup>16</sup> These dialogues showcased ASEAN's role as a platform for addressing regional security concerns.

### **ASEAN Economic Community**

On April 3, 2024, in Luang Prabang, Lao PDR, the Deputy Secretary-General of ASEAN for Economic Community, Satvinder Singh, met with key business council officials, including representatives from the EU-ASEAN Business Council (EU-ABC) and the US-ASEAN Business Council (US-ABC). In this meeting, many topics were discussed, and many views and ideas were presented on engaging with the ASEAN Finance and Central Bank sectors, such as digital economy, microfinance, data sharing, cybersecurity, and sustainable finance.<sup>17</sup>

Following that, on April 4 in Seoul, South Korea, senior officials of ASEAN and the Republic of Korea (ROK) reaffirmed their commitment to strengthen the ASEAN-ROK strategic partnership further and deepen cooperation at the 28th ASEAN-ROK Dialogue. In this meeting, the two sides welcomed the good progress that ASEAN and the Republic of Korea (ROK) have made over the past years. Within this meeting, the two sides stressed the need to continue enhancing cooperation in various areas, including trade and investment through the ASEAN-Korea Free Trade Area, digital innovation, cyber security, clean energy, sustainable development, TVET, education, disaster management, environment and climate change, smart city, connectivity, culture and people-to-people exchanges, and capacity building. ASEAN welcomed the ROK's continuous support for ASEAN Centrality and ASEAN Community-building efforts and its commitment to strengthening cooperation with ASEAN through initiatives under the Korea-ASEAN Solidarity Initiative (KASI). The highlight of the meeting also emphasizes the importance of the ASEAN outlook on the Indo-Pacific (AOIP) as a guide for broader regional cooperation between the two parties, prioritizing areas such as maritime cooperation, connectivity, and sustainable development goals. Moreover, to welcome the celebration of the 35th anniversary of ASEAN-ROK dialogue relations, in conjunction with this milestone, the Republic of Korea proposes an elevation of the relationship to become the

---

<sup>16</sup> "South Korea Denounces NK Provocations in ASEAN Meetings", The Korea Times, June 8, 2024, [https://www.koreatimes.co.kr/www/nation/2024/06/103\\_376200.html](https://www.koreatimes.co.kr/www/nation/2024/06/103_376200.html)

<sup>17</sup> "Deputy Secretary-General of ASEAN for Economic Community meets with business councils", ASEAN, April 3, 2024, <https://asean.org/deputy-secretary-general-of-asean-for-economic-community-meets-with-business-councils/>

ASEAN-ROK Comprehensive Strategies Partnership (CSP), which will strengthen the partnership.<sup>18</sup>

On May 3, the 27th ASEAN+3 Finance Ministers and Central Bank Governors' meeting was held. In this meeting, ASEAN+3 is undertaking reforms to strengthen the Regional Financing Arrangement, including the Chiang Mai Initiative Multilateralization (CMIM), to reinforce the regional financial safety net. The leaders commended efforts to explore more robust financing structures and develop new facilities. The leaders also endorsed the establishment of a new Rapid Financing Facility (RFF) under the CMIM, instructing the Deputies to finalize the necessary amendments by the end of 2024. Additionally, the leaders welcomed the adoption of updated CMIM Operational Guidelines. This will enable members to access emergency financing during periods of crisis. Following that, the ASEAN+3 leaders also appreciate the ASEAN+3 Macroeconomic Research Office (AMRO) 's work on its strategic plan and in providing support to the ASEAN+3 Finance Process. They welcomed AMRO's new partnership and research initiatives and look forward to AMRO developing further strategies to improve its operations. Regarding the Asian Bond Markets Initiative (ABMI), which covers the Credit Guarantee Facility's work to expand local currency bond issuance and sustainable finance development, which the leaders believe are the key players for regional financial cooperation and stability. Furthermore, the ASEAN+3 leaders also emphasized disaster risk financing (DRF) initiatives, it was viewed as an important platform to enhance regional resilience against economic and financial losses from future disasters. Additionally, ASEAN+3 leaders acknowledge all the advancements and efforts to deepen the region's capabilities. Thus, the leaders strongly supported these diverse ASEAN+3 initiatives to bolster the region's financial stability and resilience.<sup>19</sup>

Following this, on May 7, the ASEAN-Korea Centre (AKC) and the KIEP co-organized the "ASEAN-Korea Trade and Investment Roundtable 2024" under the theme of "ASEAN-Korea Cooperation for Next Decade to Come". This annual roundtable has provided a platform for discussion on the substantive cooperation on key issues such as the Korea-ASEAN Solidarity

---

<sup>18</sup> ASEAN., "ASEAN, ROK reaffirmed commitment to further strengthen partnership in view of 35th Anniversary of Dialogue Relations", ASEAN, April 4, 2024, <https://asean.org/asean-rok-reaffirmed-commitment-to-further-strengthen-partnership-in-view-of-35th-anniversary-of-dialogue-relations/>

<sup>19</sup> ASEAN., "Joint Statement of the 27 Th ASEAN+3 Finance Ministers' and Central Bank Governors' Meeting.", ASEAN, May 3, 2024., [https://asean.org/wp-content/uploads/2024/05/Joint-Statement-of-the-27th-ASEAN3-Finance-Ministers-and-Central-Bank-Governors-Meeting-FINAL\\_20240503.pdf](https://asean.org/wp-content/uploads/2024/05/Joint-Statement-of-the-27th-ASEAN3-Finance-Ministers-and-Central-Bank-Governors-Meeting-FINAL_20240503.pdf).

Initiative, ASEAN Outlook on the Indo-Pacific, and the ASEAN-Korea Free Trade Agreement (AKFTA). In this year's roundtable, ASEAN-Korea also explored ways to strengthen the cooperation between the two parties in supply chain management and digitalization, such as the ASEAN Digital Economy Framework Agreement (DEFA).<sup>20</sup>

Furthermore, on May 30, ASEAN and the EU held a workshop to develop an ASEAN Regional Research Infrastructure (RRI) Strategy. This workshop allows researchers to come together, share knowledge and experience, and jointly develop solutions that address some of the most important global challenges, including climate change, energy security, and pandemics. Key highlights in this workshop included creating e-catalogs of shareable national RRI, facilitating talent mobility, and establishing financial/operational models. Implementing the RRI strategy will strengthen ASEAN's research, promote knowledge exchange with the EU, and foster economic growth.<sup>21</sup>

Moving forward to June 4, the 11th ASEAN Economic Community Dialogue was held in Jakarta, Indonesia. The dialogue serves as a platform to discuss the desirable governance of Artificial Intelligence (AI) from both public and private sector perspectives, focused on the governance of Artificial Intelligence (AI) across ASEAN. This dialogue aimed to lay the foundation for a unified approach to AI regulations and standards across the region to enable consistent, cross-border cooperation. The key theme within the discussion included addressing varying AI readiness across ASEAN, embracing diverse perspectives, and industry commitments to responsible AI development.<sup>22</sup>

### **ASEAN Socio-Cultural Community**

In the spirit of celebrating the 50<sup>th</sup> Anniversary of ASEAN-Australia Dialogue Relations, H.E. Tiffany McDonald, Ambassador of Australia to ASEAN, has proactively engaged with ASEAN. On April 19, 2024, the ASEAN Socio-Cultural Community Deputy Secretary-

---

<sup>20</sup> ASEAN., "ASEAN-Korea Trade and Investment Roundtable 2024 to strengthen economic ties, cooperation", ASEAN, May 7, 2024, <https://asean.org/asean-korea-trade-and-investment-roundtable-2024-to-strengthen-economic-ties-cooperation/>

<sup>21</sup> ASEAN., "Experts, policymakers, researchers contribute to ASEAN Regional Research Infrastructure Strategy at EU-ASEAN Workshop", ASEAN, May 30, 2024, <https://asean.org/experts-policymakers-researchers-contribute-to-asean-regional-research-infrastructure-strategy-at-eu-asean-workshop/>

<sup>22</sup> ASEAN., "11th ASEAN Economic Community Dialogue discusses governance to unlock AI opportunity in ASEAN", ASEAN, June 4, 2024, <https://asean.org/11th-asean-economic-community-dialogue-discusses-governance-to-unlock-ai-opportunity-in-asean/>

General received a courtesy call from Her Excellency to reaffirm and deepen the Comprehensive Strategic Partnership between ASEAN and Australia under the framework of the ASCC.<sup>23</sup> Similarly, on May 13, 2024, Secretary-General of ASEAN Dr. Kao Kim Hourn and H.E. Tiffany MacDonald opened the ASEAN-Australia Photo Exhibition at the ASEAN Secretariat, which reflects the historic achievements created by the mutually beneficial cooperation under this Comprehensive Strategic Partnership.<sup>24</sup>

On May 6-8, the ASEAN Environmental Rights Working Group (AER WG) convened its 4<sup>th</sup> Meeting at the ASEAN Secretariat in Jakarta, Indonesia. The meeting involved deliberate reports and discussion on procedures to realize the rights to a safe, clean, and sustainable working environment in ASEAN by relevant stakeholders. Urgencies for collective and effective solutions to climate change, pollution, and biodiversity loss were addressed alongside consultations with the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), the United Nations Environment Programme (UNEP), Office of the United Nations High Commissioner for Human Rights (OHCHR), and other development partners.<sup>25</sup>

On May 28-29, Lao-PDR and Malaysia co-chaired the 4<sup>th</sup> Ad Hoc Working Group Meeting to Develop the ASEAN Socio-Cultural Community (ASCC) Post-2025 Strategic Plan in Jerudong, Brunei Darussalam. The meeting involved comprehensive discussions on the plan's consistency and alignment to sectoral priorities between the attendees and stakeholders, as well as recommendations from ASCC sectorial bodies.<sup>26</sup> In hope to prepare ASEAN after the 2025 Strategic Plan ends, the Post-2025 Strategic Plan address challenges and impacts that ASEAN might face along with explored strategies and approaches to the formers.

Under the framework of ASEAN Socio-Cultural Community, ASEAN has been also with other countries as well. On April 24, the Deputy Secretary-General of ASEAN for Socio-Cultural

---

<sup>23</sup> ASEAN., “Deputy Secretary-General of ASEAN for ASEAN Socio-Cultural Community meets the Ambassador of Australia to ASEAN”, ASEAN, April 19, 2024, Deputy Secretary-General of ASEAN for ASEAN Socio-Cultural Community meets the Ambassador of Australia to ASEAN

<sup>24</sup> ASEAN., “Secretary-General of ASEAN inaugurates ASEAN-Australia Photo Exhibition”, ASEAN, May 13, 2024, <https://asean.org/secretary-general-of-asean-inaugurates-asean-australia-photo-exhibition/>

<sup>25</sup> ASEAN., “The 4th ASEAN Environmental Rights Working Group Meeting”, ASEAN, May 8, 2024, <https://asean.org/the-4th-asean-environmental-rights-working-group-meeting/>

<sup>26</sup> ASEAN., “ASEAN Socio-Cultural Community Post-2025 Strategic Plan Development highlights holistic stakeholder collaboration, partnership”, ASEAN, May 31, 2024, <https://asean.org/asean-socio-cultural-community-post-2025-strategic-plan-development-highlights-holistic-stakeholder-collaboration-partnership/>

Community H.E. Ekkaphab Phanthavong met with China's Jiangxi Province Communist Party Secretary Yin Hong to reaffirm the ASEAN-China Comprehensive Strategic Partnership and to exchange perspectives on trade and investment and people-to-people ties.<sup>27</sup> Similarly, the Deputy also met with Secretary-General of China ASEAN Business and Investment Summit (CABIS) Secretariat Yang Yan Yan to discuss about the preparation for the 21<sup>st</sup> CABIS in Nanning, China, which will take place in September, 2024.<sup>28</sup>

On June 5, the ASEAN-Pakistan Sectoral Dialogue Partnership was convened between the Deputy Secretary-General of ASEAN for Socio-Cultural Community H.E. Ekkaphab Phanthavong and Ambassador of Pakistan to ASEAN H.E. Ameer Khurram Rathore with the focus on strengthening people-to-people ties, promoting sustainable development, and preparing future-read workforce in the region.<sup>29</sup> On June 6, H.E. had a meeting with the UK Ambassador to Lao PDR H.E. Mel Barlow and UK Ambassador to ASEAN H.E. Sarah Tiffin under the focus of strengthening the bonds between the parties with potential collaboration on cultural exchange, environmental cooperation, health, and more.<sup>30</sup>

### Conclusion

In conclusion, the second quarterly update focuses on ASEAN's progress on the three communities: Political-Security Community, Economic Community, and Socio-Cultural Community. In the Political-Security Community, negotiations for the Code of Conduct on the South China Sea still continues along with the progress on the Five-Point Consensus on Myanmar, and the roadmap for Timor-Leste's admission. In the Economic Community, there were numerous meetings between ASEAN leaders and other stakeholders under the frameworks of ASEAN+3, EU-ASEAN, ASEAN-Korea Free Trade Agreement, and ASEAN Economic Community Dialogue. In the Socio-Cultural Community, ASEAN leaders enhanced

---

<sup>27</sup> ASEAN., "Deputy Secretary-General of ASEAN meets with Secretary of the Jiangxi Provincial Committee of the Communist Party of China (CPC)", ASEAN, April 24, 2024, <https://asean.org/deputy-secretary-general-of-asean-meets-with-secretary-of-the-jiangxi-provincial-committee-of-the-communist-party-of-china/>

<sup>28</sup> ASEAN., "Deputy Secretary-General for ASEAN Socio-Cultural Community meets with Head of China ASEAN Business and Investment Summit Secretariat", ASEAN, June 7, 2024, <https://asean.org/deputy-secretary-general-for-asean-socio-cultural-community-meets-with-head-of-china-asean-business-and-investment-summit-secretariat/>

<sup>29</sup> ASEAN., "Deputy Secretary-General of ASEAN for Socio-Cultural Community discusses strengthening people-to-people connections with Pakistan Ambassador", ASEAN, June 5, 2024, <https://asean.org/dsg-ascc-discussed-strengthening-people-to-people-connections-with-pakistan-ambassador/>

<sup>30</sup> ASEAN., "Deputy Secretary-General for ASEAN Socio-Cultural Community Phanthavong Meets UK Ambassadors, Discusses Strengthening ASEAN-UK People-to-People Ties", ASEAN, June 6, 2024, <https://asean.org/ascc-deputy-secretary-general-phanthavong-meets-uk-ambassadors-discusses-strengthening-asean-uk-people-to-people-ties/>

relations with other countries namely Australia, China, Pakistan, and the United Kingdom through dialogues and conventions, and ASEAN organized the ASEAN Environmental Rights Working Group and the 4th Meeting of the Ad Hoc Working Group to Develop the ASEAN Socio-Cultural Community (ASCC) Post-2025 Strategic Plan.



## Cambodia

**Sok Sothearak, Mey Minith, Poun Huyching, and Thai Sreyvin**

### Domestic Politics

On April 1, 2024, former Prime Minister Hun Sen, also a member of the National Assembly, declared his resignation from the National Assembly to take up his new position as the President of the Senate. He thanked all the members for their support throughout his time as Prime Minister, particularly for the constitutional amendments that allowed economic transformation.<sup>1</sup> On April 3, 2024, he replaced Say Chhum as the President of the Senate. To protect the well-being of all citizens, Hun Sen's priorities as Senate President include parliamentary diplomacy, strengthening alliances with foreigners, and working closely with local governments.<sup>2</sup>

Student leader and human rights activist Koet Saray was arrested on April 5 on charges of "inciting social unrest." More than fifty organizations and civil society groups demanded the release of Saray. Saray, president of the Khmer Intellectual Students Coalition, was charged with inciting violence against law enforcement and illegal land grabbing in Preah Vihear province. Civil society groups argued that Saray's detention was part of a crackdown on freedom of expression and human rights in Cambodia and that his actions were merely to raise public concern over the ongoing land dispute. They wanted Saray released immediately, and his charges dropped, especially before the Khmer New Year.<sup>3</sup>

On April 9, Cambodia denied the claim that the Chinese military would use the 180-kilometer Funan Techo canal project, which connects the Mekong River to the sea, to reach the Vietnamese border. Regarding the Cambodian Constitution's ban on foreign military presence, former Prime Minister Hun Sen, currently chairing the Senate, said the canal was built for

---

<sup>1</sup> Torn, Chanritheara. (2024, April 1). *Hun Sen Bids Farewell to National Assembly After More Than 40 Years*. Cambodianess. Retrieved June 17, 2024, from <https://cambodianess.com/article/hun-sen-bids-farewell-to-national-assembly-after-more-than-40-years>.

<sup>2</sup> Yalirozy, Tang. (2024, April 3). *Ex-PM Hun Sen Sweeps Board in Senate President Vote*. Cambodianess. Retrieved June 17, 2024, from <https://cambodianess.com/article/hun-sen-sweeps-board-in-senate-president-vote>.

<sup>3</sup> Yalirozy, T.ang (2024, April 8). *Civil Groups Call for Release of Charged Student Leader Koet Saray*. Cambodianess. Retrieved June 17, 2024, from <https://cambodianess.com/article/civil-groups-call-for-release-of-charged-student-leader-koet-saray>.



socio-economic reasons, such as facilitating more waterway traffic. He denied that the canal was of military importance or would give access to the Chinese navy. However, Vietnamese scholars have argued that China may have reached the Cambodian-Vietnamese border due to the canal architecture that could accommodate armed boats. Hun Sen addressed these concerns by stating that the canal will not affect Vietnam's Mekong Delta ecosystem as believed. First, it will be connected to the Mekong tributary rather than the main river.<sup>4</sup> Cambodian Senate President Hun Sen said talks with Vietnam on the project will not occur. He supported the proposal, saying it would benefit Cambodia and alleviate Vietnam's concerns about military access. "There will be no negotiations regarding the development of this canal, let's be honest," said Hun Sen. Despite regional tensions, the government's determination to pursue this controversial infrastructure project is reflected in the unwavering position of Cambodian leaders.<sup>5</sup> In addition, as of May 30, Prime Minister Hun Manet said that work on the Funan Techo Canal in Cambodia would begin in August 2024. However, compensation measures for the project have not been disclosed to residents of Kandal, Takeo, Kampot, and Kep provinces along the proposed canal. Local officials say they were waiting for more information from the government before speaking with affected residents.<sup>6</sup>

On May 9th, 2024, the Phnom Penh authorities arrested Sun Chanthy, President of the National Power Party (NPP), at the airport in Phnom Penh after his return from Japan. Members of his party observed the arrests. According to the authorities, on May 7, 2024, the Phnom Penh Municipal Court prosecutor issued an arrest warrant in connection with the "incitement to disturb social order by posting information on social media". NPP spokesman Chea Mony said that since Chanthy's last case involving a five-year political ban was over, he saw the arrests as politically driven. Chanthy denounced the Cambodian government, elections, and the country's economic situation in a speech to supporters in Japan.<sup>7</sup>

---

<sup>4</sup> Yalirozy, Tang. (2024, April 9). *Hun Sen Asserts Techo Funan Canal Will Not Be Used by Chinese Military*. Cambodianess. Retrieved June 17, 2024, from <https://cambodianess.com/article/hun-sen-asserts-techo-funan-canal-will-not-be-used-by-chinese-military>.

<sup>5</sup> Romdoul, Chetra. (2024, April 26). *No Negotiation over Funan Canal, Says Samdech Hun Sen*. Cambodianess. Retrieved June 17, 2024, from <https://cambodianess.com/article/no-negotiation-over-funan-canal-says-hun-sen>.

<sup>6</sup> Nimol, Seoung. (2024, May 30). *Funan Techo Canal Construction Begins in August, Canal Residents Clueless on Compensation*. CamboJA News. Retrieved June 17, 2024, from <https://cambojanews.com/funan-techo-canal-construction-begin-in-august-canal-residents-clueless-on-compensation/>.

<sup>7</sup> Va, Sopheanut. (2024, May 9). *Authorities Nab NPP President Sun Chanthy at Phnom Penh Airport Upon His Return from Japan*. CamboJA News. Retrieved June 17, 2024, from <https://cambojanews.com/authorities-nab-npp-president-sun-chanthy-at-phnom-penh-airport-upon-his-return-from-japan/>.

The head of the Cambodian Senate, Hun Sen, has proposed a law that would punish anyone who says there is no genocide in Cambodia. At a conference on "The Future of Cambodia Without Genocide", Mr. Hun Sen said the law was important to deter efforts in the "color revolution" and to preserve national peace. He cited as an example of how denying Cambodia's history of genocide could lead to further unrest, the 1970 coup, and the subsequent establishment of the Khmer Rouge dictatorship. Mr. Hun Sen stated that although "some politicians say there is no genocidal regime", the law would make it easier to teach Cambodian students about the genocide. Political experts have expressed concern that the law could impede people's ability to discuss historical events freely. However, the government spokesman declined to comment further, saying the public should listen to Mr. Hun Sen's assessment.<sup>8</sup>

### Socioeconomic Affairs

According to the Asian Development Bank's (ADB) economic assessment, 'Asian Development Outlook (ADO) April 2024', Cambodia's GDP will increase by 5.8% in 2024 and 6% in 2025. The main driving industries are tourism and manufacturing, expanding due to improved export-oriented industrial processes. However, this year, agriculture, construction, and real estate will likely rise modestly.<sup>9</sup> The report also discussed Cambodia's strategic preparations to graduate from the least developed country (LDC) category, which will improve the country's international standing and investment attractiveness while posing challenges due to limited access to concessional financing and preferential trade treatments.<sup>10</sup>

According to the Siem Reap Provincial Tourism Department, roughly 80-90% of guesthouses and hotels in Siem Reap province were booked during the Khmer New Year season, with tourists rushing to see and celebrate in the cultural capital.<sup>11</sup> A report from the Ministry of Tourism showed that Cambodia recorded over 110,000 foreign tourists traveling around the country. Furthermore, there were 21.70 million national tourists and locals. The most popular location is Kampong Cham province, with nearly 5.3 million tourists; Prey Veng, with 2.3

---

<sup>8</sup> Khuon, Narim., & Ly, Rosslan. (2024, May 23). *Hun Sen Proposes Law To Punish Anyone Denying Cambodia's Genocidal Past*. *CamboJA News*. Retrieved June 17, 2024, from <https://cambojanews.com/hun-sen-proposes-law-to-punish-anyone-denying-cambodias-genocidal-past/>.

<sup>9</sup> Asian Development Bank, "Cambodia's Economic Growth to Accelerate in 2024, Fueled by Manufacturing and Tourism," [www.adb.org](https://www.adb.org/news/cambodia-economic-growth-accelerate-2024-fueled-manufacturing-and-tourism#:~:text=PHNOM%20PENH%2C%20CAMBODIA%20(11%20April), April 11, 2024, [https://www.adb.org/news/cambodia-economic-growth-accelerate-2024-fueled-manufacturing-and-tourism#:~:text=PHNOM%20PENH%2C%20CAMBODIA%20\(11%20April](https://www.adb.org/news/cambodia-economic-growth-accelerate-2024-fueled-manufacturing-and-tourism#:~:text=PHNOM%20PENH%2C%20CAMBODIA%20(11%20April).

<sup>10</sup> Asian Development Bank, *Asian Development Outlook (ADO) April 2024*, [www.adb.org](https://www.adb.org/publications/asian-development-outlook-april-2024) (Asian Development Bank, 2024), <https://www.adb.org/publications/asian-development-outlook-april-2024>.

<sup>11</sup> Molika Meas, "Siem Reap Hotels 90% Full for KNY," [kiripost.com](https://kiripost.com/stories/siem-reap-hotels-90-full-for-kny), April 13, 2024, <https://kiripost.com/stories/siem-reap-hotels-90-full-for-kny>.

million visitors; Kampong Speu, with 2.1 million; Battambang, with 1.7 million; and Kampot province, with 1.4 million tourists.<sup>12</sup>

Earlier in May, the IMF Regional Economic Outlook April 2024 predicted that Cambodia's inflation would stay constant this year at 2.3%, up slightly from 2.1% in 2023. According to the National Bank of Cambodia (NBC), Cambodia's growth would be led by the industry category, which is predicted to rise by 8.6%, followed by services at 6.4% and agriculture at 1.3%. According to NBC's Annual Report 2023 and Action Plan 2024, external obstacles for this year included slower-than-expected growth in partner nations, prolonged monetary policy tightening, global geopolitical tension, divided global geo-economies, and climate change.<sup>13</sup>

On May 7th, The Council for the Development of Cambodia (CDC) announced that in April 2024, the CDC approved 22 new projects and production expansion projects totaling more than \$309 million. Of the 22 investment projects, 14 were outside special economic zones (SEZs), and eight were within SEZs. These could create about 23,000 jobs.<sup>14</sup>

Regarding aid, The World Bank has approved \$40 million in funding for projects projected to help around 33,000 Cambodians. The five-year Skills for Better Jobs Project aimed to assist Cambodia's economy in diversifying into industries that require more medium-skilled occupations. It would be carried out by the Ministry of Labour and Vocational Training and the Ministry of Economy and Finance's Skills Development Fund.<sup>15</sup> Moreover, the World Bank granted an additional \$79 million in financing to promote access to quality education in Cambodia. The new funds will be used to expand the Cambodia general education improvement project, including school management, professional training and development for teachers, school leaders, and staff, and the construction and renovation of more climate-resilient classrooms, school buildings, and laboratories.<sup>16</sup>

---

<sup>12</sup>Anthony Ellis, "Record-Breaking Tourist Numbers Celebrate Khmer New Year across Cambodia," EAC News, April 18, 2024, <https://eacnews.asia/home/details/29799>.

<sup>13</sup>Manoj, Mathew, "IMF Says Cambodia's Inflation to Be Stable at 2.3 Percent in 2024 - Khmer Times," Khmer Times, May 6, 2024, <https://www.khmertimeskh.com/501483848/imf-says-cambodias-inflation-to-be-stable-at-2-3-percent-in-2024/#:~:text=Cambodia>.

<sup>14</sup>Xinhua, "Cambodia Attracts 309 Mln USD Investment in April-Xinhua," english.news.cn, May 7, 2024, <https://english.news.cn/20240507/5591ec427fd94f3da309e9f28990a75f/c.html>.

<sup>15</sup>Seangly Phak, "World Bank Approve \$40M for Vocational Training," Phnompenhpost.com, 2024, <https://phnompenhpost.com/national/world-bank-approve-40m-for-vocational-training>.

<sup>16</sup>Sochan Ry, "World Bank Approve Extra \$79M for Access to Education," Phnompenhpost.com, 2024, [https://www.phnompenhpost.com/national/world-bank-approve-extra-79m-for-access-to-education#:~:text=The%20World%20Bank%20\(WB\)%20on](https://www.phnompenhpost.com/national/world-bank-approve-extra-79m-for-access-to-education#:~:text=The%20World%20Bank%20(WB)%20on).

Prime Minister Hun Manet declared on June 6th that the Funan Techo Canal would break ground on August 5th, with Cambodian financiers contributing 51% of the project's funding. The project was a private initiative, with private investors borrowing money from banks to build the canal and requesting 50-year operating rights. During this time, the government and investment businesses would negotiate to secure mutual benefits. When the period is up, the investment corporation will hand the project to the government for management. The government would not fund the project; the investment business was responsible for the cost. The Prime Minister claimed the partnership would create possibilities for all, notably in the tourist and transportation industries. He also stated that provinces, including those bordering the Mekong and Tonle Sap rivers, could use the canal waterway for traffic.<sup>17</sup>

The 100-meter-wide, 5.4-meter-deep canal will connect Phnom Penh to Cambodian ports on the Gulf of Thailand. It begins in Prek Takeo on the Mekong River and flows through Prek Ta Ek and Prek Ta Hing on the Bassac River in Koh Thom district before reaching Kep province. Its path passes through four provinces: Kandal, Takeo, Kampot, and Kep, with a population of 1.6 million along its banks. The canal will cost \$1.7 billion and take four to six years to construct. Once completed, the canal is expected to boost agricultural activity, create job opportunities, and lower transportation costs from Phnom Penh to the sea.<sup>18</sup>

### **Foreign Affairs**

The Cambodia-ASEAN Business Summit 2024, held on 1-2 April, aimed at unlocking the potential of the 10-nation ASEAN bloc. Under the theme "Unleashing ASEAN's Potential: Connectivity, Technology, and Inclusive Growth," the summit gathered business leaders, entrepreneurs, investors, and policymakers from across the region. Cambodian Prime Minister Hun Manet emphasized the summit's role in enhancing business cooperation, showcasing ASEAN's economic dynamism, and reinforcing regional and global economic ties. The Prime

---

<sup>17</sup>Sochan Ry, "PM: Funan Techo Canal Groundbreaking Set for August 5," Phnompenhpost.com, 2024, <https://phnompenhpost.com/national/pm-funan-techo-canal-groundbreaking-set-for-august-5->.

<sup>18</sup>Rinith Taing, "All Systems Go: PM Says Funan Techo Canal Megaproject to Start in August - Khmer Times," May 30, 2024, <https://www.khmertimeskh.com/501497789/all-systems-go-pm-says-funan-techo-canal-megaproject-to-start-in-august/>.

Minister also invited ASEAN businesses to capitalize on opportunities in Cambodia, which has attracted USD 6 billion worth of investments from ASEAN in 2023.<sup>19</sup>

Chinese Foreign Minister Wang Yi's three-day official visit to Cambodia from April 21 to 23 was highlighted as a significant event contributing to the "2024 Year of People-to-People Exchanges". During discussions with Cambodian officials, both parties highlighted the strong growth of bilateral relations under the Comprehensive Strategic Partnership of Cooperation. They reaffirmed their shared vision of a "high-quality, high-level, and high-standard Cambodia-China Community with a Shared Future". Minister Wang and Cambodian Minister Sun Chanthol oversaw the signing of an exchange of letters for phase two of China's rural clean water project and certification for Cambodia's agriculture development master plan. Additionally, protocols were established to regulate the export of semi-finished dog food products made from cowhide from Cambodia to China.<sup>20</sup>

On April 24, 2024, the President of the Cambodian People's Party (CPP), Hun Sen, and the General Secretary of the Lao People's Revolutionary Party, Thongloun Sisoulith, reaffirmed their commitment to strengthening friendship and solidarity between Cambodia and Laos. Both leaders emphasized the importance of deepening cooperation across various sectors to achieve mutual benefits for their nations and people. They praised the bilateral relations as a "long-term and comprehensive strategic partnership". Mr. Hun Sen pledged Cambodia's full support for Laos' role as the Rotating Chair of ASEAN and Chair of the ASEAN Inter-Parliamentary Assembly in 2024. Also, he extended an invitation to Laos to head a high-level delegation to several forthcoming events that Cambodia will host in 2024.<sup>21</sup>

On May 7, 2024, Cambodian Senate President Hun Sen held a video conference with Senior General Min Aung Hlaing, Chairman of Myanmar's State Administration Council, focusing on

---

<sup>19</sup> Khmer Times, "Cambodia-ASEAN Business Summit to Unlock Bloc's Enormous Potential." Khmer Times - Insight into Cambodia. Last modified April 3, 2024. <https://www.khmertimeskh.com/501466942/cambodia-asean-business-summit-to-unlock-blocs-enormous-potential/>.

<sup>20</sup> Niem, Chheng. "Analysts: Chinese Foreign Minister's Official Visit a Sign Relationship 'never Closer'." Phnom Penh Post | The Phnom Penh Post is the Oldest and Most Comprehensive Independent Newspaper Covering Cambodia. Cambodia News, Phnom Penh News. Last modified April 22, 2024. <https://www.phnompenhpost.com/politics/analysts-chinese-foreign-minister-s-official-visit-a-sign-relationship-never-closer->.

<sup>21</sup> Fresh News, "Cambodia's CPP and Laos' LPRP Forge Closer Ties for the Benefits of Both Nations and Peoples." April 24, 2024. <https://m.en.freshnewsasia.com/index.php/en/localnews/48813-2024-04-24-09-32-07.html>.

bilateral relations and regional developments. The discussion was to exchange updates on development in Myanmar and explore possibilities for mutual visits. Notably, he underlined the need of setting up a video conference between himself and Aung San Suu Kyi, pointing out their previous ASEAN cooperation. He emphasized the significance of Myanmar's adherence to the Five-Point Consensus. In response, Min Aung Hlaing congratulated Mr. Hun Sen once again. He reiterated Myanmar's commitment to sending non-political delegates to ASEAN summits and associated gatherings, indicating a willingness for additional communication.<sup>22</sup>

On May 10, Prime Minister Hun Manet met with UAE Ambassador H.E. Obaid Bintaresh Aldhaheri at the Peace Palace to strengthen bilateral cooperation. They noted the relations between Cambodia and the UAE and emphasized the importance of the Comprehensive Economic Partnership Agreement (CEPA).<sup>23</sup>

Cambodia and South Korea have elevated their bilateral relations to a "strategic partnership" following a meeting between Prime Minister Hun Manet and South Korean President Yoon Suk Yeol during Manet's visit to South Korea from May 15 to 18. Both parties praised South Korea's intention to make its first navy port stop in Cambodia later this year to strengthen naval cooperation. South Korea declared its willingness to strengthen Cambodia's capacity to maintain peace and to provide equipment, training, and technical support to the Royal Cambodian Armed Forces. In economic matters, the two countries committed to establishing a regular consultation channel between Cambodia's Council for the Development of Cambodia (CDC) and the South Korean embassy. Six agreements were also signed during the Cambodia-South Korea Business Forum. These included the Protocol Amending the Framework Arrangement concerning Loans from the Economic Development Cooperation Fund (EDCF) for 2022 through 2026, an MoU on Investment Cooperation, and an MoU on Reinforced Intellectual Property Cooperation.<sup>24</sup>

---

<sup>22</sup> Fresh News, "Samdech Techo Hun Sen Meets Myanmar's Min Aung Hlaing Via Video Conference." May 7, 2024. <https://en.freshnewsasia.com/index.php/en/localnews/49229-2024-05-07-07-32-25.html>.

<sup>23</sup> Sok, Sereyath. "Cambodia, UAE to Promote Bilateral Cooperation in Various Areas." Cambodian People's Party-វិមានព័ត៌មាន. Last modified May 13, 2024. <https://www.cpp.org.kh/en/details/373642>.

<sup>24</sup> Ry, Sochan. "Cambodia, S Korea Announce 'strategic Partnership' During Visit by Manet." Phnom Penh Post | The Phnom Penh Post is the Oldest and Most Comprehensive Independent Newspaper Covering Cambodia. Cambodia News, Phnom Penh News. Last modified May 16, 2024. <https://www.phnompenhpost.com/politics/cambodia-s-korea-announce-strategic-partnership-during-visit-by-manet>.



From June 3–7, Cambodia's province of Siem Reap hosted the 20th ASEAN Ministerial Meeting on Science, Technology, and Innovation (AMMSTI-20), the 85th Meeting of the ASEAN Committee on Science, Technology, and Innovation (COSTI-85), and concurrent meetings. Attendees included representatives from ASEAN member states, Timor-Leste as an observer, and the ASEAN Secretariat.<sup>25</sup>

On June 4, 2024, Mr. Hun Sen and US Secretary of Defence Lloyd Austin met at the Senate to discuss enhancing Cambodia-US relations, particularly in military cooperation. Austin expressed commitment to strengthening ties and acknowledged joint efforts could overcome challenges and improve bilateral relations. He agreed with Hun Sen's suggestion for joint exercises focused on disaster relief and announced the continuation of demining and unexploded ordnance training and military scholarships for Cambodian students. To further shared interests, Hun Sen underlined the significance of continuous defense cooperation, including inter-ministerial talks and cooperative exercises.<sup>26</sup>

President of the Cambodian Senate Samdech Techo Hun Sen declared on June 7, 2024, that Cambodia will not attend the June 15, 2024, Global Peace Summit in Switzerland due to worries over Russia's absence, a major participant. He made it clear that, contrary to rumors, China had no influence over Cambodia's choice and reiterated the country's sovereign right to decide whether or not to participate.<sup>27</sup>

On June 18, 2024, Hun Manet was greeted ceremoniously on his first official visit to Singapore. He had talks with President Tharman Shanmugaratnam and new Singaporean Prime Minister Lawrence Wong. The Financial Transparency Corridor (FTC) program was introduced by the National Bank of Cambodia and the Monetary Authority of Singapore (MAS). This program

---

<sup>25</sup> Sok, Sereyath. "Cambodia Hosts 20th ASEAN Ministerial Meeting on Science, Technology and Innovation in Siem Reap." Cambodian People's Party. Last modified June 3, 2024. <https://www.cpp.org.kh/en/details/375058>.

<sup>26</sup> Fresh News, "Samdech Techo Hun Sen and US Secretary of Defence Agree to Resume Military Cooperation." June 4, 2024. <https://en.freshnewsasia.com/index.php/en/localnews/50251-2024-06-04-12-50-46.html>.

<sup>27</sup> Fresh News, "TOP NEWS: Cambodia Will Not Attend Ukraine Peace Summit over Russia's Exclusion; Decision Made Not Influenced by China: Samdech Techo Hun Sen." June 7, 2024. <https://en.freshnewsasia.com/index.php/en/localnews/50391-2024-06-07-11-12-04.html>.

aims to develop digital infrastructure that facilitates trade and cross-border financial services for SMEs. Future phases will expand to include green financing and trade finance.<sup>28</sup>

---

<sup>28</sup> Channel News Asia, "Singapore, Cambodia Ink Agreement on Digital Government Cooperation." June 18, 2024. <https://www.channelnewsasia.com/singapore/singapore-cambodia-ink-agreement-digital-government-cooperation-mfa-hun-manet-4418996>.



# Indonesia

Cheng Ousa, Sum Pichkanika, and Mey Monita

## Introduction

Indonesia is the largest country in Southeast Asia and is a dynamic patchwork of environment, culture, and progress. In 2024, the nation went through a transitional phase due to a major change in leadership. Indonesia recently held a historic one-day election, resulting in Prabowo Subianto being elected as the country's next president. This signaled the conclusion of President Joko Widodo's ten-year administration. With Vice President Gibran Rakabuming Raka and President Prabowo Subianto leading the charge, the new administration has set high economic standards. Healthcare and education were the two key pillars that Indonesia's socioeconomic development was centered around. A new curriculum reform in education gives schools more freedom to customize programs for their local populations. With the new leadership, the healthcare industry has strong continuity working in tandem with the World Health Organization (WHO) to address antimicrobial resistance (AMR). The next government will uphold many of the previous administration's initiatives, such as budgetary responsibility, economic diversification, and infrastructure development. The implications for Indonesia's quarterly report for April through June are shown below.

## Domestic affairs

Indonesia intends to relocate its capital from Jakarta, which is sinking and overcrowded, to Nusantara. A \$32-billion metropolis is being built in Borneo's East Kalimantan rainforests.<sup>1</sup> It is a project of former President Joko Widodo, who promised to disperse the archipelago's riches and development, which are now centered in Java. Until the president formally names Nusantara as the new capital, which is anticipated to happen this year, Jakarta will continue to serve as Indonesia's capital under the current regulations. Hence, thousands of government employees are anticipated to relocate to Nusantara by the end of this year, and the government plans to host the 2024 Independence Day ceremony there on August 17.<sup>2</sup>

---

<sup>1</sup> Clark, James. 2022. "Nusantara – New Capital City of Indonesia." Future Southeast Asia. January 18, 2022. <https://futuresoutheastasia.com/nusantara-new-capital-city-of-indonesia/>.

<sup>2</sup> Reuters, "Jakarta will remain an economic hub as Indonesia prepares to move capital city. " 2024. Reuters. March 28, 2024. <https://www.reuters.com/world/asia-pacific/indonesian-parliament-passes-into-law-jakarta-special-status-bill-speaker-says-2024-03-28/>

Prabowo Subianto has secured victory as Indonesia's next president following the Constitutional Court's rejection of appeals from his rivals.<sup>3</sup> The appeals, filed by Anies Baswedan and Ganjar Pranowo, claimed widespread fraud and irregularities in the February elections. Former governors of Jakarta, Anies Baswedan, and Central Java, Ganjar Pranowo, claimed that massive fraud and extensive state intervention had contributed to his victory. However, the court found insufficient evidence to support these claims. The losing candidates charged President Joko Widodo with broad abuses of authority, claiming he supported Prabowo Subianto and Gibran Rakabuming Raka by using state policies, social aid programs, and officials at every level, from cabinet members to village chiefs. However, the highest court rejected the accusations, stating that it did not believe the president had interfered to alter the qualifications for applicants to benefit his son. The court's decision was a 5-to-3 majority ruling, which upheld the General Elections Commission's certification of Prabowo Subianto's victory. President-elect Prabowo Subianto had won by a landslide, according to the General Elections Commission (KPU)<sup>4</sup>. As a result, the court concluded that there was no evidence that President Joko Widodo and his government had broken any rules or regulations to back Prabowo Subianto. Four members of the Indonesian Cabinet testified in court on April 5 that no regulations were broken in the disbursement of government funds.<sup>5</sup>

### **Socioeconomics**

Microsoft CEO Satya Nadella is investing billions of dollars in Indonesia. The company will invest \$1.7 billion over the following four years in Indonesia's new cloud and AI infrastructure.<sup>6</sup> This is the single greatest investment made by the company in its 29-year history in the nation. While visiting Jakarta as the first stop on a tour of Southeast Asia, CEO Satya Nadella declared, that this new generation of AI is reshaping how people live and work everywhere, including in Indonesia. The investment will focus on advancing artificial intelligence by integrating an AI chatbot into its search engine, Bing, Microsoft, which manages one of the biggest cloud computing businesses in the world. Hence, the investments

---

<sup>3</sup> VOA, "Prabowo Subianto Seals Victory as Indonesia's next Leader after Top Court Rejects Rivals' Appeals." 2024. Voice of America. April 22, 2024. <https://www.voanews.com/a/prabowo-subianto-seals-victory-as-indonesia-s-next-leader-after-top-court-rejects-rivals-appeals/7579887.html>.

<sup>4</sup> Niniek, Karmini, & Fadlan Syam, "Prabowo Subianto Seals Victory as Indonesia's next Leader after a Top Court Rejects Rivals' Appeals." 2024. AP News. April 22, 2024. <https://apnews.com/article/indonesia-election-fraud-appeal-baswedan-subianto-pranowo-cedb89b905ea598e3a025ccc2ca07d08>.

<sup>5</sup> Niniek, Karmini & Andi, Jatmiko, "Indonesian Cabinet Ministers Deny Claims by Losing Presidential Candidates of Misused Government Aid." 2024. AP News. April 5, 2024. <https://apnews.com/article/indonesia-president-election-appeal-government-aid-18d727e0dbd06995596229b386d21b09>.

<sup>6</sup> Microsoft. 2024. "Microsoft Announces US\$1.7 Billion Investment to Advance Indonesia's Cloud and AI Ambitions." Microsoft Stories Asia. April 30, 2024. <https://news.microsoft.com/apac/2024/04/30/microsoft-announces-us-1-7-billion-investment-to-advance-indonesias-cloud-and-ai-ambitions/>.

include skill development, digital infrastructure, and developer support, which will enable Indonesia to prosper in the future. Some experts said that the use of artificial intelligence technology will boost productivity in the workplace by 20% increase in profit which will be a huge benefit for Indonesia's economy. On the flip side, artificial intelligence (AI) also poses threats to jobs and further exacerbates inequalities; therefore, the National Strategy for Development of Indonesia's Digital Economy 2030 was launched as a solutions to this rapid change.<sup>7</sup> It is anticipated that the region's economic environment will be considerably impacted by the rise of AI. According to research by the international consulting firm Kearney, artificial intelligence (AI) might boost Southeast Asia's GDP by about \$1 trillion by 2030, with Indonesia predicted to account for \$366 billion.<sup>8</sup> This investment will help Indonesia to prosper in the future.

Another interesting news is that Indonesia is currently a destination for Elon Musk who is a famous business investor from America. Elon Musk visited Bali, a popular tourist destination in Indonesia, to introduce Starlink satellite internet service, which is one of Musk's companies.<sup>9</sup> Musk's visit occurred only a few weeks after Tim Cook, the CEO of Apple came to Indonesia. With a population of over 270 million people living in a huge archipelago of 17,000 islands spread across three time zones, Indonesia has been attempting for years to connect the agreements with Elon Musk's Tesla regarding battery investment and for Musk's SpaceX to supply fast internet to the nation's outlying areas. Elon Musk tested the Starlink internet service's speed with several medical professionals in Indonesia's isolated areas, including Aru, one of the country's uninhabited and most distant islands in the Maluku province.<sup>10</sup> In addition, this opportunity is thought to be a potential for education, this can truly make it a lifesaver for outlying medical facilities. This can help local Indonesians access the Internet where they can study anything, and they can market their commercial services globally. This is quite advantageous to Indonesia because people who live in the underserved and remote areas will have access to high-speed internet services which they can use for study, and do business online. Additionally, he also linked a deal to improve connectivity in Indonesia's education and

---

<sup>7</sup> ILO, "ILO's High-Level Forum Examines Implications of Artificial Intelligence for the Indonesian Labour Market | International Labour Organization." 2024. [www.ilo.org](https://www.ilo.org). June 20, 2024.

<https://www.ilo.org/resource/news/ilos-high-level-forum-examines-implications-artificial-intelligence>.

<sup>8</sup> Edna, Tarigan, "Microsoft Will Invest \$1.7 Billion in AI and Cloud Infrastructure in Indonesia." 2024. AP News. April 30, 2024. <https://apnews.com/article/indonesia-microsoft-satya-nadella-invest-ai-a2e53b4a3872ac80b9c56c53187c4890>.

<sup>9</sup> Lafleur, Alyssa. 2024. "Elon Musk Launches Starlink Internet Service in Indonesia." Space Impulse. May 21, 2024. <https://spaceimpulse.com/2024/05/21/elon-musk-launches-starlink-internet-service-in-indonesia/>.

<sup>10</sup> "Musk, Indonesian Health Minister Launch Starlink for Health Sector." 2024. Voice of America. May 19, 2024. <https://www.voanews.com/a/musk-indonesian-health-minister-launch-starlink-for-health-sector-7618109.html>.

health sectors. This opportunity will help with problems in the health, education, and maritime sectors in those areas. Hence, it will also help the growth in the information and digital technology sectors to realize the government's Golden Indonesia 2045 Vision, which is the nation aims to rank among the top five economies in the world with a GDP of up to \$9 trillion.<sup>11</sup>

### Foreign Relations

This section provides a comprehensive overview of Indonesia's foreign relations under President Prabowo Subianto's new era. It delves into the diplomatic ties between Indonesia and key global players, including the United States and Japan (an ASEAN Dialogue Partner). Moreover, we will discuss the foreign relations of Indonesia in the Israel-Hamas Conflict. By examining these relationships, we can better understand Indonesia's evolving role internationally.

After the successful election of President Mr. Prabowo Subianto, he continued his foreign relations which aligned with former Prime Minister Joko Widodo.<sup>12</sup> As promised to continue Joko Widodo's foreign policy, Prabowo Subianto has focused on strengthening defense, security, and economic policy in their foreign relations, which can influence global security. The former President of Indonesia, Mr. Susilo Bambang Yudhoyono, praised that Mr. Prabowo is on the right track to becoming the foreign policy president because this newly elected President has gained popularity because of his policy and maintaining good ties on the international stage by traveling across the border to maintain good relations with other countries.<sup>13</sup>

When talking about the relationship between Indonesia and the United States, in the reign of Mr. Prabowo Subianto as the newly elected President, he focused on the country's security defense. Indonesia is firmly committed to military defense; thus, the foreign policy between Indonesia and the United States desires to strengthen military cooperation in dissolving security issues inside the Indo-Pacific region. The high-level meeting in April 2024 in Jakarta, Indonesia, demonstrated how the countries have stepped up their military cooperation to handle

---

<sup>11</sup> "Elon Musk Launches Starlink Satellite Internet Service in Indonesia, World's Largest Archipelago." 2024. AP News. May 19, 2024. <https://apnews.com/article/indonesia-bali-elon-musk-starlink-internet-service-8444ca8b5da4f4a9973a66f8fd1d3e0f>.

<sup>12</sup> "Prabowo in China: Indonesia's President-Elect on the World Stage | Lowy Institute." n.d. [www.lowyinstitute.org. https://www.lowyinstitute.org/the-interpret/prabowo-china-indonesia-s-president-elect-world-stage](https://www.lowyinstitute.org/the-interpret/prabowo-china-indonesia-s-president-elect-world-stage).

<sup>13</sup> Bayuni, Endy. n.d. "Indonesia and World Should Welcome New 'Foreign-Policy President.'" Accessed June 14, 2024. <https://asianews.network/indonesia-and-world-should-welcome-new-foreign-policy-president/>.

the region's complicated geopolitical realities, which include maritime security. It was stated that one of the cornerstones of the 75 years of diplomatic relations celebrated by the United States and Indonesia throughout 2024 is the thriving security partnership, which the generals discussed how the United States and Indonesian militaries can build upon.<sup>14</sup> Therefore, the foreign relations between these two countries remain unbreakable as they have the same goals of achieving peace in the Indo-Pacific region through the military cooperation of the two nations.<sup>15</sup> Although Indonesia and the United States have tied relations on security defense, Mr. Prabowo ensures the stand of upholding the Principle of Neutrality in the regions avoided the confusion of interest from Indonesia to the International Stage.

In the context of ASEAN, Japan has been ASEAN's trade and investment partner for decades.<sup>16</sup> Indonesia, as one of the ASEAN members, has good foreign relations with Japan to develop the security and economic sectors. The meeting between the elected President of Indonesia and Japan's Prime Minister has fostered stronger ties between these two countries by strengthening the close cooperation in regional (ASEAN-Japan) and bilateral relations (Indonesia-Japan).<sup>17</sup> Additionally, these two close friends intend to promote corporations in regional affairs and build cooperative relations between Indonesia and Japan. Therefore, by being elected President, Mr. Prabowo Subianto has done a great job visiting different countries to restore foreign relations and boost economic relations, but remain neutral in their foreign policy decision.

Continuance from the former President, Mr. Joko Widodo, and the election of the President of Indonesia showed the country's clear stand toward the Israel-Hamas Conflict. Indonesia condemned the immediate cease-fire that could kill many people. The Israel-Hamas Conflict has been a prolonged conflict that occurred to destroy peace between Israel and Palestine. Indonesia showed its concrete stand to critique the act of Israel that could harm many civilian lives; thus, Indonesia is willing to provide humanitarian assistance and contribute to the peacekeeping force in monitoring the ceasefires. Through this involvement, Indonesia showed its stand toward the hot issue event happening in the world.

---

<sup>14</sup> Gusty, Da Costa, "Indonesian, U.S. Military Leaders Deepen Security Cooperation." n.d. Indo-Pacific Defense Forum. <https://ipdefenseforum.com/2024/05/indonesian-u-s-military-leaders-deepen-security-cooperation/>.

<sup>15</sup> Ibid.

<sup>16</sup> The Asahi Shimbun, "EDITORIAL: Japan, ASEAN Need to Take Bilateral Ties to a New Higher Level", May 11, 2024, <https://www.asahi.com/ajw/articles/15087715>.

<sup>17</sup> Sebastian Strangio, "Prabowo Pledges Closer Ties with Japan Following China Visit." n.d. The Diplomat, April 3 2024, <https://thediplomat.com/2024/04/prabowo-pledges-closer-ties-with-japan-following-china-visit/>.

## **Conclusion**

In conclusion, Indonesia is one of the Southeast Asia countries that transitioning themselves into a new realm in 2024. The nation is well-positioned for the future with a new capital city under development and large investments in technology from world-class companies like Microsoft and Elon Musk. The emphasis on high-speed internet connectivity and artificial intelligence, especially in rural areas that it has the potential to improve healthcare and education in addition to the economy. Despite enduring obstacles such as political shifts and environmental issues, Indonesia appears to be well on its way to realizing its aspirations of emerging as one of the world's leading economies. Additionally, the elected president made intelligent moves to structure foreign policy during his regime and become the new president of Indonesia. Although Mr. Prabowo Subianto is in vogue to continue the former president's foreign policy, he focuses more on external rather than domestic relations. In his first step as president, he visited every country with which Indonesia has relations to strengthen the ties; this showed the committed behavior of the president as well as the intention to keep a good connection for Indonesia's foreign policy. Despite the transition to the new government in Indonesia, this country is committed to economic development and upholding the principle of neutrality in its foreign policy decision-making.

## Laos

**Meung Chansomanita, Lim Cheamara, Lim Ponleu, Ngoun Socheata,  
and Raksmev Lytangoun**

### **Introduction**

This report examines significant developments in Laos's various fields, including domestic politics, economics, socioeconomics, and foreign affairs, in the second quarter of 2024. In the field of domestic politics, Laos started off the second quarter with celebrations on many occasions and has been busy with preparations and meetings to welcome the ASEAN summit. In regard to the economy, Laos was able to secure multiple cooperative projects with different international partners as well as take the time to address the challenges in its economy. Furthermore, Laos had established multiple projects in the hope of enhancing the living conditions of the people. Lastly, in the foreign relations aspect, Laos have been working hard to strengthen the diplomatic ties among all partners. The second quarter of 2024 has continued to add to Laos' various development goals while also strengthening the country's internal and external capacities.

### **Domestic Politics**

Earlier in April, Laos celebrated the 63rd anniversary of the establishment of the Lao Public Security Force. During the event, Lao Deputy Prime Minister and Minister of Public Security, Vilay Lakhamfong, highlighted the importance of enhancing public protection and security to deal with drug problems and address social injustice in the country.<sup>1</sup> He called for public support to secure direct, decisive, and comprehensive leadership from the Party, aiming to strengthen peace, order, and safety in Lao society while ensuring economic and socio-cultural stability.

During the Lao New Year celebration, Lao Party Secretary General and President Thongloun Sisoulith expressed their gratitude to the stakeholders, such as civil servants and members of the public for their contributions that overcame difficulties of the past year. He also reiterated the importance of their role for the ASEAN Chairmanship and urged the people to make the

---

<sup>1</sup> Big News Network, "Laos to further enhance public security." April 5, 2024.  
<https://www.bignewsnetwork.com/news/274233442/laos-to-further-enhance-public-security>



best possible impression on the foreign leaders and delegates attending ASEAN-related summits and other meetings, as well as tourists.<sup>2</sup>

On top of that, the Laotian government implemented new safety measures for the public amidst the rising temperature in April. The Ministry of Education and Sports issued a notice which outlined regulations for educational institutions to avoid health risks for students, especially at the primary levels.<sup>3</sup> Moreover, Laos is also focusing on enhancing awareness on environmental protections, including tree planting, waste management and making efficient use of available natural resources. Prime Minister Sonexay Siphandone has urged the public to maintain the ecosystem, combat climate change, and prevent natural disasters.<sup>4</sup>

### **Economy**

In the second quarter of 2024, the Laotian economy was presented with various opportunities that would prove of great benefit to the nation. Along with the many prospects, the country is still facing challenges in the economy that the government is working hard to address.

On April 8, Nguyen Hong Dien, the Vietnamese minister of industry and trade, and Sonexay Siphandone, the Lao prime minister, met in Vientiane to discuss the process of eliminating constraints on coal and electricity exports and improving energy cooperation. During the meeting, the Vietnamese minister provided the Lao PM with an update on his previous conversations with the Lao ministers concerning Vietnam's energy demands and the proposal of purchasing roughly 26 hydropower plants from Laos to meet those needs.<sup>5</sup> The two sides reaffirmed their close collaboration as the meeting came to a smooth ending.

On April 12, Laos and China signed a Memorandum of Understanding (MoU) on the feasibility study of the promotion of export products from Laos to China. This signing investigates the

---

<sup>2</sup> ASEAN All, "Lao President extends best wishes for Lao New Year, calls for solidarity to overcome challenges." April 12, 2024. <https://www.aseanall.com/news/6169.html>

<sup>3</sup> Visapra, Phontham. "Lao Government Advises Heat Safety Measures for Schools Amid Sweltering Temperatures." *The Laotian Times*. Last modified April 26, 2024. <https://laotiantimes.com/2024/04/26/lao-government-advises-heat-safety-measures-for-schools-amid-sweltering-temperatures/>

<sup>4</sup> The Star. "Environmental protection, ending deforestation key to sustainable development, says Laos PM." June 3, 2024. <https://www.thestar.com.my/aseanplus/aseanplus-news/2024/06/03/environmental-protection-ending-deforestation-key-to-sustainable-development-says-laos-pm>

<sup>5</sup> Lao News Agency, "Laos, Vietnam seek to remove difficulties in coal, electricity trade." April 10, 2024. <https://kpl.gov.la/En/detail.aspx?id=81892>.



promotion of agricultural products and provides assistance for Laos in completing the standards of exports to China.<sup>6</sup>

On April 30, the new express train that connects China, Laos, Thailand, and Malaysia departed. The train carries energy vehicles and liquid display monitors to their intended location in Malaysia by using the China-Laos railway. It is expected that this new rail line will strengthen the expressway services between China and Laos and encourage trade and economic ties between the four nations.<sup>7</sup>

The Asian Development Bank (ADB) and the United States Agency for International Development (USAID) jointly revealed on May 22 the launch of ADB Frontier's first Seed Fund.<sup>8</sup> This announcement resulted in the creation of funding and technical assistance for technology-enabled small and medium enterprises (SMEs) in Lao PDR and Cambodia. This initiative will boost the competitiveness and trade environment for small and medium-sized enterprises (SMEs) and improve the ability of the government to increase economic results.<sup>9</sup>

On May 30, Laos' Deputy Prime Minister, and Minister of Foreign Affairs, Mr. Saleumxay Kommasith, and Thailand's Minister of Foreign Affairs, Mr. Maris Sangiampongsa, gathered to talk about the strategy of action under the two countries' strategic partnership program from 2022-2026, as well as their desire to strengthen their relationship in the strategic partnership for growth and sustainable development. The plan for many different construction projects to connect the two countries was one of the topics of discussion. They discussed the construction of a bridge across the Mekong River in Luang Prabang City, the sixth Lao-Thai friendship bridge linking Saravan province in Laos and Ubon Ratchathani province in Thailand, and a railway across the river.<sup>10</sup>

---

<sup>6</sup> Lao News Agency, "MoU signed to promote Laos' exports to China." April 22, 2024 <https://kpl.gov.la/En/detail.aspx?id=82033>.

<sup>7</sup> Lapuekou, C. "New Express Freight Train Links China, Laos, Thailand, Malaysia in Regional Trade Boost - Laotian Times." *Laotian Times*. Last Modified May 6, 2024. <https://laotiantimes.com/2024/05/06/new-express-freight-train-links-china-laos-thailand-malaysia-in-regional-trade-boost/>

<sup>8</sup> USAID, "USAID, Asian Development Bank Partner to Support Growing SMEs in Lao PDR | Press Release | Laos.", May 29, 2024. <https://www.usaid.gov/laos/press-releases/may-22-2024-usaid-asian-development-bank-partner-support-growing-smes-lao-pdr>.

<sup>9</sup> Lao News Agency, "ADB, USAID Partner to Support SMEs in Laos." May 22, 2024. <https://kpl.gov.la/En/detail.aspx?id=82834>.

<sup>10</sup> Vientiane Times, "Laos, Thailand reaffirm commitment to fostering closer ties.", June 3, 2024. [https://www.vientianetimes.org.la/freefreeneews/freecontent\\_104\\_Lao\\_Thai\\_y24.php](https://www.vientianetimes.org.la/freefreeneews/freecontent_104_Lao_Thai_y24.php).

On June 3, the Ministries of Trade and Industry of Singapore, Energy and Mines of Laos, and Mines and Energy of Cambodia reached an agreement that will improve cross-border electricity trade. To guarantee an efficient trading process, the three countries introduced the ASEAN Power Grid Vision by establishing a comprehensive framework for assisting trading activities as well as oversight processes and developing transmission infrastructure. Laos stands to benefit a great deal from this project in terms of satisfying regional clean energy targets and achieving the ASEAN Power Grid Vision.<sup>11</sup>

Despite significant achievements, Laos continues to face debt-related challenges. The Organization for Economic Co-operation and Development (OECD) released a report on June 6th that addressed the causes behind the nation's economic slowdown. Despite partnerships and investments in the country's economy, slow government revenue growth hinders economic growth. Furthermore, not every area of the economy and state-owned enterprises (SOEs) have a comparable right to economic possibilities due to the inconsistent allocation of investments and economic growth in the nation.<sup>12</sup>

### **Socioeconomics**

Laos has made significant efforts in socioeconomic sectors to prepare itself for an increase of tourists, enhance its telecommunications network, and ensure national security against drug trafficking and other challenges. To boost tourism, Laos implements a tour guide training program. Over eighty participants are enrolled in this training program with the goal of providing trained tour guides for each tourist visiting Laos. The training will meet in both field settings and classrooms from May 6–July 19. Thus, with an estimated revenue of 1.3 billion US dollars, the Visit Laos Year 2024 campaign hopes to draw approximately 2.2 million domestic and 4 million foreign tourists.<sup>13</sup>

Also, the province of Luang Namtha is improving its tourism offerings to draw in both domestic and foreign tourists. The province's ethnic communities and temples make it

---

<sup>11</sup> Chanthavong, Namfong. “Laos, Singapore, Cambodia Unite to Facilitate Cross-Border Electricity Trade - Laotian Times.” *Laotian Times*. June 4, 2024. <https://laotiantimes.com/2024/06/04/laos-singapore-cambodia-unite-to-facilitate-cross-border-electricity-trade/>.

<sup>12</sup> Lapuekou, Chono. “Human Capital, Green Sustainability: Two Priorities for Laos’ Future Economic Model - Laotian Times.” *Laotian Times*. June 6, 2024. <https://laotiantimes.com/2024/06/06/human-capital-green-sustainability-two-priorities-for-laos-future-economic-model/>.

<sup>13</sup> Xinhua. “Laos launches tour guide training program to promote tourism.” *English.news.cn*. Last Modified May 07, 2024. <https://english.news.cn/20240507/fd08f3eb8ee74e0a89a4d39e791e3516/c.html>

especially well-liked throughout the winter. To find new tourism destinations, a feasibility study has been signed with the Lao Private Import-Export Trade and Service Company. The province has scheduled several events, like boat racing, the Khmu Festival, and the Xieng Teung Stupa Festivals, as Visit Laos Year 2024 comes closer. Furthermore, to highlight the traditional way of life of the local ethnic community, officials, and a local business plan to construct a restaurant, resort, and guesthouse at the Tad Namdee waterfall.<sup>14</sup>

Apart from that, the Lao government prohibits land title issue to buyers who do not have permissions from the departments of environment and natural resources. The directive, which was released by the Department of Land of the Ministry of Natural Resources and Environment, aims to regulate land-related businesses and tax administration and it became operational on May 10. The administration has also revived the value-added tax, or VAT, to support socioeconomic growth and the state budget. Noncompliance will result in the denial of a new land title associated with land use rights. Besides, the Lao government has been confronting land-related issues head-on to bolster the state budget. And increasing tax administration and passing new legislation for internet retailers are two examples of this.<sup>15</sup>

As an effort to tackle the labour deficiency issue, Lao Service of Labour and Social Welfare is implementing a new measure to grant visas for illegal foreign workers and recharge work permits for legal foreign workers.<sup>16</sup> The new system should help Laos deal with this problem by gathering data and calculating the number of illegal foreign workers in the country. This will also allow the government to allocate resources and manage the situation more effectively.<sup>17</sup> Additionally, the Laotian Government has also urged their overseas workers to return to their home country, as businesses are in desperate need of workers.<sup>18</sup>

---

<sup>14</sup> Lapuekou, Chono. "Luang Namtha Boosts Tourism with New Attraction Study." *Laotian Times*. Last Modified June 12, 2024. <https://laotiantimes.com/2024/06/12/luang-namtha-boosts-tourism-with-new-attraction-study/>

<sup>15</sup> Lapuekou, Chono. "Lao Government Mandates Licensing for Commercial Land Use." *Laotian Times*. Last Modified May 14, 2024. <https://laotiantimes.com/2024/05/14/lao-government-mandates-licensing-for-commercial-land-use/>

<sup>16</sup> Laos News Agency, "Laos Speeds up Granting Licences to Foreign Workers.", April 26, 2024. <https://kpl.gov.la/En/detail.aspx?id=82170>.

<sup>17</sup> Visapra, Phontham. "Lao Labor Ministry to Streamline Visa, Work Permit Processes for Foreign Workers." *The Laotian Times*. April 25, 2024. <https://laotiantimes.com/2024/04/25/lao-labor-ministry-to-streamline-visa-work-permit-processes-for-foreign-workers/>

<sup>18</sup> Xinhua, "Lao gov't urges overseas workers to return amid staff shortage.", April 5, 2024. <https://english.news.cn/asiapacific/20240405/6dd002bcc35145d7a0693056ea699f55/c.html>

On the other hand, Laos continues to have problems with drug smuggling along its borders, despite cooperation with its neighbours. The significance of the issue is highlighted by recent high-profile arrests, which have led to additional efforts to support law enforcement and collaboration. On May 11, four Thai citizens who were between the ages of 39 and 54 were apprehended for their attempt to smuggle 1,400 kilograms of methamphetamine into Thailand from Laos. Their homes were searched, and assets valued at about THB 7.5 million were taken.<sup>19</sup> So, to address border crimes, Lao and Thai officials reaffirmed their commitment to bolster law enforcement along their shared border during a cooperation subcommittee meeting in February. Both countries committed to improving border guard force coordination to stop illegal labor, unauthorized residency, sabotage, and immigration. Laos is confronted with substantial drug-related issues, particularly in the contentious Special Economic Zone (SEZ) located in the northern Bokeo Province.<sup>20</sup>

Additionally, Laos's telecommunications infrastructure has expanded with the installation of a 98,524-kilometer fiber optic cable, bringing cell phone service to more communities. The public has opened more than 4.6 million accounts and 6.1 million mobile phone numbers.<sup>21</sup> In celebration of the 159th anniversary of the World Telecommunication and Information Society, Minister of Technology and Communications Boviengkham Vongdara highlighted these achievements at a press conference on May 17. The Ministry of Technology and Communications intends to increase this number to 6.5 million soon.<sup>22</sup> Furthermore, 5G high-speed internet is currently available in the provinces of Bokeo, Luang Prabang, and Vientiane. Laos is home to more than 20 internet businesses and five telecom service providers that boost the country's economy.

### Foreign Affairs

Laos has been preparing for the 57th ASEAN Foreign Minister (AMM) meeting and related meetings, which will be held from July 21 to July 27. Lao Deputy Prime Minister and Minister

---

<sup>19</sup> Visapra, Phontham. "Border Drug Smuggling Challenges Persist in Laos Despite Cooperative Efforts." *Laotian Times*. May 14, 2024. <https://laotiantimes.com/2024/05/14/border-drug-smuggling-challenges-persist-in-laos-despite-cooperative-efforts/>

<sup>20</sup> Ibid. See 18.

<sup>21</sup> Lapuekou, Chono. "Laos Expands Telecommunications Network, Reaching Remote Villages." *Laotian Times*. May 22, 2024. <https://laotiantimes.com/2024/05/22/laos-expands-telecommunications-network-reaching-remote-villages/>

<sup>22</sup> Internet in Laos, "Laos Celebrates 159th World Telecommunication Day: Innovation Drives Sustainable Development! - Internet in Laos." 2024. May 24, 2024. <https://internetlaos.com/2024/05/laos-celebrates-159th-world-telecommunication-day-innovation-drives-sustainable-development.html>.

of Foreign Affairs, Saleumxay Kommasith, chaired a preparatory meeting during which they discussed the progress in preparing for the regional meeting, including content, locations, and accommodations for ministers and delegations from over 30 nations.<sup>23</sup>

On the foreign relations front, Laos has expanded cooperation and collaboration with countries in the region and the world, reflecting strong relationships and neighbourliness. In this sense, the delegates from Laos, Thailand, and Australia celebrated the 30th anniversary of the first Lao-Thailand Friendship Bridge, built in 1994 with Australia's funds.<sup>24</sup> The bridge links Laos' capital, Vientiane, and Thailand's Nong Khai province, contributing to the region's economic and social development. The success of the first bridge has brought about the birth of the other five Laos and Thailand linking bridges, with the first four already completed and the fifth expected to be completed in 2025.<sup>25</sup> These bridges serve as a vital linkage for both countries, especially in boosting the flow of tourism, trade, investment, and logistics between the two nations.

The relationship between Laos and Cambodia has also been strengthened by the reciprocal visit between both sides. In this instance, Laos President Thongloun Sisoulith paid a state visit to Cambodia from April 23 to 24 at the invitation of King Norodom Sihamoni.<sup>26</sup> The high delegation visit from Lao PDR signifies that the country gives great importance to strengthening the long-standing friendship and solidarity between the two nations. The Lao president also exchanged views with the Cambodian leaders on bilateral cooperation as well as regional and international issues.<sup>27</sup>

In terms of bilateral relations with Russia, there has been a state visit from the Laotian president to Russia recently. Both, the Laos president, and his counterpart, met on May 9 to celebrate the

---

<sup>23</sup> Big News Network, "Laos prepares to host 57th ASEAN foreign ministers' meeting.", May 30, 2024.

<https://www.bignewsnetwork.com/news/274389976/laos-prepares-to-host-57th-asean-foreign-ministers-meeting>  
<sup>24</sup> Laos News Agency, "Laos, Thailand, Australia Commemorate 30th Anniversary of the 1st Lao-Thai Friendship Bridge.", April 21, 2024. <https://kpl.gov.la/En/detail.aspx?id=81988>.

<sup>25</sup> Laotian Times, "First Friendship Bridge Turns 30: Laos, Thailand, Australia Shake Hands.", April 22, 2024. <https://www.facebook.com/laotiantimes/posts/pfbid0JaPU7vM8Uj3RSvjra87ZN3ghEXBpfvEPpHv5tUAxHA4M3A8zmY4tq5qjUvfVJWrKI>

<sup>26</sup> Chanritheara, Torn. "Laotian President Starts State Visit." *Cambodianess*. Last modified April 23, 2024. [Laotian President Starts State Visit | Cambodianess](#)

<sup>27</sup> Xinhua, "Lao president pays state visit to Cambodia.", April 23, 2024. <https://english.news.cn/20240423/9be1d099d1844019a7ccca5c40353e75/c.html>

30th anniversary of the bilateral ties between the two countries. <sup>28</sup>During his visit, the Laos President Thongloun Sisoulith attended the Victory Day parade in Moscow and held bilateral talks with President Putin and the Chairman of the United Russia, respectively. <sup>29</sup> The two sides emphasize the positive prospects for the future of their relationship and the continued growth of cooperation in various fields.

In addition to bilateral cooperation, Laos, Cambodia, and Singapore have focused on trilateral collaboration to envision the ASEAN Power Grid vision. The three countries have tasked their respective ministries with forming a working group aimed at pushing cross-border electricity trade. The team will also design a comprehensive framework to support the development of cross-border electricity trading projects within ASEAN. <sup>30</sup> Moreover, the joint commission will streamline the regulations and licensing procedures for generating, exporting, and importing electricity and permit processes for a subsea survey to install the cross-border subsea power cables. The effort by the three parties is to set a strong example in advancing the ASEAN Power Grid and sharing clean energy efficiently among ASEAN member states.

### Conclusion

In conclusion, Laos continues to work hard to ensure the country's continued development in all areas. Laos celebrated the Lao New Year and remembered their past accomplishments in the hope of a prosperous future. In addition, Laos demonstrated economic success by attracting partners for trade, infrastructure, and technical support for a range of forthcoming projects. Laos improved telecommunications and tourism conditions by concentrating their efforts on the socioeconomic factor. Nevertheless, Laos is also pushing to quickly implement resilient solutions to address the numerous problems that have been presented to them. Considering all factors, Laos is also actively collaborating with nations around the world to enhance diplomatic ties and alliances.

---

<sup>28</sup> Lao News Agency, "President Thongloun Visits the Russian Federation." May 8, 2024 <https://kpl.gov.la/En/detail.aspx?id=82465>.

<sup>29</sup> Visapra, Phontham. "Lao, Russian Presidents Celebrate 30 Years of Friendship in Moscow." *The Laotian Times*. Last modified May 13, 2024. <https://laotiantimes.com/2024/05/13/lao-russian-presidents-celebrate-30-years-of-friendship-in-moscow/>

<sup>30</sup> Chanthavong, Namfon. "Laos, Singapore, Cambodia Unite to Facilitate Cross-Border Electricity Trade." *The Laotian Times*. Last modified June 4, 2024. <https://laotiantimes.com/2024/06/04/laos-singapore-cambodia-unite-to-facilitate-cross-border-electricity-trade/y>

## Malaysia

Long Sovitou, Ngoun Sovannmakara, and Chum Sothealeap

### Introduction

In the second quarter of 2024, Malaysia's political, foreign, and economic landscapes underwent significant developments. Domestically, the Kuala Kubu Bharu by-election highlighted voter fatigue, and economic challenges intensified criticism of the Anwar government. On the foreign affairs front, Malaysia continued to champion Palestinian rights, strengthened regional diplomatic ties, and played an active role in international organizations. Economically, Malaysia saw notable growth and strategic initiatives, including a significant investment from Microsoft, reinforcing its commitment to digital transformation and sustainable development. These multifaceted efforts reflect Malaysia's ongoing journey towards political stability, international cooperation, and economic resilience.

### Domestic Politics

Malaysia's political and economic landscape faced significant challenges in the second quarter. The Kuala Kubu Bharu by-election saw Pakatan Harapan retain its seat amid low voter turnout, indicating voter fatigue. Economic discontent grew, driven by a UNICEF report highlighting child poverty and a controversial 13% civil servant wage increase, raising concerns over public expenditure priorities. Though robust, Prime Minister Anwar Ibrahim's anti-corruption efforts faced criticism for perceived political bias, complicating national unity efforts. Addressing these issues is crucial for restoring public confidence, ensuring transparent governance, and fostering socio-economic recovery post-pandemic.

### *Kuala Kubu Bharu Byelection*

In the recent Kuala Kubu Bharu by-election, Pang Sock Tao of Pakatan Harapan (PH) secured victory with a majority of 3,869 votes, slightly lower than the previous majority of 4,119. The election was notable for its low voter turnout of 61.51%, one of the lowest recorded for by-elections since the 15th general election, indicating widespread voter disengagement and



fatigue.<sup>1</sup> Despite efforts by Perikatan Nasional (PN) to sway support, particularly targeting the Indian community, PH managed to retain its stronghold in the constituency. This outcome underscored PN's unsuccessful attempt to leverage identity politics, highlighting its ineffectiveness in a diverse electoral seat like Kuala Kubu Baharu.<sup>2</sup>

The election result signifies a continued trust and confidence in PH among the electorate, disappointing those anticipating a shift in voter sentiment.<sup>3</sup> PH's ability to maintain its electoral base despite challenges reflects its enduring appeal and organizational strength in local politics. This outcome also suggests that broader political narratives and strategies, including PN's targeted appeals, did not resonate sufficiently to sway the electorate away from PH's candidate. Moving forward, the by-election outcome may prompt reevaluation within PN regarding their electoral strategies and messaging effectiveness, especially in mixed ethnic constituencies where diverse voter concerns and dynamics play pivotal roles in electoral outcomes.

### ***Anwar Government Criticized Over Economic Management***

Economic discontent and criticism of the Anwar government have intensified recently, largely driven by concerns over its handling of the economy. One significant issue contributing to public dissatisfaction is the alarming findings of a UNICEF report highlighting child hunger in Malaysia. Released amid growing economic challenges exacerbated by the COVID-19 pandemic, the report revealed that 40% of children live in households below the poverty line. This statistic underscores deep-seated inequalities and the government's perceived failure to adequately address socio-economic vulnerabilities among vulnerable groups, especially women, children, and persons with disabilities.<sup>4</sup>

Adding to the economic woes, the government's decision to implement a controversial 13% raise in civil servant wages has sparked widespread debate and criticism. While intended to boost public sector morale and spending power, the wage increase has been scrutinized for its

---

<sup>1</sup> Jun Soo Wern. "Muhyiddin: Kuala Kubu Baru by-election results show Perikatan support still intact," Malay Mail. May 12, 2024. [https://www.malaymail.com/news/malaysia/2024/05/12/muhyiddin-kuala-kubu-baru-by-election-results-show-perikatan-support-still-intact/133900#google\\_vignette](https://www.malaymail.com/news/malaysia/2024/05/12/muhyiddin-kuala-kubu-baru-by-election-results-show-perikatan-support-still-intact/133900#google_vignette)

<sup>2</sup> Yusry Muhammad. "Three things we learnt from: The Kuala Kubu Baru by-election," Malay Mail. May 14, 2024. [https://www.malaymail.com/news/malaysia/2024/05/12/three-things-we-learnt-from-the-kuala-kubu-baru-by-election/133833#google\\_vignette](https://www.malaymail.com/news/malaysia/2024/05/12/three-things-we-learnt-from-the-kuala-kubu-baru-by-election/133833#google_vignette)

<sup>3</sup> Sathiamoorthy Nehru. "The disappointing result in Kuala Kubu Baharu," Malaysia Now. May 12, 2024. <https://www.malaysianow.com/opinion/2024/05/12/the-disappointing-result-in-kuala-kubu-baharu>

<sup>4</sup> Bloomberg, "Malaysia Plans to Raise Government Worker Salaries from December", May 1, 2024, <https://www.bloomberg.com/news/articles/2024-05-01/malaysia-plans-to-raise-government-worker-salaries-from-december>.



timing amidst broader economic uncertainties. Critics argue that such a move could strain public finances further, potentially diverting resources from essential social welfare programs and economic recovery initiatives urgently needed to alleviate poverty and unemployment.<sup>5</sup>

These economic challenges have fueled public discontent and intensified scrutiny of the government's expenditure priorities and fiscal management strategies. Critics contend that while addressing public sector remuneration is important, the timing and scale of the wage increase raise questions about the government's ability to balance immediate relief measures with long-term economic sustainability goals.<sup>6</sup>

In response to mounting criticism, the Anwar government faces a pivotal test in restoring public confidence through transparent and effective economic policies prioritizing inclusive growth and addressing the urgent needs highlighted by reports such as UNICEF. How the government navigates these challenges will likely shape its public perception and political capital in the coming months, especially as Malaysia strives to recover from the economic setbacks exacerbated by the global health crisis.<sup>7</sup>

### ***Challenges of Anwar Ibrahim's Anti-Corruption Drive***

Anwar Ibrahim's tenure as Malaysia's Prime Minister has been marked by a robust anti-corruption campaign to restore public trust and combat endemic corruption within the country's political and economic systems. However, his approach has encountered significant challenges and controversies, raising concerns about its effectiveness and fairness. Central to Anwar's agenda is prosecuting high-profile figures implicated in corruption scandals, including former Prime Minister Mahathir Mohamad and influential businessman Daim Zainuddin. These cases have garnered domestic and international attention, reflecting the stakes in Malaysia's efforts to cleanse its governance structures.<sup>8</sup>

---

<sup>5</sup> Hadi Azmi, "Pay Hike for Malaysia's 'Lazy' Civil Service Sparks Discontent, Inflation Fears," South China Morning Post, May 3, 2024, <https://www.scmp.com/week-asia/politics/article/3261299/pay-hike-malaysias-lazy-civil-servants-sparks-discontent-inflation-worries>.

<sup>6</sup> Sophie Lemière, "Spotlight - Malaysia: May 21, 2024 | the Latest on Southeast Asia | CSIS," www.csis.org, May 21, 2024, <https://www.csis.org/blogs/latest-southeast-asia/spotlight-malaysia-may-21-2024>.

<sup>7</sup> CAN, "Revised salary scheme for civil servants in Malaysia to be 'best' ever, says PM Anwar", April 26, 2024. <https://www.channelnewsasia.com/asia/malaysia-wages-civil-service-salary-review-women-anwar-ibrahim-4294246>

<sup>8</sup> TODAY, "Malaysia ex-PM Mahathir facing anti-graft probe in a case involving his sons", April 25, 2024. <https://www.todayonline.com/world/malaysia-ex-pm-mahathir-facing-anti-graft-probe-case-involving-his-sons-2411191>

Critics argue that Anwar's anti-corruption efforts risk being perceived as politically motivated and selective, particularly when targeting figures associated with rival political factions. This perception undermines the campaign's credibility and fuels accusations of bias, hindering broader public support for anti-corruption measures. Moreover, politicizing corruption investigations has exacerbated divisions within Malaysian society, complicating efforts to foster national unity and reform.<sup>9</sup> Anwar's administration faces the challenge of balancing the imperative to root out corruption with maintaining impartiality and transparency in law enforcement.

Addressing these challenges is crucial for the success of Malaysia's anti-corruption drive and restoring public confidence in governmental institutions and their ability to govern fairly and effectively.<sup>10</sup> Moving forward, Anwar's government must navigate these complexities carefully, ensuring that anti-corruption efforts are perceived as legitimate and impartial. Transparency in investigations, adherence to due process, and clear communication about the rationale behind targeting specific cases will be essential in overcoming these challenges and fostering a culture of integrity and accountability in Malaysian governance.

### **Foreign Affairs**

In the second quarter of 2024, Malaysia's foreign policy centered on several key areas: advocating for Palestinian rights, strengthening diplomatic ties with regional partners, participating in international organizations, and addressing global conflicts. The country maintained its strong stance on the Israel-Palestine conflict, engaged in high-level diplomatic visits, and reinforced its commitment to international peace and security. This report outlines Malaysia's major developments and initiatives in its foreign affairs during this period.

#### ***Middle East Relations and the Palestinian Cause***

Malaysia's unwavering support for the Palestinian cause remained a cornerstone of its foreign policy this quarter. The country backed a UN Human Rights Council resolution urging states to halt arms sales to Israel and condemning Israel's military actions in Gaza. Malaysia

---

<sup>9</sup> Ibid.

<sup>10</sup> Lopez Leslie and Aqil Haziq Mahmud, "IN FOCUS: As Malaysia Corruption Dragnet Widens, PM Anwar's 'Political Payback' Threatens to Hurt Business Sentiment," CNA, May 11, 2024, <https://www.channelnewsasia.com/asia/malaysia-corruption-macc-anwar-daim-mahathir-4321421>.

reaffirmed its commitment to an independent State of Palestine within the 1967 borders, with East Jerusalem as its capital.<sup>11</sup> In response to escalating violence, Malaysia strongly condemned Israeli attacks on Palestinians, particularly during Aidilfitri celebrations, denouncing these actions as barbaric and inhumane. The Ministry of Foreign Affairs called for the international community to take decisive actions to halt these atrocities and hold those responsible accountable.<sup>12</sup> As tensions in the region heightened, Malaysia urged all parties to exercise restraint, emphasizing the need to focus on ensuring Palestinian freedom and rights.<sup>13</sup>

### ***Bilateral Relations and Diplomatic Visits***

This quarter saw Malaysia actively strengthening its ties with key regional partners. A significant highlight was the official visit of Deputy Prime Minister Dato' Seri Dr. Ahmad Zahid Hamidi to China, commemorating the 50th anniversary of Malaysia-China diplomatic relations. The visit included meetings with high-ranking Chinese officials and the signing of multiple MoUs, underscoring the strong economic relationship between the two countries.<sup>14</sup> Concurrently, Prime Minister Datuk Seri Anwar Ibrahim undertook a working visit to Japan, participating in the 29th International Conference on the Future of Asia and meeting with Japanese Prime Minister Fumio Kishida to discuss strengthening bilateral relations in areas such as high technology, energy, defense, and education.<sup>15</sup> These high-level engagements demonstrate Malaysia's commitment to fostering robust partnerships in the Asia-Pacific region.

### ***International Organizations and Multilateral Engagements***

This quarter, Malaysia continued to play an active role in international organizations and multilateral forums. A notable achievement was the country's re-election to the Executive

---

<sup>11</sup> Ministry of Foreign Affairs Malaysia, "Malaysia welcomes the call by the UN Human Rights Council for all states to cease the sale, transfer and diversion of arms to Israel", April 5, 2024, <https://www.kln.gov.my/web/guest/-/malaysia-welcomes-the-call-by-the-un-human-rights-council-for-all-states-to-cess-the-sale-transfer-and-diversion-of-arms-to-israel?inherit>.

<sup>12</sup> Malay Mail, "Malaysia Strongly Condemns Attack by the Israeli Regime During Aidilfitri", April 11, 2024. <https://www.malaymail.com/news/malaysia/2024/04/11/malaysia-strongly-condemns-attack-by-the-israeli-regime-during-aidilfitri/128405>.

<sup>13</sup> Ministry of Foreign Affairs Malaysia, "Malaysia's urgent plea for restraint in preventing escalation to a regional conflict", April 14, 2024. <https://www.kln.gov.my/web/guest/-/malaysia-s-urgent-plea-for-restraint-in-preventing-escalation-to-a-regional-confli-6?inherit>

<sup>14</sup> "Official visit of Deputy Prime Minister and Minister of Rural and Regional Development to the People's Republic of China 22 May - 1 June 2024." Ministry of Foreign Affairs Malaysia. May 21, 2024. <https://www.kln.gov.my/web/guest/-/official-visit-of-deputy-prime-minister-and-minister-of-rural-and-regional-development-to-the-people-s-republic-of-china-22-may-1-june?inherit>

<sup>15</sup> Malay Mail, "PM Anwar to Make Three-day Working Visit to Japan", May 21, 2024. <https://www.malaymail.com/news/malaysia/2024/05/21/pm-anwar-to-make-three-day-working-visit-to-japan/135722>.

Council of the Organization for the Prohibition of Chemical Weapons (OPCW) for the 2024-2026 term, highlighting Malaysia's dedication to prohibiting chemical weapons and promoting global peace.<sup>16</sup> In another significant engagement, Malaysia participated in the Developing Eight Organization for Economic Cooperation (D-8) Extraordinary Meeting in Istanbul. At this forum, Foreign Minister Datuk Seri Mohamad Hasan proposed four key points for D-8 member states regarding the Palestinian issue: support for a ceasefire, cessation of aid to Israel, increased humanitarian assistance, and formal collaboration with Palestine for socio-economic development.<sup>17</sup><sup>18</sup> These multilateral efforts reflect Malaysia's ongoing commitment to addressing global challenges and promoting peace and stability on the international stage.

### **Economic Affairs**

In the second quarter of 2024, we witnessed significant developments in Malaysia's economic landscape, characterized by strategic initiatives, robust foreign investments, and a strong focus on digital transformation. This report provides a comprehensive overview of key economic indicators, government policies, and significant investments that shaped Malaysia's economy during this period. Notable highlights include the ambitious investment targets the Iskandar Regional Development Authority set, an upward revision of GDP growth forecasts by the International Monetary Fund, substantial investments in digital infrastructure by tech giants like Microsoft, and strengthened trade relations with China. These developments, coupled with the government's emphasis on sustainable development and the silver economy, position Malaysia favorably for continued economic growth and increased global competitiveness.

### ***Economic Growth and Regional Development***

Malaysia's economy demonstrated resilience and growth potential in the second quarter of 2024, with the International Monetary Fund (IMF) revising the country's real GDP growth estimate upward to 4.4% for the year, a slight increase from its earlier prediction of 4.3%. This positive outlook is expected to persist into 2025, with steady growth forecasts at 4.4%. The

---

<sup>16</sup> ASEAN All, "Malaysia Re-elected to OPCW Executive Council for 2024-2026.", May 12, 2024. <https://www.aseanall.com/news/6478.html>.

<sup>17</sup> Adib Povera. "Malaysia to D-8 Member States: Do All in Our Power for the Palestinian Cause." NST Online, June 9, 2024. <https://api.nst.com.my/news/nation/2024/06/1061200/malaysia-d-8-member-states-do-all-our-power-palestinian-cause>.

<sup>18</sup> Ministry of Foreign Affairs Malaysia, "Malaysia and D-8 member states adopted a declaration on the situation in Gaza 8 June 2024.", June 9, 2024. <https://www.kln.gov.my/web/guest/-/malaysia-and-d-8-member-states-adopted-a-declaration-on-the-situation-in-gaza-8-june-2024?inherit>

IMF's projections also indicate an improvement in Malaysia's current account balance, anticipated at 2.4% in 2024 and 2.7% in 2025.<sup>19</sup> These figures suggest a robust economic trajectory for Malaysia, especially given global economic challenges.

As the IMF outlines, the global economic context presents both opportunities and challenges for Malaysia. While global growth is estimated to remain constant at 3.2% from 2023 through 2025, historical standards consider this rate relatively low. Factors contributing to this subdued global outlook include high borrowing costs, the withdrawal of fiscal support measures, and the lingering effects of the COVID-19 pandemic and the Russia-Ukraine conflict.<sup>20</sup> Despite these challenges, Malaysia's economy appears to be navigating these headwinds effectively, positioning itself for sustained growth.

The ambitious regional development initiative spearheaded by the Iskandar Regional Development Authority (IRDA) significantly drives Malaysia's economic optimism. During the 32nd IRDA Members' Meeting, Prime Minister Datuk Seri Anwar Ibrahim announced a target to attract investments totaling RM636 billion by 2030. This goal aligns with Malaysia's broader ambition to rank among the top 30 global economies and achieve a position within the top 12 in global competitiveness. The IRDA's plans include achieving a GDP growth rate of 5.5-6.5% and a GDP per capita of RM58,800, underlining the government's commitment to robust economic expansion and improved living standards.<sup>21</sup>

Key projects supporting these ambitious goals include the Johor-Singapore Special Economic Zone (JS-SEZ) and the Forest City Special Financial Zone. These initiatives are part of a broader strategy to restructure investment promotion agencies and drive economic development in regional corridors like Iskandar Malaysia.<sup>22</sup> By focusing on these high-potential areas, the government aims to create new economic hubs that can attract domestic and foreign investments, thereby fostering job creation and technological advancement.

---

<sup>19</sup> NST, "IMF Revises Malaysia's 2024 GDP Higher to 4.4pct", April 17, 2024, <https://api.nst.com.my/business/corporate/2024/04/1039131/imf-revises-malaysias-2024-gdp-higher-44pct>.

<sup>20</sup> Business Today, "IMF Raises Malaysia's 2024 GDP Outlook to 4.4%", April 17, 2024, <https://www.businesstoday.com.my/2024/04/17/imf-raises-malaysias-2024-gdp-outlook-to-4-4/>.

<sup>21</sup> The Star, "IRDA's RM636bil Investment Goal to Help Propel Malaysia Into Top 30 Global Economies", April 23, 2024, <https://www.thestar.com.my/business/business-news/2024/04/23/irda039s-rm636bil-investment-goal-to-help-propel-malaysia-into-top-30-global-economies>.

<sup>22</sup> Ibid.

### ***Digital Transformation and Sustainable Development***

The second quarter of 2024 saw Malaysia doubling its commitment to digital transformation and sustainable development. The government has strongly focused on leveraging digital innovation to enhance policy-making processes and improve social protection services. This approach builds upon Malaysia's long-standing commitment to sustainable development, which dates back to the 1970s and emphasizes social restructuring and poverty eradication.<sup>23</sup>

A cornerstone of this digital push is the anticipation that by 2025, the digital economy and e-commerce will account for 25% and 15.7% of Malaysia's GDP, respectively. To achieve these ambitious targets, the government prioritizes initiatives that boost digitalization, reinforce research and development capacities, and promote innovation and commercialization.<sup>24</sup> These efforts are designed to create a conducive environment for the digital economy to flourish, positioning Malaysia as a tech-savvy nation ready to compete in the global digital marketplace. A major boost to Malaysia's digital aspirations came in May 2024 with Microsoft announcing a \$2.2 billion investment to accelerate the country's digital transformation. This investment, the largest in Microsoft's 32-year history in Malaysia, encompasses many initiatives. These include building advanced cloud and AI infrastructure, creating AI skilling opportunities for 200,000 Malaysians, establishing a national AI Centre of Excellence, enhancing cybersecurity capabilities, and supporting the growth of Malaysia's developer community.<sup>25</sup>

Microsoft's substantial investment is expected to be crucial in developing Malaysia as a hub for cloud computing and advanced technologies. By focusing on critical areas such as AI, cloud computing, and cybersecurity, this initiative aims to boost the nation's productivity and economic growth. The partnership between Microsoft and the Malaysian government also emphasizes the importance of ensuring that the benefits of AI and digital technologies are accessible to all Malaysians, bridging the digital divide and fostering innovation across various sectors.

### ***Foreign Direct Investments and Trade Relations***

---

<sup>23</sup> Malay Mail, "Malaysia Emphasizes Longstanding Commitment to Sustainable Development, Says Deputy Economy Minister", April 22, 2024, <https://www.malaymail.com/news/malaysia/2024/04/22/malaysia-emphasises-longstanding-commitment-to-sustainable-development-says-deputy-economy-minister/130262>.

<sup>24</sup> Ibid.

<sup>25</sup> "Microsoft Announces US\$2.2 Billion Investment to Fuel Malaysia's Cloud and AI Transformation," Microsoft Stories Asia. May 2, 2024. <https://news.microsoft.com/apac/2024/05/02/microsoft-announces-us2-2-billion-investment-to-fuel-malysias-cloud-and-ai-transformation/>.

In the second quarter of 2024, Malaysia's economic landscape was significantly shaped by strengthened international trade relations and strategic foreign direct investments. The relationship between Malaysia and China, particularly, saw notable developments expected to have far-reaching economic implications.

The renewal of a five-year economic and trade cooperation pact between China and Malaysia marked a significant milestone, coinciding with the 50th anniversary of diplomatic ties between the two nations. This renewal was accompanied by the signing of key agreements to foster collaboration in high-level manufacturing, digital economies, green development, and efforts to combat transnational crime. These agreements underscore the deepening economic ties between the two countries and reflect their shared commitment to mutual growth and development.<sup>26</sup>

China's position as Malaysia's largest trading partner was further cemented, with the total trade volume between the two nations reaching an impressive RM450.84 billion in 2023. This marked the 15th consecutive year of China holding this position, highlighting the enduring nature of the economic relationship between the two countries.<sup>27</sup> The continued operations and investments of CGS International Securities Pte Ltd in Malaysia serve as a tangible example of this strengthening partnership.<sup>28</sup>

Beyond the China-Malaysia relationship, other significant developments evidenced Malaysia's attractiveness as a destination for foreign direct investment. The government's focus on creating a favorable investment climate and strategic initiatives in areas such as the Iskandar Malaysia region has positioned the country as an increasingly attractive destination for international capital.

### ***Focus on the Silver Economy***

In recognition of Malaysia's changing demographics and the challenges an aging population poses, the government has strongly emphasized developing the silver economy. Prime Minister

---

<sup>26</sup> “China and Malaysia Deepen Ties With Renewed Economic Pact,” Al Jazeera. June 19, 2024.

<https://www.aljazeera.com/news/2024/6/19/china-and-malaysia-deepen-ties-with-renewed-economic-pact>.

<sup>27</sup> Bernama, “CGS Operations and Investment Signify Malaysia-China Trade Relationship”, April 23, 2024,

<https://cloud.bernama.com/en/business/news.php?id=2290535>.

<sup>28</sup> Ibid.



Datuk Seri Anwar Ibrahim highlighted the importance of prioritizing investments in this sector, particularly in areas such as AI and robotics for healthy aging.

The focus on the silver economy is driven by the recognition of its vast potential, with estimates suggesting a market worth up to US\$15 trillion. To tap into this opportunity, the government is encouraging investments in healthcare, pharmaceuticals, and infrastructure tailored to the needs of an aging population. This approach addresses the challenges associated with demographic shifts and positions Malaysia to capitalize on new economic opportunities.<sup>29</sup>

Government-linked investment companies are playing a crucial role in developing the silver economy. For instance, the Employees Provident Fund (EPF) has committed 250 million ringgits to local startups and mid-stage companies focusing on healthcare for aged care. This strategic allocation of resources demonstrates the government's commitment to fostering innovation and entrepreneurship in sectors critical to addressing the needs of an aging population.<sup>30</sup>

### **Conclusion**

The second quarter of 2024 was pivotal for Malaysia as it navigated complex political, economic, and foreign affairs challenges. Domestically, maintaining electoral strongholds and addressing economic discontent were the key focuses. On the international stage, Malaysia reinforced its diplomatic ties and commitment to global prosperity, peace, and stability. Economically, strategic investments and digital transformation initiatives underscored the nation's growth potential. Malaysia's ability to address these challenges with transparency, inclusiveness, and strategic foresight will be critical in ensuring sustainable development, fostering public confidence, and enhancing its global standing.

---

<sup>29</sup> Marketing Interactive, "Malaysia Needs to Prioritise Investments in the Silver Economy, Says PM Anwar", June 5, 2024. <https://www.marketing-interactive.com/malaysia-needs-to-prioritise-investments-in-the-silver-economy-says-pm-anwar>.

<sup>30</sup> Ibid.



## Myanmar

Keo Sokkosol and Khim Tepsopheaktra

### Introduction

This second quarterly report on Myanmar covers domestic politics, economic, and foreign affairs. In the domestic politics aspect, the anti-coup groups, such as the Karen National Liberation Army and the Three Brotherhood Alliance, are still fighting intensely with the military, resulting in massive casualties, yet no peace agreement has been reached. Economically, Myanmar is experiencing a 6.8% decline in imports and exports with severe Kyat devaluation. As for foreign affairs, a joint working group between Myanmar and the Eurasian Economic Commission was established to enhance cooperation, and the nation has been communicating with Cambodia, Bangladesh, Russia, and ASEAN on different matters, respectively.

### Domestic Politics

The military and anti-coup groups are still deeply engaged in internal strife. On April 4, 2024, Myanmar anti-coup forces launched an unprecedented drone attack on military targets in Naypyidaw. The NUG said that its People's Defence Force successfully executed a synchronized, coordinated strike on key targets in the city, a stronghold of the armed forces. Speaking amid the junta's forced conscription, NUG spokesperson Kyaw Zaw stated, we want to highlight that they don't have a safe place. Likewise, military-run Myawaddy TV said that 13 fixed-wing drones were shot down, and there were no casualties or damage to property.<sup>1</sup>

On April 8, 2024, the Karen National Union announced that soldiers from its armed wing, the Karen National Liberation Army, in alliance with the People's Defence Force (PDF), had taken control of the military base in the town. Myanmar's military appears to have abandoned the strategically important border town of Myawaddy on the eastern border with Thailand following an extensive attack by a coalition of anti-coup militants. According to Phil

---

<sup>1</sup> Aljazeera, "Myanmar anti-coup forces claim 'success' in Naypyidaw drone attack", April 4, 2024, <https://www.aljazeera.com/news/2024/4/4/myanmar-opposition-launches-drone-attack-on-militarys-stronghold-capital>

Robertson, deputy Asia director for Human Rights Watch, Myawaddy suffered a major loss as bilateral trade at the checkpoint totaled over \$1 billion between April 2023 and March 2024.<sup>2</sup>

The Karen National Union (KNU) claimed in a Facebook message on April 11 that its fighters had been carrying out the offensive on Myawaddy and that they had early on Thursday morning defeated the 275 battalion, which was the town's last significant military unit. Saw Taw Nee, a KNU spokesperson, said that about 200 soldiers had withdrawn to the bridge. At the same time, the Myanmar news outlet Khit Thit reported that Thai authorities were in talks with the soldiers to decide whether to grant them refuge. Over the weekend, about 600 Myanmar soldiers and their families fled Myawaddy amid reports the military had requested Thailand to allow them into the country to flee safely. Additionally, according to the civil society organization Karen Peace Support Network, the most recent upsurge in fighting has resulted in at least 2,000 internal displacements within Myanmar. However, Myanmar's state-run media has not covered the growing battle on the eastern border.<sup>3</sup>

On April 12, Parnpree Bahiddha-Nukara, Thailand's foreign minister, traveled to Mae Sot, a Thai town across Myawaddy. He said that he would assess plans for a future flow of migrants from Myanmar, that Thailand was thinking about alternate trade routes in case of road closures caused by fighting, and that he would review preparations for a further influx of people from Myanmar. Earlier this week, Thailand declared that it was ready to take in 100,000 refugees from Myanmar. On Thursday, however, Thai Prime Minister Srettha Thavasin warned that the fighting should stay out of his nation's airspace.<sup>4</sup>

According to Thai government and media reports, fighting has reportedly broken out between the Myanmar military and ethnic armed groups close to the Thai border since late Friday, April 19, and has persisted until early Saturday. Karen gangs allegedly launched an attack against Myanmar forces who were hiding close to the 2nd Thai-Myanmar Friendship Bridge, a crucial crossing point for trade with Thailand, according to police commander Pittayakorn Phetcharat in Thailand's Mae Sot district. Likewise, Srettha Thavasin, the prime minister of Thailand, also

---

<sup>2</sup> Aljazeera, "Anti-coup forces claim control of key Myanmar border town", April 8, 2024,

<https://www.aljazeera.com/news/2024/4/8/anti-coup-forces-claim-control-of-key-myanmar-border-town>

<sup>3</sup> Aljazeera, "Myanmar troops retreat to Thai border bridge after days of fighting", April 11, 2024,

<https://www.aljazeera.com/news/2024/4/11/myanmar-troops-retreat-to-thai-border-bridge-after-days-of-fighting>

<sup>4</sup> Aljazeera, "Thailand's top diplomat visits Myanmar border amid clashes, evacuations", April 12, 2024,

<https://www.aljazeera.com/news/2024/4/12/thailands-top-diplomat-visits-myanmar-border-amid-clashes-evacuations>

stated on X that he was keeping a careful eye on the situation and prepared to offer humanitarian relief if needed.<sup>5</sup>

On April 20, regime forces launched a fierce offensive to retake the Shwe Pyi Aye town, which has been under the administration of the National Unity Government for more than five months. On Wednesday, April 24, 2024, the ferocious battle for Homalin Township, a strategically important town in the gold hub of Sagaing Region, entered its fifth day as the regime made another attempt to reclaim it from the military wing of the civilian National Unity Governments, the PDF of the People's Defense Force. A Homalin Township PDF member reported that the regime troops invading the town are receiving heavy air and artillery support and that junta jets are also shelling neighboring towns.<sup>6</sup>

Regardless of how intense the conflict between the ethnic group and the military is, a peace agreement between the two parties is yet to be reached. According to the Irrawaddy, Myanmar's military regime and the Brotherhood Alliance of three powerful ethnic armies failed to reach any new agreements during the latest round of China-brokered peace talks that ended on May 16.<sup>7</sup> As noticed, the latest round was the fifth meeting between the two sides since China began mediating in late 2023. The discussion centered on border trade with China via northern Shan State and fighting by the AA in western Myanmar's Rakhine State. Nevertheless, the most recent negotiations resulted in no resolution over fighting in Rakhine.<sup>8</sup>

On Sunday, June 2, 2024, The Arakan Army (AA) said in a statement that it had a list of 53 victims, including two teenagers and five men, resulting from last week's raid on a village in Rakhine State, where the regime is facing fierce attacks from the Arakan Army. Junta troops blockade the village after arresting all the villagers. They were denied food and water and

---

<sup>5</sup> Aljazeera, "Clashes break out at Thai-Myanmar border between soldiers, armed groups", April 20, 2024, <https://www.aljazeera.com/news/2024/4/20/clashes-break-out-at-thai-myanmar-border-between-soldiers-armed-groups>

<sup>6</sup> The Irrawaddy, "Myanmar junta battling to retake town near India border from civilian govt", April 24, 2024, <https://www.irrawaddy.com/news/war-against-the-junta/myanmar-junta-battling-to-retake-town-near-india-border-from-civilian-govt.html>

<sup>7</sup> Saw Lwin, "No agreement between Myanmar junta and Brotherhood Alliance in latest peace talks". The Irrawaddy, May 17, 2024, <https://www.irrawaddy.com/news/burma/no-agreement-between-myanmar-junta-and-brotherhood-alliance-in-latest-peace-talks.html>

<sup>8</sup> Ibid

forced to sleep on the ground on Wednesday night, survivors said.<sup>9</sup> The death toll in Byian Phyu village, Rakhine State, increased to 67 by Tuesday, June 4, as reported by the Arakan Army (AA). According to the report, almost all those killed were men. Troop interrogated the male detainees and checked their tattoos. The army would beat and torture them if they discovered anything related to the AA. In addition, two males were slain, and at least three female villagers were allegedly raped by junta forces.<sup>10</sup>

And because of the severe crisis in Rakhine state, On Thursday, 6 June, UN Chief Antonio Guterres said he “strongly condemns” the military's latest attacks in Myanmar, which are claimed to have killed numerous people in the country's north in the Sagaing region and the Western State of Rakhine. Over 70 Rakhine villagers were slain by junta troops during a raid on Byain Phyu village this week, which is located north of Sittwe, the state capital.<sup>11</sup>

In addition to internal warfare, Myanmar is experiencing an electrical scarcity. According to the statement released by the electricity authority on Wednesday, May 1, Myanmar’s electricity grid is producing only 2,800 megawatts of the required 5,443 MW needed each day, and the junta is attributing this to low natural gas yields, attacks on infrastructure by its opponents, and insufficient rainfall for hydropower. It stated that the power produced domestically from natural gas was roughly 446 MW less than the average daily capacity and that the daily shortfall from hydropower sources was about 350 MW due to insufficient rainfall. In addition, attacks on electricity lines resulted in the loss of about 350 MW from hydropower units.<sup>12</sup>

### **Economic Affairs**

Myanmar's overall imports and exports decreased by 6.8% year over year to \$3.53 billion in the first 1.5 months of the current fiscal year from \$3.79 billion in the same time last year, according to numbers provided by the junta's commerce ministry on Friday, May 24, 2024.

---

<sup>9</sup> The Irrawaddy, “Death Toll in Myanmar Junta’s massacre of villagers near Sittwe Tops 50”, June 3, 2024, <https://www.irrawaddy.com/news/burma/death-toll-in-myanmar-juntas-massacre-of-villagers-near-sittwe-tops-50.html>

<sup>10</sup> Brain Wei, “Arakan Army: Myanmar Junta killed 76 in village Massacre”, The Irrawaddy, June 4, 2024, <https://www.irrawaddy.com/news/burma/arakan-army-myanmar-junta-killed-76-in-village-massacre.html>

<sup>11</sup> AFP, “UN Chief ‘strongly condemns’ Myanmar military attacks on civilians”, The Irrawaddy, June 7, 2024, <https://www.irrawaddy.com/news/myanmars-crisis-the-world/un-chief-strongly-condemns-myanmar-military-attacks-on-civilians.html>

<sup>12</sup> AFP, “Myanmar’s power grid meeting half of country’s needs amid conflict: Juna”. The Irrawaddy, May 3, 2024, <https://www.irrawaddy.com/news/burma/myanmars-power-grid-meeting-half-of-countrys-needs-amid-conflict-junta.html>

Additionally, from April 1 to May 17, trade at official border checkpoints experienced a significant plume. It totaled just \$684 million this year, compared to \$1.013 billion last year. According to the trader, the main reason for this massive decline was the closure of trade posts on the border with China due to conflict. However, even in areas where border trade posts remain open, the routes leading to them are no longer safe. Similarly, due to fighting between the Arakan Army and the junta's military, trade has not occurred in western Myanmar's border trading posts of Sittwe and Maungdaw with Bangladesh from April 1 to May 17. This is the same for east Myanmar trade posts on the Thai border.<sup>13</sup>

In response to the severe foreign currency shortage, the Myanmar currency's sharp devaluation, and the rising price of gold, the junta's new economic plan pushes businesses to try barter trade. On May 28, the Union of Myanmar Federation of Chamber of Commerce and Industry issued notices to numerous trading entities, notifying them to transition to the BTA system for trade. Due to the junta's BTA system, Export and import companies have to enter into contracts with international counterparts to exchange goods.<sup>14</sup>

Noticeably, Myanmar's currency plunged to an all-time low. According to the Irrawaddy, the kyat hit a record low against the US dollar on Thursday, May 30, falling to 5,020 to the greenback. The price on the domestic market reached a record high of 5.8 million kyats per tical, up from 1.3 million kyats per tical before the coup in 2020.<sup>15</sup> This rate rose significantly as the kyat's value before the Thingyan Festival in mid-April was 3,900 per dollar, then to 4,100, and 5,020 per dollar recently.<sup>16</sup>

On Monday, June 3, 2024, U Tin Tun Naing, the NUG's Union Minister for Planning, Finance, and Industry, said during a press conference that "while there may be other contributing factors to the decline in the value of the Myanmar currency, the fundamental cause remains the junta

---

<sup>13</sup> Hein Htoo Zan, "Cross-border trade plunges 48% in Myanmar as ethnic armies seize control", The Irrawaddy, May 24, 2024, <https://www.irrawaddy.com/business/cross-border-trade-plunges-48-in-myanmar-as-ethnic-armies-seize-control.html>

<sup>14</sup> Burma News International, "Junta plans barter system to cope with desperate shortage of foreign currency for international trade", June 4, 2024, <https://www.bnionline.net/en/news/junta-plans-barter-system-cope-desperate-shortage-foreign-currency-international-trade>

<sup>15</sup> The Irrawaddy, "Myanmar's currency hits all-time low, gold surges to fresh peak", May 30, 2024, <https://www.irrawaddy.com/news/burma/myanmars-currency-hits-all-time-low-gold-surges-to-fresh-peak.html>

<sup>16</sup> The Irrawaddy, "Myanmar shoppers report hyperinflation as kyat plunges past 4,000/dollar", May 20, 2024, <https://www.irrawaddy.com/business/economy/myanmar-shoppers-report-hyperinflation-as-kyat-plunges-past-4000-dollar.html>

regime's massive issuance of nearly 30,000 billion kyats since the coup attempt until today." They emphasized that their estimate is based on data collected from publicly available sources via international monetary organizations and internal sources within the regime. The NUG said that in just three years and three months, the junta has printed more than eight times the amount of money that the NLD government printed in two years.<sup>17</sup>

### Foreign Affairs

On Tuesday, April 9, 2024, a joint working group to enhance cooperation between Myanmar and the Eurasian Economic Commission (EEC) met for the first time in Naypyidaw. Officials who attended the meeting included European Union-Sanctioned junta investment and foreign economic relations minister Kan Zaw, the charge d'affaires of the Russian Embassy, and Sergey Glazyev, the EEC's commissioner for integration and macroeconomics. The potential for collaboration between the two parties was explored in digitization, energy, tourism, manufacturing, agribusiness, finance, and logistics. Since the coup, Russia's relations with the military dictatorship have gone beyond the exchange of weapons and military instruction. These days, the two regimes work closely together in practically every field.<sup>18</sup>

On April 25, 2024, Lieutenant General Yar Pyae and China's Public Security Minister Wang Xiahong met in Beijing. China stated during this conference that it intends to strengthen its cooperation with the junta to combat trans-border crime and sees its relations with Myanmar from a strategic standpoint. The meeting between Yar Pyae and Wang comes amid a sharp increase in the establishment of scam centers by Chinese-led crime networks in Karen State along the Thai-Myanmar border in Southern Myanmar. On January 5, the two also convened virtually to discuss maintaining border security and combating transnational criminal activity, particularly cyber fraud.<sup>19</sup>

---

<sup>17</sup> Hein Htoo Zan, "Myanmar NUG says junta has printed 30 trillion kyats, crashing currency", The Irrawaddy, June 5, 2024, <https://www.irrawaddy.com/business/myanmar-nug-says-junta-has-printed-30-trillion-kyats-crashing-currency.html>

<sup>18</sup> The Irrawaddy, "Myanmar junta eyes business opportunities in Russia's micro alliance", April 11, 2024, <https://www.irrawaddy.com/news/burma/myanmar-junta-eyes-business-opportunities-in-russias-micro-alliance.html>

<sup>19</sup> The Irrawaddy, "China seeks to deepen collaboration with Myanmar junta on border crime crackdown", April 26, 2024, <https://www.irrawaddy.com/news/myanmar-china-watch/china-seeks-to-deepen-collaboration-with-myanmar-junta-on-border-crime-crackdown.html>

On Tuesday, May 7, Hun Sen, Cambodia's former Prime Minister, requested a meeting with Daw Aung San Suu Kyi during video talks with junta chief Min Aung Hlaing. A day later, the Myanmar junta denied this request, saying that he had no reason to facilitate it at this moment, according to an audio message from junta spokesman Zaw Min Tun. He added, “We are going to avoid matters which can delay or disturb future processes.”<sup>20</sup>

On Tuesday, May 14, senior Japanese envoy Masahiro Komura, a parliamentary vice-minister for foreign affairs and vice-president of the Liberal Democratic Party, met representatives from Myanmar’s ethnic armed organizations. Japan's Ministry of Foreign Affairs claims that Komura spoke with the group about Myanmar's predicament and offered to hold negotiations to find a solution. Japan declared that it supported ASEAN's diplomatic efforts to end the issue and that it has urged the administration in Myanmar to put an end to the bloodshed, free political prisoners, and establish democracy.<sup>21</sup>

On Wednesday, May 15, Army chief Min Aung Hlaing met ASEAN special envoy Alounheo Kittikhoun and secretary-general Kao Kim Hourn in the capital Naypyidaw. The state-run media reported discussing the concerns about Myanmar's participation in ASEAN. They also talked about how Myanmar could cooperate with ASEAN, what would be required for Myanmar to attend ASEAN meetings, and how the Junta intended to conduct elections.<sup>22</sup> On the same day, the junta air force chief Tun Aung and Air Vice Marshal Ichettira Lyappa Kuttaooa met in Naypyitaw amid the junta’s increased air attacks on civilians.<sup>23</sup> According to junta media, the two talked about strengthening links between the two air forces, sending junta trainees to India, and advances in the two militaries' cooperation and technical cooperation.<sup>24</sup>

On Sunday, May 19, the junta boss met with Roscosmos deputy director general Savelyev Sergey Valentinovich to discuss cooperation in aerospace technology between Russia and

---

<sup>20</sup> AFP, “Myanmar junta rebuffs Hun Sen’s request to meet Daw Aung San Suu Kyi”, The Irrawaddy, May 9, 2024, <https://www.irrawaddy.com/news/myanmars-crisis-the-world/myanmar-junta-rebuffs-hun-sens-request-to-meet-daw-aung-san-suu-kyi.html>

<sup>21</sup> Brian Wei, “Japanese envoy meets Myanmar’s ethnic armed organization”, The Irrawaddy, May 14, 2024, <https://www.irrawaddy.com/news/burma/japanese-envoy-meets-myanmars-ethnic-armed-organizations.html>

<sup>22</sup> AFP, “Top ASEAN Official meet Myanmar junta chief for cooperation talks”, The Irrawaddy, May 16, 2024, <https://www.irrawaddy.com/news/myanmars-crisis-the-world/top-asean-officials-meet-myanmar-junta-chief-for-cooperation-talks.html>

<sup>23</sup> The Irrawady, “Myanmar junta, Indian Air Force Brass meet amid regime’s aerial campaign of terror”, May 16, 2024, <https://www.irrawaddy.com/news/myanmars-crisis-the-world/myanmar-junta-indian-air-force-brass-meet-amid-regimes-aerial-campaign-of-terror.html>

<sup>24</sup> Ibid.



Myanmar. The two sides discussed how Russia can provide human resource development assistance by fostering cooperation in aerospace technology and sending Myanmar students to study in Russia.<sup>25</sup>

On Friday, May 24, Bangladesh Ambassador to Myanmar Md. Monwar Hossain met junta national security advisor and former Navy chief Admiral Moe Aung in Naypyitaw. The two discussed security matters and cooperation for stability along the border, just as the regime appeared poised to lose control of Myanmar's western border with the neighboring country.<sup>26</sup>

On Friday, June 7, 2024, citing a Russian Economic Development Ministry statement, Russia's state media reported that Russia and Myanmar's junta completed the procedure of approval of the intergovernmental agreement on constructing a low-power nuclear plant in Myanmar. The two sides signed a deal on cooperation in nuclear energy back in February 2023, when the regime inaugurated the nation's first nuclear technology information center in Yangon with Rosatom's assistance. According to the regime, nuclear technology will only be employed peacefully in agriculture, health, power, and energy, as well as for socioeconomic advancement.<sup>27</sup>

### Conclusion

To sum up, the second quarterly update of Myanmar focuses on three main aspects: domestic politics, economic affairs, and foreign affairs. In domestic politics, fights between the military and anti-coup forces are still ongoing, causing massive damages, yet there has been no sight of a successful peace agreement. The Karen National Liberation Army captured Myawaddy after an extensive attack, resulting in displacements and billions of bilateral trade losses. In the economic aspect, Myanmar is suffering a massive decline of 6.8% of overall imports and exports, resulting in severe economic loss and devaluation of Kyat. As for foreign affairs, the government has established a joint working group with the Eurasian Economic Commission to enhance cooperation in various areas ranging from digitalization to logistics. Myanmar has

---

<sup>25</sup> The Irrawaddy, "Myanmar dictator seeks Russian help to develop an aerospace industry", May 20, 2024, <https://www.irrawaddy.com/news/burma/myanmar-dictator-seeks-russian-help-to-develop-an-aerospace-industry.html>

<sup>26</sup> The Irrawaddy, "Bangladeshi Ambassador meets senior Myanmar junta official for talks", May 27, 2024, <https://www.irrawaddy.com/news/myanmars-crisis-the-world/bangladeshi-ambassador-meets-senior-myanmar-junta-official-for-talks.html>

<sup>27</sup> The Irrawaddy, "Russia approves moves to build nuclear plant in Myanmar", June 7, 2024, <https://www.irrawaddy.com/news/burma/russia-approves-moves-to-build-nuclear-plant-in-myanmar.html>



been meeting with officials and leaders from China, Japan, Cambodia, Russia, Bangladesh, and ASEAN to work on social issues, potential resolutions to the ongoing conflicts, and strengthening relations.

## Singapore

**Chhun Phalanady, Bou Nisa, and Ngov Sodanet**

### **Introduction**

Singapore, a global financial hub renowned for its stability, economic prosperity, and strategic geopolitical positioning, faces significant transitions and challenges during this period. The paper begins by exploring the significant leadership transition from former Prime Minister Lee Hsien Loong to Deputy Prime Minister Lawrence Wong, marking a new era in Singapore's political landscape. This change came after two decades of Lee's leadership, which saw substantial economic growth and stability.

The discussion then shifts to economic challenges and growth prospects. This includes potential policy shifts by the Monetary Authority of Singapore and concerns over housing affordability due to a surge in million-dollar HDB flat transactions. Additionally, the paper examines the evolving labor market dynamics and their implications for Singapore's economic outlook. Finally, the paper examines Singapore's active participation in global security forums, such as the Shangri-La Dialogue, and its strategic navigation of complex international relations amidst the ongoing U.S.-China rivalry and regional conflicts.

This paper examines the pivotal developments in Singapore from April to June 2024, emphasizing three critical areas: domestic affairs, socioeconomic dynamics, and foreign relations.

### **Domestic Affairs**

On April 15<sup>th</sup>, 2024, Singapore's former Prime Minister Lee Hsien Loong announced his relinquishment of the office, effective May 15<sup>th</sup>. This transition marked the end of an era, as Deputy Prime Minister Lawrence Wong was set to become the new Prime Minister of Singapore.<sup>1</sup>

---

<sup>1</sup> Shynn Ong, "PM Lee to Step Down: Key Milestones of His Political Career," April 15, 2024, accessed June 9, 2024, <https://www.todayonline.com/singapore/pm-lee-stepping-down-key-milestones-political-career-2403701>.

The handover on May 15<sup>th</sup> represents a significant moment in Singapore's political landscape, as it is the first leadership change in 20 years. Prime Minister-designate Lawrence Wong has pledged to carry on the legacy of his predecessors, promising a blend of assertive and consensus-based decision-making as the leader of Singapore's fourth-generation political leaders.<sup>2</sup>

During his two decades of leadership, former PM Lee Hsien Loong oversaw remarkable economic growth. Singapore's GDP per capita soared from SGD 27,610 in 2004 to over SGD 88,450 in 2024—more than twice the size of Japan's GDP per capita. This period solidified Singapore's reputation as one of the fastest-growing economies in Asia.

Despite the change in leadership, PM-designate Wong remains committed to retaining his current position as Finance Minister. However, his primary political challenge will be maintaining the ruling People's Action Party's (PAP) dominance and securing a strong electoral mandate from the Singaporean electorate.

The next general election, expected to be held by September or November 2025, will be a crucial event shaping the remainder of PM Wong's term and beyond. Additionally, he will need to navigate complex international issues, such as the ongoing U.S.-China power competition, the Russia-Ukraine war, and the Israeli-Palestinian conflict.<sup>3</sup>

The leadership transition also comes amid the ongoing legal proceedings against the leader of the opposition, Pritam Singh, who is set to face a 16-day trial in October over charges of lying in Parliament and the Raeesah Khan case. Mr. Singh could face up to three years in jail and a fine of up to SGD 7,000 if found guilty.<sup>4</sup>

---

<sup>2</sup> “Lawrence Wong Sworn in as Singapore’s First New Prime Minister in 20 Years,” *Al Jazeera*, May 15, 2024, <https://www.aljazeera.com/news/2024/5/15/lawrence-wong-sworn-in-as-singapores-first-new-prime-minister-in-20-years>.

<sup>3</sup> Sebastian Strangio, “End of an Era in Singapore as PM Lee Prepares to Hand Over Power,” *The Diplomat*, May 14, 2024, <https://thediplomat.com/2024/05/end-of-an-era-in-singapore-as-pm-lee-prepares-to-hand-over-power/>.

<sup>4</sup> Lydia Lam, “Opposition Leader Pritam Singh Set to Go on Trial in October,” *CNA*, May 31, 2024, <https://www.channelnewsasia.com/singapore/opposition-leader-pritam-singh-set-trial-october-raeesah-khan-4376086>.

As Singapore embarks on this new era, the focus will be on PM-designate Wong's ability to maintain the country's economic prosperity, strengthen its global standing, and address the political challenges that lie ahead, all while preserving the legacy of his predecessors.

### **Socioeconomic Affairs**

#### ***The Singapore Dollar's Reign Faces Potential Challenges***

On March 24<sup>th</sup>, 2024, a report by Bloomberg suggested that the Singapore dollar's reign as the top-performing currency in Asia may end. This speculation was due to potential policy changes by the Monetary Authority of Singapore (MAS), which could lead to a loosening of its stance on the Singapore dollar's appreciation against other currencies to counter price pressures.

The report indicated that this policy change could be driven by the expected easing of inflation levels, which may prompt a shift in monetary policy. While the Singapore dollar could still strengthen against the US dollar, it may face challenges against other Asian currencies. MAS had previously stated that there would be no change in monetary policy as inflation slowed, maintaining the prevailing rate of appreciation of the Singapore dollar's nominal effective exchange rate policy band. However, if MAS alters its monetary settings, the Singapore dollar may face further difficulties, potentially ending its two-year streak as the top-performing currency in Asia.

Despite these potential currency challenges, economists have increased Singapore's growth forecast 2024 to 2.4%, although headline inflation is expected to be lower than previously forecasted.<sup>5</sup>

#### ***Shifts in Foreign Worker Composition***

On April 30<sup>th</sup>, 2024, the Ministry of Manpower released a report on the Labor Market Advance Release for the First Quarter 2024. The report revealed a significant development: Singapore's number of foreign workers has decreased for the first time in two years. This decline was primarily attributed to a drop in construction jobs following regulations to reduce reliance on non-resident workers.

---

<sup>5</sup> Anna Maria Romero, "Singdollar's outperformance of Asian currencies may end soon," *The Independent Singapore News*, March 25, 2024, accessed June 9, 2024, <https://theindependent.sg/singdollars-outperformance-of-asian-currencies-may-end-soon-bloomberg-report/>.

The impact of this trend was felt across various sectors, including manufacturing and information technology. However, the report also noted increased applications for higher-skilled employment passes from foreigners, aligning with improved business prospects.

Despite the decrease in non-resident employment, overall employment in Singapore grew by 4,900 in the first quarter, marking the 10th consecutive month of expansion. However, the pace of growth was slower compared to the previous quarter. Singapore's economy is expected to grow between 1% to 3% this year, with a corresponding strengthening of labor demand. Total unemployment in March rose slightly to 2.1%, with the jobless rate among citizens and long-term residents also increasing.<sup>6</sup>

### ***The Resurgence of Million-Dollar HDB Flat Transactions***

In May 2024, the resale market for HDB (Housing and Development Board) flats in Singapore witnessed a record number of million-dollar transactions. Sixty-one flats were sold for at least SGD 1 million each, surpassing previous records and reflecting a broader trend of rising property prices.

Certain areas, such as Toa Payoh, Kallang-Whampoa, and Redhill, were particularly active, contributing to the increase in high-value sales. This surge in million-dollar HDB flat sales raises concerns about housing affordability in Singapore, as it puts pressure on the middle and lower-income segments, making it increasingly challenging for average Singaporeans to purchase homes.

The government and stakeholders are urged to consider measures that balance the market and ensure that affordable housing remains accessible.<sup>7</sup>

### ***Turbulence Incident of Singapore Airlines***

---

<sup>6</sup> Bloomberg, "Singapore Records Fall in Foreign Worker Numbers for First Time in 2 Years," *South China Morning Post*, April 30, 2024, accessed June 9, 2024, <https://www.scmp.com/news/asia/southeast-asia/article/3260908/singapore-records-fall-foreign-worker-numbers-first-time-2-years>.

<sup>7</sup> Jewel Stolarchuk, "61 million-dollar HDB flats resold last month alone," *The Independent Singapore News*, April 10, 2024, accessed June 9, 2024, <https://theindependent.sg/61-million-dollar-hdb-flats-resold-last-month-alone/>.

On May 12<sup>th</sup>, 2024, Singapore Airlines Flight SQ321 experienced severe turbulence during its journey from London to Singapore, resulting in tragic consequences. The turbulence encountered as the aircraft entered Thai airspace prompted an emergency landing in Bangkok.

This incident has brought attention to the unpredictability of air routes worldwide, with turbulence ranking as a significant concern for aviation safety. The Turbli website's rankings, based on data from UK and US government meteorological agencies, highlight the prevalence of turbulence across global air routes, emphasizing the need for continued vigilance and safety measures in air travel.<sup>8</sup>

Despite this incident, Singapore Airlines continues to be the leading choice for Singaporeans when considering air travel, a testament to its strong brand reputation and consistent service quality.<sup>9</sup>

As Singapore's economy navigates these dynamic shifts, policymakers and stakeholders will need to address the challenges posed by currency fluctuations, labor market transitions, and housing affordability while ensuring the safety and reliability of the nation's air transportation sector.

## Foreign Affairs

### *Shangri-La Dialogue*

The Shangri-La Dialogue is an elite global security forum held annually since 2002. It provides a platform for defense ministers, military chiefs, and security experts from the Asia-Pacific region and beyond to discuss pressing global security challenges. The 31st edition of the Dialogue took place in Singapore from May 31st to June 2nd, 2024.

As the host nation, Singapore was pivotal in facilitating the high-level discussions at the Shangri-La Dialogue. The event brought together world leaders, including Ukrainian President Volodymyr Zelensky, and defense ministers from China and the United States to exchange

---

<sup>8</sup> Bloomberg, "From Chile to Japan, these routes suffer the world's worst air turbulence," *South China Morning Post*, May 22, 2024, accessed June 9, 2024, <https://www.scmp.com/news/asia/article/3263599/chile-japan-these-flight-routes-suffer-worlds-worst-turbulence>.

<sup>9</sup> Mary Alavanza, "SIA remains top considered airline among Singaporeans despite travel consideration slump a week after turbulence accident," *The Independent Singapore News*, June 6, 2024, accessed June 9, 2024, <https://theindependent.sg/sia-remains-top-considered-airline-among-singaporeans-despite-travel-consideration-slump-a-week-after-turbulence-accident/>.

perspectives on escalating geopolitical tensions. Critical issues on the agenda included the situation in the South China Sea and the question of Taiwan's status.<sup>10</sup>

In his concluding remarks, Singapore's Defense Minister Ng Eng Hen underscored the importance of the Dialogue in fostering dialogue and seeking concrete outcomes on these complex security matters. The forum's discussions set a precedent for future bilateral and multilateral negotiations to promote regional stability and conflict resolution.<sup>11</sup>

### ***Shift in Foreign Policy under new PM***

The recent transition of power in Singapore, with Mr. Wong sworn in as the new Prime Minister on May 15th, has raised questions about potential shifts in the country's foreign policy approach. However, based on the available information, there are no apparent plans for the new administration to amend Singapore's long-standing foreign policy principles significantly.

Singapore's foreign policy and response to ongoing global crises, such as the Israel-Hamas conflict in the Middle East and the Russia-Ukraine war in Eastern Europe, will be crucial in the coming years. These developments impact regional stability and potentially disrupt Singapore's strategic bilateral partnerships with the major powers of China and the United States.

Despite these complex geopolitical challenges, Singapore is expected to remain a prominent player within the ASEAN regional framework. The country actively addresses the Myanmar civil war and the South China Sea disputes, which can influence the dynamics of the U.S.-China competition and have broader implications for regional affairs and multilateral relations.

Particularly noteworthy is the new Singaporean government's response to the Israel-Palestine crisis, which is of significant domestic relevance due to the country's sizeable Muslim population. This issue could strain Singapore's relations with neighboring Muslim-majority countries, such as Malaysia and Indonesia. In this context, it will be important to observe

---

<sup>10</sup> "Singapore to Host 21st Shangri-La Dialogue," MINDEF Singapore, May 30, 2024, accessed June 9, 2024, [https://www.mindef.gov.sg/web/portal/mindef/news-and-events/latest-releases/article-detail/2024/May/30may24\\_nr2](https://www.mindef.gov.sg/web/portal/mindef/news-and-events/latest-releases/article-detail/2024/May/30may24_nr2)

<sup>11</sup> Mike Yeo, "Shangri-La Dialogue's Success Comes From Not Skirting Issues: Ng Eng Hen," *The Straits Times*, June 3, 2024, <https://www.straitstimes.com/singapore/shangri-la-dialogue-s-success-comes-from-not-skirting-issues-ng-eng-hen>.



whether the current administration maintains Singapore as a cohesive, multi-racial, and multi-religious nation, as emphasized by the country's first-generation leaders in their foreign policy speeches.<sup>12</sup>

### ***Singapore's Position in the US-China Cyber Competition***

The recent publication of the U.S. International Cyberspace & Digital Policy Strategy has further intensified the ongoing cyber competition between the United States and China. The strategy depicts China as "the broadest, most active, and most persistent cyber threat," highlighting the deteriorating relations between the two powers in the cyber domain. Disputes such as the U.S. government's alleged breaching of Huawei's servers and stealing critical data have contributed to the strained cyber relations between the two countries.

Despite this global power struggle, Singapore has maintained a delicate balance in its relationships with the U.S. and China. On the one hand, the country is praised for its close engagement with the United States, which is seen as crucial for regional stability from the perspective of the ruling People's Action Party. On the other hand, Singapore has also preserved its ties with China, avoiding taking sides in the U.S.-China competition and instead seeking to maximize the benefits of cooperation with both powers while deterring confrontation.

As the U.S. and China continue to compete and involve themselves in regional issues, such as the South China Sea disputes within the ASEAN framework, the bloc must address the growing tension in the cyber realm between the two countries. To mitigate the potential spillover effects of this competition, Singapore, as an ASEAN member state, could leverage its leadership in the ADMM Cybersecurity and Information Center of Excellence (ACICE) to facilitate dialogue and promote the application of international law in cyberspace. This would be an important step in respecting the sovereignty of states and fostering cyber norms within the ASEAN region, with the support of co-chair Malaysia, considered one of the most influential regional organizations.<sup>13</sup>

---

<sup>12</sup> Lea Berriault, "The Future of Singapore's Foreign Policy," *GIS Reports*, May 9, 2024, <https://www.gisreportsonline.com/r/singapore-foreign-policy>.

<sup>13</sup> Muhammad Faizal Abdul Rahman, "ASEAN Should Watch the China-US Cyber Competition More Closely," *The Diplomat*, May 14, 2024, <https://thediplomat.com/2024/05/asean-should-watch-the-china-us-cyber-competition-more-closely/>.

By adopting a balanced and collaborative approach, Singapore aims to navigate the complex geopolitical landscape and prevent the U.S.-China cyber competition from escalating into a theater for direct conflict, which could have severe implications for the country and the broader regional stability.

### **Conclusion**

In conclusion, the second quarter of 2024 has been a significant transition and strategic maneuvering period for Singapore. The leadership change from former Prime Minister Lee Hsien Loong to Deputy Prime Minister Lawrence Wong marks a new chapter in the nation's political history, with Wong poised to continue Singapore's legacy of stability and growth. Economically, the country faces both challenges and opportunities, with potential shifts in monetary policy, fluctuations in the labor market, and rising concerns over housing affordability. Singapore remains a key player on the international stage, hosting pivotal global security discussions and carefully balancing its relations amidst the U.S.-China rivalry and other regional conflicts. These developments underscore Singapore's adaptability and resilience, reinforcing its position as a global financial hub and strategic geopolitical entity. As Singapore navigates these dynamic times, its ability to maintain economic prosperity, political stability, and international influence will be crucial in shaping its future.

## Thailand

**Long Sovitou, Chhem Sovannarith, Khim Sotheara, and Hol Theaneth**

### Introduction

In mid-2024, the complexities of the political landscape in Thailand continue between Srettha's government and the opposition. At the same time, a cabinet reshuffle and the Senate election process have been seen by critics as controversial. Thailand's economy appears to be going through some upheaval as certain sectors underperformed and conflicts have surfaced, although progress has also been made. Thailand has engaged in various diplomatic efforts in foreign affairs, addressing regional conflicts, enhancing international relations, and pursuing economic and infrastructure projects. These initiatives reflect Thailand's strategic moves to bolster its influence and cooperation.

### Domestic Affairs

In April, PM Srettha Thavisin dismissed allegations of bringing the opposition Democratic Party to strengthen the ruling coalition. He focused on accelerating the budget's disbursement for the fiscal year 2024 and did not discuss a Cabinet reshuffle.<sup>1</sup> The Senate passed the Equal Marriage Bill on the same day with 147 votes in favor, four against, and seven abstentions.<sup>2</sup> Moreover, opposition leader Chaithawat criticized Srettha for lacking the leadership to advance the economy and for having instead brought Thai democracy backward. He also criticized him for wasting time traveling overseas to act as a salesman for Thailand. In response, Deputy Finance Minister Julapun Amornvivat stated that the government is actively pursuing direct foreign investments with hopes of success within the next year or two.<sup>3</sup>

Meanwhile, the Constitutional Court approved a lawsuit against the Move Forward party, accusing them of overthrowing the constitutional monarchy.<sup>4</sup> The party sought more time to prepare a defense in the dissolution case. At the same time, the Court extended Move Forward's

---

<sup>1</sup> The Nation Thailand. 2 April 2024. "Srettha rules out bringing Democrats into coalition" Available at: <https://www.nationthailand.com/thailand/politics/40036911>

<sup>2</sup> The Nation Thailand. 2 April 2024. "Equal Marriage Bill wins 147 Senate votes in first reading" Available at: <https://www.nationthailand.com/thailand/politics/40036913>

<sup>3</sup> The Nation Thailand. 3 April 2024. "Julapun backs Srettha's salesmanship, promises investment will flood in" Available at: <https://www.nationthailand.com/thailand/politics/40036951>

<sup>4</sup> The Nation Thailand. 3 April 2024. "Move Forward to make public its defence in party dissolution case" Available at: <https://www.nationthailand.com/thailand/politics/40036953>

deadline for submission of its defense in the party dissolution case by an extra 15 days instead of the requested 30-day extension. The party accused the Election Commission (EC) of seeking the court's intervention to dissolve the party, prevent its executives from politics, and block them from setting up a new one.<sup>5</sup> Finally, the party has submitted a written defense in the dissolution case. The party will fight the case on facts, but political factors may influence the outcome since politics is dynamic.<sup>6</sup> However, an election watchdog, We Watch, has called on the EC to suspend its Senate election rules, claiming they were designed to intimidate candidates, media, and the public. The group claims that the strict rules, which include one-year imprisonment and 20,000-baht fines for campaign launches, have created a hostile atmosphere and hindered public perception and inclusion. The group also criticized the restrictions on media interviews and legal penalties for reporting on certain candidates.<sup>7</sup> Veteran politician Khunying Sudarat Keyuraphan warns that the new selection process for senators in Thailand lacks transparency and may lead to political lobbying and vote buying. The process, which requires candidates to be at least 40 years old and pay a 2,500 baht application fee, is not inclusive and could result in political groups using their influence for votes.<sup>8</sup>

About Myanmar, Srettha Thavisin expressed anxiety over the escalating conflict between Thailand and Myanmar, promising to protect Thai nationals and provide humanitarian aid.<sup>9</sup> Similarly, Thai Foreign Minister Maris Sangiampongsa confirmed that the Thai government was not involved in Thaksin Shinawatra's talks with resistance groups in Myanmar. The Thai government aims for peace, stability, and reconciliation under ASEAN rules. PM Srettha Thavisin also stated that Thailand has the right to lead negotiations with Myanmar as a neighboring country and is working on humanitarian aid for Myanmar people.<sup>10</sup> Later on, Myanmar resistance groups rejected Thai Prime Minister Thaksin Shinawatra's attempts to

---

<sup>5</sup> The Nation Thailand. 1 May 2024. "Constitutional Court grants 15-day extension to Move Forward deadline" Available at: <https://www.nationthailand.com/news/politics/40037692>

<sup>6</sup> The Nation Thailand. 5 June 2024. "Move Forward submits defence in 'political' dissolution case" Available at: <https://www.nationthailand.com/blogs/news/politics/40038567>

<sup>7</sup> The Nation Thailand. 2 May 2024. "We Watch calls on EC to relax Senate election rules, inclusion of the public" Available at: <https://www.nationthailand.com/news/politics/40037725>

<sup>8</sup> The Nation Thailand. 3 May 2024. "Senate election will not be free and fair, warns veteran politician" Available at: <https://www.nationthailand.com/news/politics/40037747>

<sup>9</sup> The Nation Thailand. 20 April 2024. "Srettha vows to ensure protection of Thai citizens amid Myanmar border clashes" Available at: <https://www.nationthailand.com/thailand/politics/40037395>

<sup>10</sup> The Nation Thailand. 7 May 2024. "Thai govt not involved with Thaksin's talks in Myanmar, FM Maris says" Available at: <https://www.nationthailand.com/news/politics/40037831>

mediate the civil war in Myanmar. Maris stated that Thaksin's intervention was personal and not part of Thailand's official policy on Myanmar.<sup>11</sup>

The “Srettha II” Cabinet was formally introduced, featuring four outgoing ministers and six newcomers. Thavisin abdicated himself of the role of finance minister in the new Cabinet and designated Pichai Chunhavajira as the deputy prime minister. However, Parnpree Bahiddha-Nukara announced his resignation as foreign minister and from all positions as of April 1<sup>st</sup> following the news of his being dropped from the deputy prime minister position.<sup>12</sup> After that, Maris was announced as Thailand’s new minister of foreign affairs by the Royal Gazette. Maris was a veteran diplomat and a foreign affairs advisor in Thaksin's government.<sup>13</sup> In a surprising development, Deputy Finance Minister Kritsada Jinavijarana resigned from the Thai Cabinet following a recent cabinet reshuffle. Political analysts believe Kritsada resigned due to dissatisfaction with his lower responsibilities.<sup>14</sup> After the “Srettha II” was introduced, the Office of the Constitutional Court received a petition from senators requesting the court to determine if PM Srettha Thavisin and Minister Attached to the Prime Minister's Office Phichit Chuenban's ministerial positions were terminated under Section 170 of the Constitution. The petitioners argue that Phichit's past conduct violates ethical standards and that the court must consider the qualifications and prohibitions regarding ministerial positions.<sup>15</sup> After that, the court agreed to hear the case against Srettha while rejecting the case against Pichit because he already stepped down. In early June, PM Srettha submitted his defense to the court.<sup>16</sup>

## **Economic affair**

At the beginning of April, Prime Minister Srettha Thavisin advocated reducing Thailand's key interest rate to stimulate economic recovery, citing negative inflation and a need for increased

---

<sup>11</sup> The Nation Thailand. 8 May 2024. “Myanmar resistance rejects Thaksin’s mediation offer: sources” Available at: <https://www.nationthailand.com/news/politics/40037852>

<sup>12</sup> The Nation Thailand. 28 April 2024. “FM Parnpree announces resignation in apparent protest at removal as deputy PM” Available at: <https://www.nationthailand.com/news/politics/40037606>

<sup>13</sup> The Nation Thailand. 1 May 2024. “Who is Thailand’s new minister of foreign affairs” Available at: <https://www.nationthailand.com/news/politics/40037685>

<sup>14</sup> The Nation Thailand. 9 May 2024. “Why Kritsada Jinavijarana resigned as Deputy Finance Minister” Available at: <https://www.nationthailand.com/news/politics/40037877>

<sup>15</sup> The Nation Thailand. 17 May 2024. “Senators petition Constitutional Court on Srettha continuing as PM” Available at: <https://www.nationthailand.com/news/politics/40038095>

<sup>16</sup> Bangkok Post. 11 June 2024. “PM submits his defence to court” Available at: <https://www.bangkokpost.com/thailand/politics/2808470/pm-submits-his-defence-to-court>

domestic consumption.<sup>17</sup> Despite the Bank of Thailand's (BOT) resistance to lower rates, Srettha reiterates the potential benefits, including bolstered exports and tourism due to a weakened baht.<sup>18</sup>

According to the Board of Investment (BOI), 18 technological companies have attracted investments totaling 77.79 billion baht in May, indicating Thailand's potential as a digital center. He also mentioned that the government and the BOI were currently in talks with many data center and cloud service companies from the US, China, and Singapore regarding investments in Thailand.<sup>19</sup>

In other news, the country's labor-intensive trade groups and chambers of commerce oppose raising the minimum wage to 400 baht nationally, citing potential adverse effects on the nation's competitiveness due to economic inequities and differences in business preparedness between provinces and industries. Fifty-four trade groups and 76 business chambers have united against the government's proposal.<sup>20</sup>

According to the Transport Ministry, over 100 Thai and international businesses have expressed interest in funding the government's massive land bridge project, connecting the Pacific and Indian oceans in southern Thailand. She added that foreign investors were strongly interested in the project's roadshow activities abroad, led by ministry executives and Prime Minister Srettha Thavisin.<sup>21</sup>

According to the Fiscal Policy Office (FPO), the government's revenue for the first seven months of fiscal 2024 fell short of the target by 39.1 billion baht, or 2.7%. Between October 2023 and April 2024, the government's revenue collection of 1.39 trillion baht fell short of its target. He added that the Excise Department's monthly loss of roughly 20 billion baht due to

---

<sup>17</sup> Panu Wongcha-um. 08 April 2024. "Exclusive: Thai PM says central bank should cut rates to help economic revival". Reuters. Available at <https://www.reuters.com/markets/asia/thai-pm-central-bank-should-cut-rates-by-least-25-bps-2024-04-08/>

<sup>18</sup> The Nation Thailand. 12 April 2024. "Srettha reiterates benefits of a rate cut after BOT refuses to budge". Available at <https://www.nationthailand.com/thailand/economy/40037204>

<sup>19</sup> The Nation Thailand. 4 May 2024. "Thailand emerging as a hub for data centres, cloud services, says BOI". Available at: <https://www.nationthailand.com/business/trading-investment/40037768>

<sup>20</sup> The Nation Thailand. 7 May 2024. "Chambers, trade groups jointly oppose 400 baht minimum wage". Available at: <https://www.nationthailand.com/blogs/business/economy/40037832>

<sup>21</sup> The Nation Thailand. 1 June 2024. "Land bridge project draws interest from over 100 companies: ministry". Available at: <https://www.nationthailand.com/business/investment/40038476>

the decrease in excise taxes on gasoline and diesel oil was the leading cause of the target's failure.<sup>22</sup>

## Foreign affairs

On April 12th, Thailand's foreign minister, Parnpree Bahiddha-Nukara, visited a border town near Myanmar following clashes that forced Myanmar military troops to retreat and residents to flee. Thailand prepared to accept up to 100,000 refugees, with Prime Minister Srettha Thavasin cautioning against the conflict spreading into Thai airspace.<sup>23</sup> Meanwhile, former Thai prime minister Thaksin Shinawatra's mediation in Myanmar's civil war was rebuffed by resistance groups despite discussions with ethnic armed organizations (EAOs) and the National Unity Government (NUG). Criticized for lacking understanding of the conflict, Thaksin's mediation document remained unsigned. Thai Foreign Minister Maris Sangiampongsa clarified that Thaksin's efforts were personal and not official policy.<sup>24</sup> Meanwhile, Thaksin's daughter, Pheu Thai leader Paetongtarn Shinawatra, defended his efforts to promote peace through personal relationships.<sup>25</sup>

The Royal Thai Embassy in Israel has issued security guidelines for Thai citizens from April 13 to April 15 following Iran's drone and missile attacks. Gatherings of over 1,000 people are banned, schools are closed, and workplaces need designated shelters.<sup>26</sup> The Thai government has started monitoring the situation to prepare for evacuations if necessary. Currently, 28,000 Thais live in Israel and 300 in Iran. No Thais have been affected or sought help, but the government remains vigilant and advises against travel.<sup>27</sup>

Meanwhile, Thailand is advancing plans to join BRICS on a different diplomatic front, expanding beyond its founding members—Brazil, Russia, India, China, and South Africa. The

---

<sup>22</sup> The Nation Thailand. 3 June 2024. "Thai govt misses revenue target over 7 months by 2.7%" Available at: <https://www.nationthailand.com/business/economy/40038527>

<sup>23</sup> Al Jazeera. "Thailand's Top Diplomat Visits Myanmar Border amid Clashes, Evacuations." April 12, 2024. <https://www.aljazeera.com/news/2024/4/12/thailands-top-diplomat-visits-myanmar-border-amid-clashes-evacuations>

<sup>24</sup> The Nation. "Myanmar Resistance Rejects Thaksin's Mediation Offer: Sources." May 8, 2024. <https://www.nationthailand.com/news/politics/40037852>

<sup>25</sup> The Nation. "Thaksin Only Wants Peace at Thai-Myanmar Border: Paetongtarn." May 15, 2024. <https://www.nationthailand.com/news/politics/40038032>

<sup>26</sup> The Nation. "Thai Citizens in Israel Get Three Security Guidelines from Embassy." April 14, 2024. <https://www.nationthailand.com/thailand/general/40037234>

<sup>27</sup> Tangsathaporn, Poramet. 2024. "Fears for Thais in Israel, Iran." Bangkok Post, April 20, 2024. <https://www.bangkokpost.com/thailand/general/2778862/fears-for-thais-in-israel-iran>



cabinet approved a draft letter expressing Thailand's commitment to multilateralism and the increasing role of developing countries.<sup>28</sup> Thai Foreign Ministry spokesperson Nikordej Balankura highlighted that joining BRICS would allow Thailand to "gain further leverage in advancing South-South cooperation." This October, the 16th BRICS summit in Russia, will be a crucial opportunity for Thailand to accelerate its membership process. Despite some opposition, Thai Foreign Minister Maris Sangiampongsa emphasized that the move is about "justice and equality for developing countries," not taking sides in global conflicts.<sup>29</sup>

On May 2nd, 2024, Thailand welcomed Bangladesh's Prime Minister Sheikh Hasina, as she praised her visit to Thailand for enhancing Bangladesh's economic ties and regional influence. She focused on advancing bilateral economic relations, discussing a free trade agreement, and urging Thailand's support for Rohingya repatriation, aiming for ASEAN Sectoral Dialogue Partner status by 2024.<sup>30</sup> On June 21, Thai Foreign Minister Maris Sangiampongsa hosted Timor-Leste's Foreign Minister Bendito dos Santos Freitas, discussing military cooperation, UN peacekeeping, and trade. They signed a visa exemption agreement to promote tourism.<sup>31</sup> Thailand is also developing an 873-km high-speed rail project linking Bangkok to the Laos-China railway, enhancing regional connectivity as part of China's Belt and Road Initiative. This project, expected to be completed by 2028, aims to integrate Thailand more closely with China and other regional economies.<sup>32</sup>

## Conclusion

The second quarter of 2024 has provided a snapshot of Thailand's multifaceted landscape, marked by significant developments in domestic politics, economic affairs, and foreign affairs. The political landscape in Thailand has been shaped by significant challenges. Prime Minister Srettha Thavisin's leadership faces scrutiny and criticism from the opposition and the

---

<sup>28</sup> Bangkok Post. "Cabinet Approves Brics Membership Bid." May 28, 2024.

<https://www.bangkokpost.com/thailand/general/2800989/cabinet-approves-brics-membership-bid>

<sup>29</sup> Han, Zhang. "Thailand "Bravely" Lines up to Join BRICS amid West's Confrontational Narrative." Global Times, June 22, 2024. <https://www.globaltimes.cn/page/202406/1314617.shtml>

<sup>30</sup> Dhaka Tribune. PM Says Thailand Visit a Milestone for Bangladesh's Regional Diplomacy, Economic Growth, May 2, 2024. <https://www.dhakatribune.com/bangladesh/foreign-affairs/345428/pm-says-thailand-visit-a-milestone-for>

<sup>31</sup> Pattaya Mail. "Thailand Supports Timor-Leste towards Full ASEAN Membership." June 23, 2024.

<https://www.pattayamail.com/thailandnews/thailand-supports-timor-leste-towards-full-asean-membership-463848>

<sup>32</sup> Medina, Ayman Falak. "Accelerating Connectivity: The Thailand-China Railway Project." ASEAN Briefing, June 24, 2024. <https://www.aseanbriefing.com/news/accelerating-connectivity-the-thailand-china-railway-project/>

Constitutional Court, particularly regarding his cabinet reshuffle and efforts to strengthen the ruling coalition. Additionally, concerns about transparency in the Senate election process have been raised. Reflecting on these developments, it is evident that Thailand is navigating a period of intense political activity and scrutinization. In addition to making major strides, Thailand has been working hard to integrate new ideas and policies into its economy when new disputes and obstacles appear. Lastly, Thailand has proactively addressed regional conflicts, strengthened diplomatic relations, and advanced economic projects. These efforts showcase Thailand's commitment to enhancing its regional and global influence, from border visits and refugee preparations to BRICS membership pursuits and high-speed rail developments. The country's diplomatic activities and infrastructural initiatives highlight its strategic focus on fostering international cooperation and development.

## The Philippines

Chheng Ousa, Hok Srunheng, and Throng Pisethvisal

### Introduction

With over 7,000 islands, the Philippines is one of the most diverse countries in Southeast Asia, from its culture to its religious, language, and ethnic groups. However, we must acknowledge that the Philippines' political aspect is still a concern for the government because, after Duterte took over the office in 2016–2022, the whole authoritarian political system tragically changed. In 2022, the new President of the Philippines, Marcos Jr., continued the position. With the ongoing issue of the War on Drugs remaining in place with very little progress, it is extremely hard for the government to prioritize other areas such as education, infrastructure, the economy, and social welfare. On the economic side, in the first quarter of 2024, the Philippines massively increased its GDP by 5.7, which covers the main sectors such as trade, manufacturing, industry and services, agriculture, and many more.<sup>1</sup> This paper provides an update on the Philippines' growth and vision by featuring well-conducted information on three different aspects: domestic affairs, social economics, and foreign relations.

### Domestic Affairs

In April, the three countries—the Philippines, Japan, and the US—met at the White House to announce a new "trilateral chapter," mainly to express an interest in maintaining a free and open Indo-Pacific and protecting the global order under international law. In this way, it helped the Philippines to enhance Coast Guard capacity building, improve the competitiveness of maritime forces through joint naval exercises, and promote maritime domain awareness. They also agreed to foster cooperation in maritime enforcement training to counter China's illegal, unreported, and unregulated fishing.<sup>2</sup>

---

<sup>1</sup> The World Bank . “INFOGRAPHIC: Philippines Economic Update June 2024.”, Accessed June 10, 2024. <https://www.worldbank.org/en/news/infographic/2024/06/04/infographic-philippines-economic-update-june-2024>.

<sup>2</sup> Elizabeth, Freund Larus and James, Rice, “The Philippines’ Domestic Politics Are the Wildcard in Its Trilateral Partnership with the US and Japan.” Atlantic Council, May 29, 2024. <https://www.atlanticcouncil.org/blogs/new-atlanticist/the-philippines-domestic-politics-are-the-wildcard-in-its-trilateral-partnership-with-the-us-and-japan/>.

In the South China Sea conflict, the Philippines claimed that they would continue to supply its outpost without seeking any permission from any other states because they strongly committed to their perseverance and would never be deterred by any foreign interference.<sup>3</sup> However, with China's aggressive behavior, which includes chasing away fishing vessels, attacking other ships with cannons, and so on, the Philippines is worried about their water territorial ownership due to China's prolonged willful behavior. Within the past few weeks, Chinese navy ships have been stationed to expand their harassment or threat campaign to the Philippines and other states such as Vietnam, Indonesia, and Malaysia. The fact that the China invasion is becoming more intense and concerning is because the pace of Chinese operations is growing, and there are potentially unsafe military maneuvers by Chinese vessels and aircraft. Even though President Marcos Jr. claims to be against the acts of violence and unrighteous acts of China, the urge of China to want the South China Sea is very determined and lusty.<sup>4</sup>

Another issue, which is about the drug war in the Philippines has resulted in the intentional and unintentional deaths of thousands of Filipinos who are speculated to be associated with drugs.<sup>5</sup> Since 2016, the campaign has left scars on many Filipinos because of their loss of loved ones during the War on Drugs.<sup>6</sup> Despite the arrival of the new President Marcos Jr., drug-related killings remained high. On top of that, to make things even worse, Marcos rejected cooperating with the International Criminal Court probe. At the same time, their purpose was focused on the extrajudicial killings and the finding of evidence that inquiry crimes against humanity.<sup>7</sup> As a result of the inefficiency of the new government toward drug-related killings, several local leaders, such as Duterte, are adopting measures in violation of international human rights law. On March 22, 2024, Mayor Duterte launched a new "war against drugs" in Davao City with a speech that said, "If you don't stop, if you don't leave, I will kill you". After hours of speech, Davao City reported that there were several killings by the police.<sup>8</sup>

---

<sup>3</sup> Neil, Jerome Morales. "Philippines Asserts Security Independence amid South China Sea Tension." Reuters, June 8, 2024. <https://www.reuters.com/site-search/?query=Philippines+asserts+security+independence+amid+South+China+Sea+tension>.

<sup>4</sup> Johnson, Keith. "China's South Sea Aggression Is Backfiring." Foreign Policy, June 13, 2024.

<https://foreignpolicy.com/2024/06/06/south-china-sea-philippines-fishing-vessels-maritime-conflict-shoal/>.

<sup>5</sup> ACLED. "Philippines Drug War," April 26, 2024. <https://acleddata.com/knowledge-base/philippines-drug-war/>.

<sup>6</sup> NPR. "The Sunday Story: Life in the Shadow of the Philippines' Drug War.," May 19, 2024.

<https://www.npr.org/2024/05/19/1198912731/philippines-drug-war-duterte-marcos>.

<sup>7</sup> Valenzuela, Nikka. "Under Marcos, the Philippines Drug War Drags On." DW, March 21, 2024.

<https://www.dw.com/en/philippines-drug-war-what-changed-under-president-marcos/a-68635719>.

<sup>8</sup> Human Rights Watch. "Philippines: New 'Drug War' Declared in Davao City | Human Rights Watch," April 7, 2024. <https://www.hrw.org/news/2024/04/07/philippines-new-drug-war-declared-davao-city>.

Lastly, Marcos Jr., U.S. President Joe Biden, and Japan's Prime Minister, Kishida Fumio, announced a new trilateral dialogue to empower their security matters and discussed future collaboration by pushing economic development, climate partnerships, and critical technologies. The summit also discussed the tension surrounding the coast guard vessels between Chinese and Filipinos, especially within the exclusive economic zone of the Philippines. Due to the South China Sea conflict, the Philippine government continues to spin away from its predecessor's Beijing-friendly approach by building good relations with the US and Japan.<sup>9</sup>

### **Socioeconomics**

This section will highlight the Philippines' potential as a manufacturing destination for foreign investors. The Philippines' economic growth ranked third, and its economic resilience ranked sixth. For 2024, the government increased its budget for 2024–2028 to deliver better flexibility for funding its infrastructure program. Furthermore, they also try to introduce key business reforms to ease foreign investment, such as signing trade agreements with major powers such as China, Hong Kong, Japan, South Korea, and Australia.<sup>10</sup>

The Philippine peso is another event to look for in 2024 in this second quarter. The Philippine economy grew 5.7% in the first quarter of 2024. However, the Philippine peso fell in most of Asia due to inflation and the strain on the food supply. With that, the peso lost about 0.7% to 57.81 per dollar, which brought the currency closer to the 58 level as the last line for the central bank to defend.<sup>11</sup>

In early April, the Asian Development Outlook (ADO) forecasted Philippine economic growth at 6.0%, picking up pace at 6.2% in 2025. The inflation rate is expected to peak at 3.8% in 2024 and 3.4% in 2025, and reducing tariffs on food items that include rice, corn, and pork

---

<sup>9</sup> Iskandar, Hema Nadarajah, Alberto Iskandar, Alberto. "Philippines Strengthens Alliances as Tensions with China Rise." Asia Pacific Foundation of Canada, April 16, 2024.

<https://www.asiapacific.ca/publication/philippines-strengthens-strategic-co-operation-allies-while>.

<sup>10</sup> Ayman, Falak Medina. "Insights into the Philippines' Standing in the 2024 Emerging Asia Manufacturing Index." ASEAN Business News, May 21, 2024. <https://www.aseanbriefing.com/news/insights-into-the-philippines-standing-in-the-2024-emerging-asia-manufacturing-index/>.

<sup>11</sup> News, Bloomberg. "Philippine Peso Drops Most in Asia as Calls for Rate Cut Build - BNN Bloomberg." BNN, May 13, 2024. <https://www.bnnbloomberg.ca/philippine-peso-drops-most-in-asia-as-calls-for-rate-cut-build-1.2072008>.

until December 2024 will help to secure food inflation. The growth momentum is driven by the government's efforts to mobilize revenue, boost the investment climate, and improve budget execution. Moreover, the government created more than 30 projects to support infrastructure development in the country, one of which is the "Build Better More" program, which is building many expressways, railways, and bridges in many provinces. Furthermore, in some projects, the Philippine government has gained support from the Asian Development Bank (ADB), which is firmly committed to achieving an inclusive and stable Asia in the Pacific.<sup>12</sup> With extreme weather and climate change, global geopolitical tension, turbulence, and the possibility of a slowdown in China, the growth outlook is at risk. A prolonged El Niño event, among other risks, could strain the domestic food supply and increase inflation in the country.<sup>13</sup>

### Foreign Relations

The foreign relations between the Republic of the Philippines and Canada have important news to celebrate. Minister Joly welcomes the Philippines to Canada as the two countries celebrate 75 years of Diplomatic Friendship. As the progress of bilateral cooperation launched, Canada's Indo-Pacific Strategy in late 2022.<sup>14</sup> Moreover, Mélanie Joly, Minister of Foreign Affairs, has stated that the two countries have enjoyed a long-standing partnership—one anchored in generations of dynamic connections between our peoples.<sup>15</sup>

The Philippines has celebrated its diplomatic relations with Singapore for 55 years. To commemorate this, the Philippines ambassador to Singapore has accommodated a particular view of art: a "HERSTORY" Art Exhibit by Filipino Artist Jef Albea.<sup>16</sup> They emphasized the

---

<sup>12</sup> Bank, Asian Development. "Easing Inflation, Domestic Demand to Support Faster Philippine Growth — ADB." [www.adb.org](https://www.adb.org/news/easing-inflation-domestic-demand-support-faster-philippine-growth-ADB), April 11, 2024. <https://www.adb.org/news/easing-inflation-domestic-demand-support-faster-philippine-growth-ADB>.

<sup>13</sup> World Bank. "Philippines Economic Update: Beyond the Numbers: Sustaining Poverty Reduction in BARMM (June 2024) - Philippines | ReliefWeb." [reliefweb.int](https://reliefweb.int/report/philippines/philippines-economic-update-beyond-numbers-sustaining-poverty-reduction-barmm-june-2024), June 4, 2024. <https://reliefweb.int/report/philippines/philippines-economic-update-beyond-numbers-sustaining-poverty-reduction-barmm-june-2024>.

<sup>14</sup> Canada, Global Affairs. 2024. "Minister Joly Welcomes Philippines' Secretary for Foreign Affairs to Canada." [Www.canada.ca](https://www.canada.ca/en/global-affairs/news/2024/05/minister-joly-welcomes-philippines-secretary-for-foreign-affairs-to-canada.html). May 6, 2024. <https://www.canada.ca/en/global-affairs/news/2024/05/minister-joly-welcomes-philippines-secretary-for-foreign-affairs-to-canada.html>.

<sup>15</sup> "Minister Joly Welcomes Philippines' Secretary for Foreign Affairs." 2024. Saaz O Awaz - Listen Online. May 9, 2024. <https://eawaz.com/canada-news/minister-joly-welcomes-philippines-secretary-for-foreign-affairs/>.

<sup>16</sup> sunmindi. 2024. "Philippines and Singapore Celebrate 55 Years of Diplomatic Relations." [Indiplomacy](https://indiplomacy.com/2024/05/17/philippines-and-singapore-celebrate-55-years-of-diplomatic-relations/). May 17, 2024. <https://indiplomacy.com/2024/05/17/philippines-and-singapore-celebrate-55-years-of-diplomatic-relations/>.

importance of Singapore's relationship with the Philippines and expressed hope for its future expansion and prosperity.<sup>17</sup>

Moving to another partner of the Philippines, New Zealand has split its concerns on the South China Sea. On April 18th, President Ferdinand Marcos Jr. of the Republic of the Philippines and New Zealand Prime Minister Christopher Luxon had to be on the same page about agreeing to deepen cooperation and stated their serious worries over the South China Sea, and that is because the South China Sea is under Chinese sovereignty and is a route for ship sales worth over \$3 trillion annually.<sup>18</sup>

Japan and The Philippines had a joint summit on April 11th, 2024, with the United States of America regarding the regional situation. First, the three presidents talked about the security situation in the Indo-Pacific and affirmed their alliance.<sup>19</sup> Second, three states commit to developing critical and emerging technologies, reaffirming the Philippines's endorsement of open, interoperable architectures.<sup>20</sup> Third, at the joint summit, three states acknowledged the threat of climate change and asserted their commitment to take urgent action to reduce the greenhouse consequences of 1.5 degrees Celsius warming and construct clean economies.<sup>21</sup> On the other hand, the joint statements also made clear that it opposed China's attempts to alter the Senkaku Islands' status quo unilaterally.<sup>22</sup>

Moving to the South China Sea dispute, most of the ASEAN countries have followed a very neutral, independent foreign policy, at least in foreign policy, and announced to China that we are not enemies, have never been, and never will be in our lifetime.<sup>23</sup> Anticipating a significant

---

<sup>17</sup> Department of Foreign Affairs. "Philippines and Singapore Toast to 55 Years of Diplomatic Relations," May 17, 2024. Accessed June 4, 2024. <https://dfa.gov.ph/dfa-news/news-from-our-foreign-service-postsupdate/34733-philippines-and-singapore-toast-to-55-years-of-diplomatic-relations>.

<sup>18</sup> Reuters. "Philippines, New Zealand eye forces deal, share concern over South China Sea," April 18, 2024. Accessed June 4, 2024. <https://www.reuters.com/world/asia-pacific/philippines-new-zealand-eye-forces-deal-share-concern-over-south-china-sea-2024-04-18/>.

<sup>19</sup> Prime Minister's Office of Japan, "Japan-U.S.-Philippines Summit Meeting (Summary).", April 11 2024, [https://japan.kantei.go.jp/101\\_kishida/diplomatic/202404/11usaphilippines.html](https://japan.kantei.go.jp/101_kishida/diplomatic/202404/11usaphilippines.html).

<sup>20</sup> The White House, "Joint Vision Statement from the Leaders of Japan, the Philippines, and the United States.", April 12, 2024. <https://www.whitehouse.gov/briefing-room/statements-releases/2024/04/11/joint-vision-statement-from-the-leaders-of-japan-the-philippines-and-the-united-states/>.

<sup>21</sup> Prime Minister's Office of Japan, "Joint Vision Statement from the Leaders of Japan, the Philippines, and the United States.", June 4, 2024. <https://japan.kantei.go.jp/content/000146892.pdf>.

<sup>22</sup> Japan News, "Japan-U.S.-Philippines Summit Meeting: 3 Nations Should Deepen Security Cooperation to Deter China.", April 15, 2024. <https://japannews.yomiuri.co.jp/editorial/yomiuri-editorial/20240415-180556/>.

<sup>23</sup> Hu Yuwei In-Depth reporter covering COVID-19, health, Tibetan issue, China-ASEAN relations, among others Hu Yuwei, Fan Wei, and Zou Zhidong in Davao. n.d. "GT Exclusive: Former Philippine President



military conflict in the South China Sea is not alarmist. An increasing number of events involving Chinese coercive activities have been reported; these include accidents and the use of military-grade lasers and water cannons. China has improved its legal position as well. Beijing's South China Sea claim line is open to being trespassed upon, and a recent ruling permitting this may serve as the impetus for a potentially violent confrontation in the coming months.<sup>24</sup> Lastly, on Monday, China's Ministry of Foreign Affairs criticized Philippine President Ferdinand Marcos Jr.'s comments at the Shangri-La Dialogue in Singapore, stating that China will continue to defend its territorial sovereignty and maritime rights.<sup>25</sup> On May 19, the Philippines carried out an airdrop to resupply the battleship that had been illegally grounded at Ren'ai Jiao.<sup>26</sup>

Moving to the United States of America, wherein Philippine vessels were hit by water cannons, wounding a large number of Filipino sailors, the US Army's Mid-Range Capability (MRC) ground-based missile system shows up in a tense area.<sup>27</sup> Second, the United States has been improving its ties with nations in the Asia-Pacific area, especially the Philippines, in reaction to China's expanding influence. As treaty companions, Washington and Manila have strengthened their defense collaboration since the election of Ferdinand Marcos as president of the Philippines in 2022. Despite having little weaponry, the Philippines would be an important ally of the United States in the case of a conflict with China because of its closeness to Taiwan and the South China Sea.<sup>28</sup> A Philippine fishing boat was navigating the South China Sea's Scarborough Shoal when two Chinese Coast Guard vessels opened fire with water cannons on either side of the craft. The event, which happened on April 30 during the Balikatan drill

---

Duterte Warns Manila to Turn Back from Detrimental Path, Resolve Disputes through Dialogue - Global Times." [Www.globaltimes.cn](https://www.globaltimes.cn/page/202404/1310479.shtml). Accessed June 4, 2024. <https://www.globaltimes.cn/page/202404/1310479.shtml>.

<sup>24</sup> Shidore, Sarang. 2024. "The South China Sea Risks a Military Crisis." *Foreign Policy*. June 5, 2024. <https://foreignpolicy.com/2024/05/31/philippines-south-china-sea-shangri-la/>.

<sup>25</sup> Global Times, "Chinese FM Slams Remarks by Marcos on South China Sea, Urging Philippines to Stop Maritime Provocations - Global Times.", June 5, 2024. <https://www.globaltimes.cn/page/202406/1313563.shtml>.

<sup>26</sup> Global Times, "Philippines' Grounding Warship Illegal, Escalating Tensions Unacceptable: Chinese FM", June 5, 2024. <https://www.globaltimes.cn/page/202406/1313602.shtml>.

<sup>27</sup> Lendon, Brad. 2024. "US Sends Land-Attack Missile System to Philippines for Exercises in Apparent Message to China." *CNN*. April 22, 2024. <https://edition.cnn.com/2024/04/22/asia/us-land-attack-missile-philippines-china-intl-hnk-ml/index.html>.

<sup>28</sup> VOA, "Philippines, US Launch Annual Joint Military Drills.", April 21, 2024. <https://www.voanews.com/a/philippines-us-launch-annual-joint-military-drills-/7579533.html>.

involving the armed forces of the Philippines and the United States, is only one illustration of the frequent occurrence of Chinese aggression in areas that the Philippines claims as its own.<sup>29</sup>

### **Conclusion**

In Conclusion, the Philippines faces a complex mix of challenges and opportunities. Domestically, the government continues the controversial “war on drugs”, and seeks to improve its regional partnership to grow. Economically, it has maintained rapid growth while facing inflation and the falling value of the peso. Furthermore, it has developed an infrastructure and reformed a business to improve efficiency and transparency to address its risk. Foreignly, the Philippines has faced many events and complications with Canada, New Zealand, Singapore, Japan, China, and the United States of America.

---

<sup>29</sup> Judson, Jen. 2024. “US, Philippines Expand Exercise to Territorial Edges amid Tension with China.” Defense News. June 4, 2024. <https://www.defensenews.com/training-sim/2024/06/04/us-philippines-expand-exercise-to-territorial-edges-amid-tension-with-china/>.

## Vietnam

**Chhun Phalanady, Pech Posocheata, and Pheng Thean**

### Introduction

Vietnam, a rapidly growing Southeast Asian economy, has experienced significant events and developments throughout the second quarter of 2024. This comprehensive paper reviews key aspects of domestic politics, socioeconomic affairs, and foreign relations in Vietnam, highlighting the government's endeavors to achieve recovery and advance its five-year plan.

The paper explores recent policy resolutions, including Prime Minister Pham Minh Chinh's directives to expedite law implementation and significant leadership changes within the National Assembly and the Communist Party. It also examines disciplinary actions against key officials for misconduct and the continued emphasis on commemorating historical figures.

In socioeconomic affairs, the paper discusses partnerships to promote renewable energy, the rise in newly established enterprises, and the launch of a center for scientific and technological services. It highlights Ho Chi Minh City's master plan focusing on digital transformation and green transition, the record-high number of stock trading accounts, increased foreign investment, and Alibaba's plans to establish a data center in Vietnam. The paper also notes the fluctuations in coffee prices, reflecting global market trends.

Furthermore, this paper delves into Vietnam's active foreign policy, emphasizing its "bamboo diplomacy" approach. It reviews diplomatic engagements with countries such as Hong Kong, Cambodia, Thailand, and Venezuela and Vietnam's efforts to address regional water resource concerns. The paper also examines Vietnam's partnership with the OECD, its adherence to the "One China" policy, and its trilateral cooperation with Laos and China on border management and crime prevention.

By analyzing these developments, this paper aims to provide an understanding of Vietnam's condition for the second quarter of 2024.

### Domestic Affairs

In the second quarter of 2024, we witnessed continued activity and development within Vietnam's domestic affairs.

On April 11<sup>th</sup>, Prime Minister Pham Minh Chinh demonstrated assertive leadership, instructing ministers to prioritize the swift drafting, submission, and issuance of regulations and guidelines necessary for implementing recently enacted laws and ordinances passed by the National Assembly. The Prime Minister expressed high regard for the input and responsibilities exhibited by cabinet members in this process. Additionally, he tasked Deputy Prime Minister Le Minh Khai with overseeing the Ministry of Finance in thoroughly integrating the viewpoints and perspectives offered by relevant stakeholders. This was done to ensure that all projects and plans were completed strictly to the applicable rules and regulations, thereby maintaining both the pace of progress and the quality of implementation.<sup>1</sup>

On April 17<sup>th</sup>, Pham Minh Chinh appointed his deputy foreign minister, Pham Thanh Binh, as the sixth deputy minister. Binh affirmed his commitment to leveraging his capabilities to fulfill the tasks entrusted by the Party and State and to contribute to the overall success of Vietnam's foreign affairs.<sup>2</sup>

The National Assembly was a center of activity during this period. On May 20<sup>th</sup>, deputies elected Tran Thanh Man, a Politburo member and Permanent Vice Chairman of the NA, as the Chairman of the 15<sup>th</sup> National Assembly. Also, on May 20<sup>th</sup>, Deputy Prime Minister Le Minh Khai informed the NA that the government is prioritizing promoting economic growth in coordination with maintaining macroeconomic stability, controlling inflation, and ensuring major economic balances.<sup>3</sup>

The election of a new president was a significant event on May 22<sup>nd</sup>, as the National Assembly elected Public Security Minister To Lam through a secret ballot, with 472 out of 473 deputies

---

<sup>1</sup> VNA, "PM Urges Issuance of Detailed Regulations for Implementing Laws, Ordinances," *Vietnam+*, April 11, 2024, <https://en.vietnamplus.vn/pm-urges-issuance-of-detailed-regulations-for-implementing-laws-ordinances-post284384.vnp>.

<sup>2</sup> VNA, "President Hands Over Appointment Decisions to New Deputy PM, Public Security Minister," *Nhan Dan Online*, June 6, 2024, <https://en.nhandan.vn/president-hands-over-appointment-decisions-to-new-deputy-pm-public-security-minister-post136205.html>.

<sup>3</sup> VNA, "Tran Thanh Man Elected as New National Assembly Chairman," *Nhan Dan Online*, May 20, 2024, <https://en.nhandan.vn/tran-thanh-man-elected-as-new-national-assembly-chairman-post135731.html>.

voting in favor. Following his election victory, Lam vowed to fulfill all tasks assigned to him as president.<sup>4</sup>

On April 16th, Vietnam celebrated the 120th birth anniversary of Tran Phu, the first General Secretary of the Communist Party of Vietnam. To mark this occasion, a symposium was held to highlight Tran Phu's life, revolutionary career, and contributions to the Party's history, which are considered essential to Vietnam's modern development.<sup>5</sup>

Additionally, on April 22nd, during its 32nd session, the National Assembly of Vietnam deliberated on the draft Law on Urban and Rural Planning. Minister of Construction Nguyen Thanh Nghi introduced the proposal, confirming that the primary aim of the draft law was to establish a solid legal basis and a comprehensive, unified management framework to guide, regulate, and oversee the implementation of urban and rural planning activities. This was intended to address existing shortcomings and meet the requirements of the country's new phase of development.<sup>6</sup>

On May 14th, Prime Minister Pham Minh Chinh issued disciplinary actions against the current Minister of Labour, Invalids and Social Affairs, Dao Ngoc Dung, and the former Minister, Pham Thi Hai Chuyen, in response to their misconduct. The Politburo and the Secretariat noted that Dung, who is a member of the Party Central Committee and the Secretary of the ministry's Party Civil Affairs Committee in addition to his ministerial position, had violated the principles of democratic centralism, the regulations of the Party, and the laws of the State, as well as specific prohibitions applicable to Party members. Furthermore, he had failed to fulfill his responsibility to set a positive example and adhere to established working rules. Dung's lax leadership, direction, and management allowed the ministry and some affiliated units and individuals to engage in numerous violations and shortcomings. These actions resulted in significant losses and wasteful use of the state budget, leading to serious and difficult-to-

---

<sup>4</sup>DW, "Vietnam Elects to Lam as New President", May 22, 2024, <https://www.dw.com/en/vietnam-elects-to-lam-as-new-president/a-69145381#:~:text=Vietnam's%20National%20Assembly%20elected%20Public,as%20reported%20by%20state%20media>.

<sup>5</sup> VNA, "Symposium Spotlights Life, Career of First Party General Secretary," *Vietnam+*, April 16, 2024, <https://en.vietnamplus.vn/symposium-spotlights-life-career-of-first-party-general-secretary-post284640.vnp>

<sup>6</sup> VNA, "NA Standing Committee Debates Draft Law on Urban and Rural Planning," *Vietnam+*, April 22, 2024, <https://en.vietnamplus.vn/na-standing-committee-debates-draft-law-on-urban-and-rural-planning-post284878.vnp>.

remedy consequences, public concern, and damage to the reputation of the Party organization and the Ministry of Labour, Invalids and Social Affairs.<sup>7</sup>

### **Socio-Economic Affairs**

On April 16<sup>th</sup>, 2024, the US Agency for International Development (USAID) and Standard Chartered Bank of Vietnam announced signing a Memorandum of Understanding (MoU) on green financing and promoting advanced renewable energy in Vietnam. This 5-year partnership aims to facilitate Vietnam's goal of achieving net-zero emissions by 2050. USAID committed to working with Standard Chartered Bank through this MoU to encourage private sector investment in advanced energy technologies, including promoting rooftop solar, improving the power trading system, and modernizing utility infrastructure.<sup>8</sup>

The number of newly established enterprises in Vietnam has continued to increase. Within the first five months of 2024, the number of enterprises surged to 98,825, registering 426,381 workers. Among these newly established enterprises, the transport and warehousing sectors contributed a rise of 20.8%, followed by an 11.2% increase in wholesale, retail, and motor vehicle repair and a 9.4% growth in energy, water, and gas production and distribution. In contrast, the accommodation and food service sectors fell by 15.1%, while the number of companies providing health care and social support dropped by 16.2%. Notably, in May alone, there were approximately 13,207 newly established businesses, and 6,749 resumed operations, but 11,391 businesses decided to leave the market.<sup>9</sup>

On May 25<sup>th</sup>, the Ministry of Science and Technology officially launched the Centre for Scientific-Technology Services and Infrastructure Development (CSID). This service-oriented center aims to bridge the gap between companies and scientists, enabling the successful commercialization of research findings, as stated by Nguyen Manh Cuong, the deputy chief of the Ministry of Science and Technology. CSID will serve as a venue for research projects utilizing innovative scientific and technological developments, offer scientific and technical

---

<sup>7</sup> VNA, "Incumbent, Former Ministers of MoLISA Disciplined," *Vietnam+*, May 14, 2024, <https://en.vietnamplus.vn/incumbent-former-ministers-of-molisa-disciplined-post285996.vnp>.

<sup>8</sup> USAID, "United States and Standard Chartered Vietnam Promote Clean Energy Investments in Vietnam", April 16, 2024, accessed June 13, 2024, <https://www.usaid.gov/vietnam/press-releases/apr-16-2024-united-states-and-standard-chartered-vietnam-promote-clean-energy-investments-vietnam>

<sup>9</sup> VNA, "Vietnam Sees Nearly 99,000 Businesses Established, Resumed in 5 Months," *VnExpress International*, May 28, 2024, accessed June 9, 2024, <https://e.vnexpress.net/news/business/economy/vietnam-sees-nearly-99-000-businesses-established-resumed-in-5-months-4751406.html>.

services, and encourage creative start-up initiatives throughout the southern area. Priority support and cooperation will be provided in energy, new materials, artificial intelligence, green agriculture, biotechnology, information technology, and logistics.<sup>10</sup>

In committing to development, the Ho Chi Minh City People's Council approved the adjustment of the master plan for the General Planning of the City to 2040 with a vision of 2060. The main objectives of the master plan are to achieve both digital transformation and green transition. Digital technology is expected to deeply integrate into citizens' lives and work settings, who will progressively adapt to it, and the internet will significantly contribute to economic areas. Regarding the green transition, Vietnam has seen positive developments in transport infrastructure and the cultural regions, as well as improvements to the Saigon River, inter-regional transportation linkages, and inner-city canal channels. Financial resources, high-quality human resources, and extensive cooperation will be required to achieve these goals.<sup>11</sup>

By the end of May 2024, the number of stock trading accounts in Vietnam increased to a historic high of 7.94 million. According to the statistical data reported by VnExpress, this surpassed the previous record of 7.82 million set in September 2023, as reported by the Vietnam Securities Depository. The surge of new accounts, averaging 4,265 per day in May, pushed the total number to this new peak. The day-to-day trading value since March has been around VND 20 trillion and has reached up to VND 40 trillion on some days.<sup>12</sup>

---

<sup>10</sup> Vietnam News, "Ministry launches CSID centre in HCM City", May 31, 2024, accessed June 9, 2024, <https://vietnamnews.vn/society/1656670/ministry-launches-csid-centre-in-hcm-city.html>.

<sup>11</sup> Vietnam News, "HCM City aims to achieve dual target in digital transformation, green transition", May 30, 2024, Accessed June 9, 2024, <https://vietnamnews.vn/society/1656479/hcm-city-aims-to-achieve-dual-target-in-digital-transformation-green-transition.html>.

<sup>12</sup> Tat Dat, "Stock Trading Accounts Rise to Historic High," *VnExpress International*, June 9, 2024, accessed June 9, 2024, <https://e.vnexpress.net/news/business/data-speaks/stock-trading-accounts-rise-to-historic-high-4755884.html>





This graph is sourced from <https://e.vnexpress.net/news/business/data-speaks/stock-trading-accounts-rise-to-historic-high-4755884.html>

According to the Foreign Investment Agency of the Ministry of Planning and Investment, foreign investment in Vietnam increased by 2% year-on-year from January to May 2024, accounting for USD 11.07 billion. Of this, 50.8%, or USD 7.94 billion, was contributed to new projects, while the remaining amount was directed toward existing initiatives and acquisitions. As of May 20<sup>th</sup>, Vietnam had 40,285 projects in operation with a total registered capital of USD 481.33 billion, of which USD 305.43 billion has been distributed.<sup>13</sup>

Furthermore, the Chinese tech group Alibaba plans to set up a data center in Vietnam to store data locally. The company sees the potential in the growing Vietnamese market and aims to be part of the country's economic expansion. Alibaba rents server space from the government-owned telecom companies Viettel and VNPT. Building the data center in Vietnam aims to meet the surging demand in the booming Asian economy. Though the project details have not been publicly announced, the cost of the building may exceed USD 1 billion, according to Dang Minh Tam, the lead solution architect at Alibaba Cloud.<sup>14</sup>

Lastly, in June 2024, the price of coffee in Vietnam's Central Highlands, the country's largest source of coffee, has remained at a peak, ranging from VND 122,000 to VND 123,500, or USD

<sup>13</sup> VNA, "FDI Inflow into Vietnam Tops \$11B in 5 Months," *VnExpress International*, May 28, 2024, accessed June 9, 2024, <https://e.vnexpress.net/news/business/economy/fdi-inflow-into-vietnam-tops-11b-in-5-months-4751399.html>.

<sup>14</sup> Lien Hoang, "Alibaba to Build Vietnam Data Center to Follow Local Storage Law," *Nikkei Asia*, May 1, 2024, accessed June 9, 2024, <https://asia.nikkei.com/Business/Technology/Alibaba-to-build-Vietnam-data-center-to-follow-local-storage-law>.

4.8 to USD 4.86 per kilogram. This rise in coffee prices is not limited to Vietnam but is also experienced in other major coffee-producing countries, such as Brazil, Colombia, Peru, and Honduras, due to higher market demand.<sup>15</sup>

### Foreign Affairs

Throughout 2024, Vietnam has maintained an active and diversified foreign policy agenda despite ongoing political turbulence. The first quarter of the year saw Vietnam proactively activate its longstanding "bamboo diplomacy" approach, and the subsequent quarter brought additional influential developments to its foreign policy.

On April 3<sup>rd</sup>, John Lee, the Chief Executive of the Hong Kong Special Administrative Region, hosted a farewell reception for Vietnamese Consul General Pham Binh Dam upon the completion of his tenure. Both leaders emphasized the productive cooperation between Vietnam and Hong Kong in recent years and expressed their commitment to further fostering the mutually beneficial relationship.<sup>16</sup>

That same day, the Chairman of Vietnam's National Assembly, Vuong Dinh Hue, congratulated Samdech Techo Hun Sen, the President of the Cambodian People's Party and Chairman of the Supreme Privy Council to the King, on his election as President of the Cambodian Senate. The top Vietnamese legislator expressed confidence that under the sound leadership of the Cambodian National Assembly, and with its members' unity and unwavering efforts, both the Cambodian Senate and National Assembly will actively contribute to shaping the legal frameworks and policies that enhance Cambodia's international standing and prestige.<sup>17</sup>

From April 10<sup>th</sup> to 12<sup>th</sup>, Vietnam's Minister of Foreign Affairs, Bui Thanh Son, met with Thai Princess Maha Chakri Sirindhorn as part of his official visit to Thailand, where he also co-chaired the 5th Meeting of the Vietnam-Thailand Joint Commission for Bilateral Cooperation (JCBC). Son congratulated Thailand on its achievements during the post-COVID-19 recovery

---

<sup>15</sup> VNA, "Vietnam's Coffee Prices on the Rise," *VnExpress International*, June 6, 2024, accessed June 9, 2024, <https://e.vnexpress.net/news/business/economy/vietnam-s-coffee-prices-on-the-rise-4754806.html>.

<sup>16</sup> VNA, "Vietnam, China's Hong Kong Promote Relations," *Vietnam+*, April 3, 2024, <https://en.vietnamplus.vn/vietnam-chinas-hong-kong-promote-relations-post283986.vnp>.

<sup>17</sup> VNA, "NA Chairman Extends Congratulations to Cambodia's Senate President," *Nhan Dan Online*, April 4, 2024, <https://en.nhandan.vn/na-chairman-extends-congratulations-to-cambodias-senate-president-post134542.html>.

period and expressed confidence in the country's continued progress towards becoming a prosperous nation with an active role in both the regional and global arenas.<sup>18</sup>

Controversially, on April 11<sup>th</sup>, the deputy spokesman of the Vietnamese Foreign Ministry, Doan Khac Viet, stated that Vietnam was placing great interest in the Funan Techo canal project and called on Cambodia to cooperate closely with Vietnam and the Mekong River Commission to share information and assess the project's impact on water resources and the ecological environment of the Mekong Delta, ensuring harmonious interests among the riparian countries and the people of the region.<sup>19</sup>

Moreover, at the invitation of Venezuelan Vice-President Delcy Rodríguez, Vietnam's Deputy Prime Minister Tran Luu Quang paid an official friendly visit to Venezuela from April 17 to April 19<sup>th</sup>, 2023. The trip, conducted in the context of the 35th anniversary of friendly relations and the 17th year of the comprehensive partnership between the two countries, is expected to be marked by signing new cooperation agreements in oil and gas, telecommunications, agriculture, and construction. The nations have also supported each other at the UN Human Rights Council for the 2023- 2025 term.<sup>20</sup>

On May 2<sup>nd</sup>, Vietnam's Minister of Foreign Affairs, Bui Thanh Son, traveled to Paris, which was expected to strengthen further Vietnam's partnership with the Organization for Economic Cooperation and Development (OECD) and France, as the country sees exponential benefits in promoting sustainable and inclusive development. Vietnam and the OECD continue to implement numerous specific projects under the Action Program to implement their Memorandum of Understanding, including a report on the quality of foreign direct investment and the Vietnam Economic Report.<sup>21</sup>

Ambassador Thang underscored the grounds for optimism regarding Vietnam-France relations, which have experienced significant accumulation in both quantity and quality, with a

---

<sup>18</sup> Nationthailand, "Vietnamese Foreign Minister Pays Official Visit to Thailand," *Nationthailand*, April 12, 2024, <https://www.nationthailand.com/world/asean/40037189>.

<sup>19</sup> VNA, "Vietnam Urges Cambodia to Share Information on Canal Project," *Vietnam+*, April 11, 2024, <https://en.vietnamplus.vn/vietnam-urges-cambodia-to-share-information-on-canal-project-post284414.vnp>

<sup>20</sup> VNA, "Vietnam, Venezuela Bolster Comprehensive Partnership," *Vietnam+*, April 16, 2024, <https://en.vietnamplus.vn/vietnam-venezuela-bolster-comprehensive-partnership-post284596.vnp>.

<sup>21</sup> Vietnam News, "FM's Trip to Promote Việt Nam's Relations With OECD, France: Diplomat", April 30, 2024, <https://vietnamnews.vn/politics-laws/1654820/fm-s-trip-to-promote-viet-nam-s-relations-with-oecd-france-diplomat.html>.

widespread and even partnership system at all levels, from central to local, from ministries to businesses, and from associations to cultural and educational institutions. The high-ranking leaders of the two countries agreed to continue strengthening political trust and people-to-people exchanges, as well as promoting and advancing cooperation in fields such as diplomacy, defense-security, economics, trade, investment, aviation, energy transition, science and technology, culture, local cooperation, and within the Francophone community.

Furthermore, on May 15<sup>th</sup>, a trilateral meeting between Vietnam, Laos, and China was held at the shared border mark of the three countries. The event was attended by representatives from the A Pa Chai and Sen Thuong border stations in Dien Bien province, the police department of Nhot Ou district and Phongsaly province in Laos, and the border management authorities of Jiangcheng district and Pu'er city in China. The three sides evaluated the outcomes of their coordination in border management, protection, and the prevention of cross-border crimes and illegal immigration. They identified key areas for continued collaboration and agreed to uphold the implementation of the legal border and land documents signed by their respective governments, aiming to strengthen trilateral cooperation in the future.<sup>22</sup>

On May 20<sup>th</sup>, Vietnam persisted with its "One China" policy, recognizing Taiwan as an inseparable part of China's territory, as stated by the spokeswoman of the Vietnamese Ministry of Foreign Affairs, Pham Thu Hang. Responding to a reporter's query, Hang affirmed that Vietnam has consistently pursued and developed people-to-people and non-governmental relations with Taiwan in various fields such as economy, trade, investment, science and technology, culture, and education but has not established any state-level relationship with Taiwan.<sup>23</sup>

### **Conclusion**

In conclusion, Vietnam's second quarter of 2024 has been marked by significant developments across domestic politics, socioeconomic affairs, and foreign relations. The government's proactive measures in implementing new laws and addressing misconduct, alongside leadership changes, reflect a commitment to improving governance and ensuring

---

<sup>22</sup> The World and Vietnam Report, "Vietnam, Laos, China Held Trilateral Meeting to Enhance Border Management Cooperation," May 15, 2024., <https://en.baoquocte.vn/vietnam-laos-china-held-trilateral-meeting-to-enhance-border-management-cooperation-271559.html>.

<sup>23</sup> VNA and VLLF, "Vietnam Reaffirms Commitment to 'One China' Policy," May 20, 2024, <https://vietnamlawmagazine.vn/vietnam-reaffirms-commitment-to-one-china-policy-71820.html>.

accountability. Socioeconomic progress is evident through strategic partnerships, increased enterprise formation, and advancements in scientific and technological services, all contributing to the country's development goals. On the international front, Vietnam's diplomatic efforts and regional collaborations underscore its dedication to fostering strong foreign relations and maintaining regional stability. This comprehensive overview highlights Vietnam's multifaceted approach to growth, offering a balanced perspective on the country's ongoing endeavors and prospects.