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ASEAN

Keo Sokkosol, Khim Sotheara, and Ly Rachana

Introduction

This report provides an update on ASEAN's three community pillars: Political-Security Community, Economic Community, and Social-Cultural Community. In the Political-Security Community, the ASEAN Chair organized the ASEAN Foreign Ministers' Retreat in January 2024 to address the implementation of the ASEAN Community Vision 2025 and other regional issues such as Myanmar political development, the South China Sea situation, and the Ukraine-Russia conflict. In the Economic Community, ASEAN hosted a three-day summit with Australia to celebrate the 50th anniversary and enhance the cooperation between the two parties, resulting in the Melbourne Declaration: Partnership for the Future. Moreover, the 30th ASEAN Economic Ministers' Retreat took place in Luang Prabang, which focused on the regional and global economic outlook and the ASEAN Economic Community (AEC) Strategic Plan(s) development as part of the ASEAN Community Vision 2045. In the Social-Cultural Community, ASEAN conducted meetings on sustainable and inclusive tourism, the importance of the digital economy, and the introduction to the ASCC Database for Monitoring and Evaluation (ADME) System.

ASEAN Political-Security Community

The ASEAN Foreign Ministers' Retreat in January 2024, chaired by Laos, aimed at bolstering connectivity and resilience. Discussions prioritized implementing the ASEAN Community Vision 2025, emphasizing key principles and regional stability through international law. Focus areas included unity, environmental cooperation, cyber security, and climate change. The situation of Myanmar and the South China Sea was addressed, with ASEAN reiterating its unwavering commitment to peaceful dialogue and adherence to international law. ASEAN also reiterated its commitment to peace in East Asia, Ukraine, and the Middle East, supporting humanitarian efforts and peaceful resolutions.¹

¹ ASEAN. 29 January 2024. "Press Statement By the Chair of the ASEAN Foreign Ministers' Retreat" Available at: <https://asean.org/wp-content/uploads/2024/01/Press-Statement-by-the-Chair-of-the-AMM-Retreat-29-Jan-2024.-Final.pdf>

Building upon this momentum, Australia and ASEAN convened in Melbourne for a three-day summit, marking the 50th anniversary of their ties. The discussions emphasized political and security aspects, particularly concerning the South China Sea and the Gaza conflict. In a joint statement, they advocated for a "rules-based" order in the Indo-Pacific region, emphasizing peace, stability, and prosperity in the South China Sea. However, differences persisted regarding China's expanding presence in the region, with tensions notably high between China and the Philippines over territorial disputes. Additionally, concerns were raised over the humanitarian crisis in Gaza, with calls for an immediate and durable ceasefire.² Furthermore, the summit adopted the "Melbourne Declaration" and the "ASEAN-Australia Leaders' Vision Statement," highlighting commitments to deepen cooperation, address regional challenges, and promote mutual prosperity and stability. The documents underscored the importance of ASEAN centrality and a rules-based regional architecture in the Indo-Pacific, emphasizing respecting sovereignty, territorial integrity, and settling disputes peacefully.³

In response to global crises, the ASEAN region has been called upon to take a unified stance in holding Russia accountable for its invasion of Ukraine, aligning with the principles of the UN Charter to safeguard sovereignty and territorial integrity. Ukrainian diplomats have urged ASEAN nations to support the Special Tribunal for accountability, emphasizing the importance of collective action in upholding international law. Despite concerns from leaders like former Cambodian Prime Minister Hun Sen, the conflict's global implications are acknowledged. Ukraine and its allies have established accountability mechanisms, including an International Register of Damage and a Joint Investigation Team. ICC warrants for Russian officials signal recognition of war crimes. Efforts are underway to establish a Special Tribunal for aggression against Ukraine, urging ASEAN participation for global security and justice.⁴

Southeast Asian nations, including Laos, convened to address Myanmar and the South China Sea conflicts. Laotian Foreign Minister Saleumxay Kommasith cautiously expressed hope for progress. Thailand's pledge to aid Myanmar was lauded, alongside Myanmar's military

² Reuters. 06 March 2024. "Australia and ASEAN call for restraint in South China Sea, ceasefire in Gaza" Available at: <https://www.reuters.com/world/asia-pacific/asean-summit-focus-maritime-security-trade-amid-south-china-sea-tensions-2024-03-06/>

³ Khmer Times. 07 March 2024. "Shared vision: Australian and ASEAN Leaders adopt joint declarations on deepening collaborations" Available at: <https://www.khmertimeskh.com/501451853/shared-vision-australian-and-asean-leaders-adopt-joint-declarations-on-deepening-collaborations/>

⁴ Khmer Times. 19 March 2024. "Ukraine seeks ASEAN support over Russian aggression" Available at: <https://www.khmertimeskh.com/501457972/ukraine-seeks-asean-support-over-russian-aggression/>

participation in ASEAN meetings since the coup.⁵ ASEAN stressed the need for a "Myanmar-owned and led solution" to the crisis. Progress has been slow, with the junta's reluctance to engage in dialogue. Despite challenges, ASEAN's mediation remains vital.⁶ A Myanmar military official also attended an ASEAN defense ministers meeting, hinting at cooperation. This follows Thailand's push for a humanitarian corridor in Myanmar, marking a shift towards engagement.⁷ As violence escalates in Myanmar, ASEAN faces pressure to restore stability. Thailand's revised approach aligns with ASEAN's consensus-driven strategies, indicative of broader regional trends. Despite challenges, Myanmar's participation in ASEAN meetings and enhanced diplomatic efforts show progress.⁸

The EU-ASEAN joint statement on the South China Sea emphasized peace, stability, and freedom of navigation, avoiding confrontational language towards China. This reflects the EU's attempt to align its policy with ASEAN's preferences while preserving ASEAN's autonomy amidst Sino-US competition. The statement reaffirmed the "dual-track approach," emphasizing negotiation to resolve disputes. Reference to the 2002 Declaration on the Conduct of Parties in the South China Sea highlighted the importance of past agreements, although negotiations for a Code of Conduct remain challenging.⁹ Meanwhile, Philippine President Ferdinand R. Marcos Jr.'s outreach to Vietnam for maritime cooperation signals dissatisfaction with ASEAN's handling of the dispute. The Philippines aims to build deterrence against China's assertiveness, forging partnerships with the US and allies. However, divergent approaches hinder coordination among regional claimant states. Vietnam adopts a cautious approach, managing disputes with China privately, while the Philippines pursues a proactive stance. Domestic politics also influence responses, with Vietnam prioritizing ties with China for political stability, while the Philippines' approach fluctuates based on ruling party dynamics.¹⁰

⁵ AP News. 29 January 2024. "Southeast Asian nations cautiously optimistic of progress on Myanmar and South China Sea conflicts" Available at: <https://apnews.com/article/asean-laos-myanmar-south-china-sea-cc5a1c7dbef3ebf6ba5b7e08832d013f>

⁶ Al Jazeera. 30 January 2024. "ASEAN urges 'Myanmar-owned and led solution' to crisis triggered by coup" Available at: <https://www.aljazeera.com/news/2024/1/30/asean-urges-myanmar-owned-and-led-solution-to-crisis-triggered-by-coup>

⁷ Kyodo News. 5 March 2024. "Myanmar junta senior official attends ASEAN defense ministers meeting" Available at: <https://english.kyodonews.net/news/2024/03/c4230b109d79-myanmar-junta-senior-official-attends-asean-defense-ministers-meeting.html>

⁸ East Asia Forum. 12 March 2024. "ASEAN's solution to Myanmar is at a tipping point" Available at: <https://eastasiaforum.org/2024/03/12/aseans-solution-to-myanmar-is-at-a-tipping-point/>

⁹ Khmer Times. 12 February 2024. "The implications of the EU-ASEAN statement on South China Sea issues" Available at: <https://www.khmertimeskh.com/501438202/the-implications-of-the-eu-asean-statement-on-south-china-sea-issues/>

¹⁰ East Asia Forum. 22 March 2024. "Southeast Asia stymied in South China Sea dispute" Available at: <https://eastasiaforum.org/2024/03/22/southeast-asia-stymied-in-south-china-sea-dispute/>

ASEAN Economic Community

From March 4-6, 2024, Australia hosted the ASEAN-Australia special summit to celebrate its 50th year of partnership with ASEAN. The summit touched upon various topics on enhancing ASEAN and Australia's cooperation. Regarding economics, both parties commit to expanding, deepening, and diversifying trade and investment links. This summit emphasized the implementation of Australia's Southeast Asia Economic Strategy to 2040, which focuses on increasing two-way trade and investment, providing opportunities for shared economic growth.¹¹ This has resulted in the Australian government investing 2 billion dollars in the Southeast Asia Investment Financing Facility to encourage Australian private sector investment into ASEAN.¹² Following that, the special summit also brought together Southeast Asian and Australian business representatives to enhance the business linkages between ASEAN and Australia, and efforts will be made to achieve sustainable economic growth by strengthening business linkages and networks such as the Special Summit CEO Forum and SME Conference emphasizing on ways to foster greater sustainable, inclusive and equitable economic growth and deepen trade, investment, and relationships for this partnership.¹

This special summit established a declaration named Melbourne Declaration: Partnership for the Future. According to the statement, signing the 2nd Protocol to Amend the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA) is welcomed. These agreements aim to boost investment, increase investors' confidence, and contribute to stronger and more resilient regional supply chains. This protocol will enhance the AANZFTA by introducing new provisions on trade in goods, rules of origin, trade in services, government procurement, investment, e-commerce, and Micro, Small, and Medium Enterprises (MSMEs) which this implementation will open more opportunities for businesses in the region¹. Moreover, Australia has acknowledged ASEAN's priorities and needs in areas such as the digital economy, energy security, food security, sustainable water resources management, and infrastructure investment. Thus, support will be provided to enhance existing programs, including the Regional Trade for Development Program, Partnerships for Infrastructure, and Mekong Australia Partnership, which will be leveraged to drive sustainable and inclusive economic growth in the region and

¹¹ Albanese, A. 6 March 2024. “*The Melbourne Declaration – a partnership for the future.*” Prime Minister of Australia Available at: <https://www.pm.gov.au/media/melbourne-declaration-partnership-future>

¹² Australia Government. 2024. “*Outcomes Summary.* ASEAN-Australia Special Summit” Available at: <https://aseanaustralia.pmc.gov.au/resources/outcomes-summary>

continue to progress in Australian projects presented at the ASEAN-Indo-Pacific Forum (AIPF).¹

On 9 March 2024, the 30th ASEAN Economic Ministers' Retreat, chaired by H.E. Malaithong Kommasith, Minister of Industry and Commerce, occurred in Luang Prabang, Lao PDR. The retreat aimed to align economic priorities, foster collaboration, and strengthen ASEAN's position in the global economic landscape. The meeting supported ASEAN's economic priorities under Lao PDR's Chairmanship theme of “ASEAN: Enhancing Connectivity and Resilience.”¹³

The AEM retreat focused on the regional and global economic outlook, the ASEAN Economic Community (AEC) Strategic Plan(s) development as part of the ASEAN Community Vision 2045, ongoing major economic initiatives, and external economic relations. Furthermore, the Secretary-General of ASEAN, Dr. Kao Kim Hourn, led the ASEAN Secretariat delegation and held bilateral meetings with ministers from ASEAN member states and the ASEAN Business Advisory Council (ASEAN-BAC) Chair for 2024.¹⁴

ASEAN Social-Cultural Community

On January 25, 2024, ASEAN Chairman Laos hosted the 27th ASEAN Tourism Minister Meeting in Vientiane Capital, highlighting the key results and strong commitment to organizing the ASEAN Tourism Strategy Plan 2016-2025. The summit contributed not only to the Strategy Plan but also to the ASEAN Economic Master Plan 2025 and the ASEAN Community Vision 2025. Malaysia, the next ASEAN Chairman in line, has already begun making preparations and has shown commitment to achieving sustainable, resilient, and inclusive tourism in the region.¹⁵

From January 30 to February 2, 2024, the 4th ASEAN Digital Ministers' Meeting (ADGMIN) and Related Meetings with Dialogue Partners were hosted in Singapore. The theme of the 4th

¹³ The ASEAN Secretariat. 7 March 2024. “*The 30th ASEAN Economic Ministers' Retreat convenes in Luang Prabang, Lao PDR*”. Available at: <https://asean.org/the-30th-asean-economic-ministers-retreat-convenes-in-luang-prabang-lao-pdr/>

¹⁴ The ASEAN Secretariat. 9 March 2024. “*Secretary-General of ASEAN attends 30th ASEAN Economic Ministers' Retreat in Luang Prabang, Lao PDR*”. Available at: <https://asean.org/secretary-general-of-asean-attends-30th-asean-economic-ministers-retreat-in-luang-prabang-lao-pdr/>

¹⁵ The Laos News Agency. 25 January 2024. “*27th Meeting of ASEAN Tourism Minister held*”. Available at: <https://kpl.gov.la/EN/detail.aspx?id=79975>

ADGMIN was “Building an Inclusive and Trusted Digital Ecosystem,” under the ASEAN Digital Economy Framework Agreement (DEFA) launched in 2023. During the four-day event, ASEAN and China signed a Memorandum of Understanding (MoU) on Cooperation in Communications, Digital, and Technology for 2024-2029. The meeting marked the importance of the digital economy by addressing issues on digital inclusivity and trust to work towards the ASEAN Digital Masterplan for 2026-2030.¹⁶

On February 28, 2024, the Regional Workshop on the Implementation of the ASCC Database for Monitoring and Evaluation System (ADME) was hosted to emphasize the ASCC’s strong commitment towards the ASCC Blueprint 2025 by facilitating the planning and decision-making process of the Community. The system received massive positive feedback during the workshop and is planned to launch during the 31st ASCC Council Meeting in Luang Prabang, Lao PDR, on March 24, 2024.¹⁷

Conclusion

The first quarterly update on ASEAN reported on the three community pillars of ASEAN: The Politico-Security Community, the Economic Community, and the Social-Cultural Community. ASEAN has many responsibilities to tackle with small margins for error, especially with how sensitive the Ukraine-Russia, South China Sea, and Myanmar political situations are. As for the Economic Community, ASEAN further boosted its relationship with Australia by introducing the Melbourne Declaration at the 50th Anniversary Summit. From a social-cultural aspect, ASEAN emphasized the importance of sustainable and inclusive tourism and the digital economy. It should also be noted that with the introduction of the ASCC Database Monitoring and Evaluation System (ADME), progress towards the ASCC plans is expected to improve.

¹⁶ The ASEAN Secretariat. 2 February 2024. “*ASEAN Digital Ministers calls for Building Inclusive and Trusted Digital Ecosystem*”. Available at: <https://asean.org/asean-digital-ministers-calls-for-building-inclusive-and-trusted-digital-ecosystem/>

¹⁷ The ASEAN Secretariat. 28 February 2024. “*ASEAN Socio-Cultural Community strengthens planning, decision making through new monitoring and evaluation system*”. Available at: <https://asean.org/asean-socio-cultural-community-strengthens-planning-decision-making-through-new-monitoring-and-evaluation-system/>

Cambodia

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

Introduction

Cambodia's first three months of 2024 were marked by trends seen in recent years. The ruling Cambodian People's Party seemed to maintain its stronghold on power. Opposition parties became fragmented, while land disputes remain a concern for human rights activists. Exports, tourism, and transportation sectors sustained a recovery and received further impetus. The kingdom is also expected to graduate from the less-developed-country status shortly. Regarding foreign relations, Cambodia solidified partnerships with Thailand, Indonesia, Vietnam, Laos, Australia, Canada, and France and sought to boost tourism, trade, and energy cooperation.

Domestic Politics

During the first month of the year, the Former Candlelight Party members took on the President and Vice-president roles for the Khmer Will Party. Son Chhay, Hong Sok Hour, and Seng Mardy will be the vice presidents, and Sok Hach will be the president. The Khmer Will Party is supposedly a new opposition party to unite democrats, replacing the Candlelight Party after the Candlelight's contestant-ship in elections was voided by the National Election Committee, citing a lack of original party registration documents.¹

On February 27, the National Election Committee confirmed that the Cambodian People's Party (CPP) has won a landslide victory in the Senate's election. The CPP secured 55 out of 58 seats. The three seats left went to the coalition of the opposition parties, the Khmer Will Party. There are 62 senate seats in total. Among these, two are to be appointed by the King; two are to be elected by the National Assembly; 58 are to be elected by commune councilors and National Assembly members.² CPP's victory paves the way for the former Prime Minister, Hun Sen, to become the Senate President.

¹ Soth, Koemsoeun. "Ex-CP Acting President Sok Hach Takes over KWP Presidency." Khmer Times. Last modified January 22, 2024. <https://www.khmertimeskh.com/501426631/ex-cp-acting-president-sok-hach-takes-over-kwp-presidency/>.

² "Cambodia's Ruling Party Wins Senate Election, Paving the Way for Hun Sen to Act As Its President." AP News. Last modified February 27, 2024. <https://apnews.com/article/senate-president-election-hun-sen-manet-c8613f0cc226f938f3e09b28e65a565e>.

On February 29, an activist of the opposition Candlelight Party (CP) was sentenced to 18 months in prison with a fine of 5 million Khmer Riels (approximately US\$ 1,250) for allegedly interfering with voters during the National Election back in July 2023. The Phnom Penh Municipal Court charged the activist for “incitement to commit a felony or cause social unrest under Article 494 and 495 of Cambodia’s Penal code, inciting, harassing and preventing people from going to the polls or destroying ballots”.³

Meanwhile, in the northern province of Preah Vihear, a land dispute erupted. On March 12, 36 people were arrested, among whom 25 were charged with illegally “clearing and occupying forest land”. The arrest stem from a mass crackdown on March 6 by the armed force and forestry administration officials. The authorities claimed that the land belonged to a company which had received land concession. Other villagers ran away and hid in the forest to avoid detention. After the clash, motorbikes and agricultural tractors were confiscated, while shelters on the land were destroyed.⁴

Socioeconomic Affairs

On January 08, Prime Minister Hun Manet launched an initiative to solve the problem of unfinished construction projects in Preah Sihanouk province. The initiative seeks to draw in investment to finish the incomplete investment projects after a four-year standstill. From 2016 to 2019, Sihanoukville had a noticeable increase in foreign investment. However, the COVID-19 pandemic and Cambodia’s ban on online gambling caused enterprises and real estate investors, mostly Chinese, to close their shops and leave the city.⁵

From February 07 onward, Cambodian goods exported to Vietnam can enjoy duty-free treatment if they meet three conditions: being on Vietnam's preferential list, having a certificate of origin from Cambodian authorities, and being transported through designated border crossings. Major exports from Cambodia to Vietnam include fishery products, vegetables, fruits, cashew nuts, rubber, and electronic devices. However, the impact of this treatment is

³ Buth, Reaksmeay Kongkea. "CP Activist Jailed over Voter Interference." *Khmer Times*. Last modified February 29, 2024. <https://www.khmertimeskh.com/501447895/cp-activist-jailed-over-voter-interference/>.

⁴ Eung, Sea. "Provincial Authorities Use Weapons in Preah Vihear Land Dispute, Nearly 30 Residents Detained." *CamboJA News*. Last modified March 12, 2024. <https://cambojanews.com/provincial-authorities-use-weapons-in-preah-vihear-land-dispute-nearly-30-residents-detained/>.

⁵ Ou, Sokmean. "End in Sight for Sihanoukville Unfinished Buildings." *Cambodianess*. Last modified January 11, 2024. <https://cambodianess.com/article/end-in-sight-for-sihanoukville-unfinished-buildings>.

uncertain. The trade volume between the two countries in 2023 exceeded \$8 billion, with Cambodia earning over \$3 billion and Vietnam earning over \$4 billion.⁶

During a meeting between the President of the Malaysian Chamber of Commerce and Prime Minister Hun Manet in late February, three projects were discussed: establishing a Special Economic Zone for the high-tech sector, developing technology skills, and promoting an industrial ecosystem for halal food. Amounting to over \$600 million annually, the trade volume between Cambodia and Malaysia is relatively small. Economic coordination is still limited, with Malaysia focusing on palm oil and electronics exports while Cambodia relies on agriculture and the garment industry. Cambodia and Malaysia also emphasized expanding political, defense, and security cooperation.⁷

The Cambodian government approved Laos-China Railway Co., Ltd., a joint venture based in Laos, for possible collaboration with Cambodia's Royal Railway on developing the country's railway network and a high-speed train connection between Laos and Cambodia. The representatives of the Laos-China Railway proposed this collaboration during a meeting with Prime Minister Hun Manet during his two-day official visit to Vientiane, Laos.⁸

In the first two months of 2024, Cambodia's exports to the UK increased by 25% to \$136 million from the same period the previous year, thanks to the UK's new Developing Countries Trading Scheme (DCTS), which permits tariff-free exports of 99 percent of goods, including leather goods, textiles, and travel-related items. Even after leaving the Least Developed Country (LDC) category, Cambodia has been informed that it is still eligible for tariff concessions on exports to the UK under the DCTS. Upon its graduation from LDC status, Cambodia can either still be entitled to a preferential scheme under the DCTS Standard Preferences for low-income and lower-middle-income countries, with partial or full elimination of customs duties on over 80 percent of tariff lines or the DCTS Enhanced

⁶ Minh, Trang Do. "Vietnam to Offer Reduced Tariffs on Select Cambodian Goods." Vietnam Briefing. Last modified February 6, 2024. <https://cambodianess.com/article/end-in-sight-for-sihanoukville-unfinished-buildings>.

⁷ Meng, Seavmey. "Cambodia Knocks on Malaysia's Door." Cambodianess. Last modified February 28, 2024. <https://cambodianess.com/article/cambodia-knocks-on-malaysias-door>.

⁸ Chea, Vanyuth. "Kingdom Mulling High-speed Railway Link with Lao." Khmer Times. Last modified March 28, 2024. <https://www.khmertimeskh.com/501463624/kingdom-mulling-high-speed-railway-link-with-lao/>.

Preferences for economically vulnerable low-income and lower-middle-income countries with zero tariffs for more than 85 percent of tariff lines.⁹

According to the UN's preliminary assessment, Cambodia is on track to graduate from the Least Developed Country (LDC) status in 2027. The country achieved a Gross National Income per capita of \$1,546 (above the threshold of \$1,306), a good score of 77.7 on the Human Assets Index (above the threshold of 66), and an Economic and Environmental Index score of 23.3 (the threshold for this is 32 or below). Cambodia was first eligible for graduation in the previous triennial evaluation in 2021. The Committee for Development Policy (CDP), a United Nations ECOSOC subsidiary body, performed the assessment. A country must formally begin the multi-year graduation process from the LDC category when it satisfies the requirements at one of the CDP's triennial evaluations. While graduation is considered a development milestone for the country, it also means the loss of trade preferences enjoyed by LDCs, including duty-free status under the Generalized System of Preferences.¹⁰

The "Cambodia Malaysia China High-Tech Park" will be constructed in Kandal province for an estimated \$300 million. It will cover an area of up to 100 hectares, possibly expanding to 2,000 hectares. The park is strategically located in Kandal province, closely neighboring the capital city and key business amenities. Additionally, the developer intends to set up a vocational education center inside the park to provide Cambodian laborers with contemporary skills. The developer hopes this project will become a vibrant industrial powerhouse in five years.¹¹

About 5,000 garment workers received pay in late March after the factory owner ran out of money and fled the country. The workers at Y&W Garment Factory, located in Phnom Penh's Dangkor district, had protested and blocked the traffic to pressure Cambodia's Ministry of

⁹ Mathew, Manoj. "DCTS Boosts Cambodia's Exports to UK by 25%." Khmer Times. Last modified March 27, 2024. <https://www.khmertimeskh.com/501462930/dcts-boosts-cambodias-exports-to-uk-by-25/>.

¹⁰ Mathew, Manoj. "Cambodia Gets Positive LDC Graduation Tick in UN Evaluation." Khmer Times. Last modified March 26, 2024. <https://www.khmertimeskh.com/501462330/cambodia-gets-positive-ldc-graduation-tick-in-un-evaluation/>.

¹¹ Whitehead, James. "High-tech Park Worth \$300M to Come Up in Kandal Province." Khmer Times. Last modified March 21, 2024. <https://www.khmertimeskh.com/501459558/high-tech-park-worth-300m-to-come-up-in-kandal-province/>.

Labor and Vocational Training to fasten the settlement for them. The settlement was reached on March 21 after the Municipal Court ordered the confiscation of the factory's assets.¹²

Foreign Affairs

On January 03, Indonesia and Cambodia celebrated 65 years of diplomatic ties. Highlighting the robust economic relationship between the two nations, Indonesia, Cambodia's 6th largest trading partner, reaffirmed its commitment to fostering mutually beneficial cooperation. During a meeting between the Indonesian Ambassador and the Cambodian Foreign Affairs Minister, the two counterparts expressed their dedication to achieving win-win outcomes in areas such as people-to-people ties, youth initiatives, culture, entrepreneurship, tourism, and scholarships.¹³

On January 18, Cambodia's Prime Minister Hun Manet, embarked on a significant diplomatic journey to Europe. This historic visit to France underscores the enduring relationship between the two nations, spanning nearly two centuries. Under President Emmanuel Macron, France has extended a warm embrace to Cambodia, aiming to enhance economic, cultural, and diplomatic ties between the two nations and within ASEAN. Highlighting the significance of this visit, France and Cambodia sealed a \$235 million aid agreement aimed at clean water and energy infrastructure, as well as vocational training. Additionally, President Macron commended Cambodia's stance on condemning Russia's invasion of Ukraine. Recognizing France as a crucial European ally, Cambodia seeks to strike a delicate balance among major global players.¹⁴

At the recent 27th Meeting of ASEAN Tourism Ministers from 23rd to 27th January in Vientiane, Laos, leaders discussed plans to use ecotourism to boost recovery. They noted a significant increase in international tourists, with 93.7 million visiting ASEAN countries in 2023—a growth rate of 153%. One outcome of the meeting was the approval of the ASEAN Ecotourism Standard, to be adopted at the upcoming 44th ASEAN Summit. An Action Roadmap for

¹² Som, Sotheary. "Ministry Pays Workers After Renewed Protests." *Khmer Times*. Last modified March 21, 2024. <https://www.khmertimeskh.com/501459688/ministry-pays-workers-after-renewed-protests/>.

¹³ "Indonesia-Cambodia to Further Elevate Cooperation in Celebration of 65 Years of Diplomatic Relations." *Embassy of The Republic of Indonesia in Phnom Penh, Kingdom of Cambodia*. Last modified January 3, 2024. <https://www.kemlu.go.id/phnompenh/en/news/27613/indonesia-cambodia-to-further-elevate-cooperation-in-celebration-of-65-years-of-diplomatic-relations>.

¹⁴ Sun, Narin, and Colin Meyn. "Cambodia, France Boost Relations in Hun Manet's First Western Visit." *VOA - Voice of America English News*. Last modified January 23, 2024. <https://www.voanews.com/amp/cambodia-france-boost-relations-in-hun-manet-s-first-western-visit-/7451130.html>.

Sustainable Tourism Development in ASEAN was also endorsed to promote eco-friendly practices. Cambodia is particularly active in promoting ecotourism. The World Bank's report on "Enabling Ecotourism Development in Cambodia" highlights the sector's potential, with significant increases in visitors to eco-sites. Cambodia's Ministry of Environment launched a mobile app to promote ecotourism and improve access to natural wonders.¹⁵

Cambodia's Foreign Affairs Minister doubled down on Cambodia's commitment to the ASEAN-EU partnership. Speaking at the 24th ASEAN-EU Ministerial Meeting and the 3rd EU Indo-Pacific Ministerial Forum in Brussels, Belgium, on 1st and 2nd February, he stressed the importance of mutual respect, understanding, and shared interests in driving this partnership forward. He emphasized the need for both regions to stay vigilant, adaptable, and resilient and encouraged exploring new ways to collaborate sustainably, like potentially hammering out ASEAN-EU Free Trade agreements. The minister also met with representatives from various EU member states and development partners to strengthen ties. These meetings show Cambodia's broader diplomatic efforts to build relationships beyond the ASEAN-EU framework.¹⁶

On February 07, Cambodia's Prime Minister Hun Manet embarked on an official visit to Thailand. The visit aimed at bolstering economic cooperation and addressing border issues between the two nations. Notably, discussions centered on joint exploration for hydrocarbon resources in the disputed, energy-rich area in the Gulf of Thailand. Thai Prime Minister and Cambodian counterpart jointly announced these initiatives in Bangkok, reflecting a shared commitment to energy security and economic development. Prime Minister Hun Manet also unveiled plans to establish complementary special economic zones along border areas to foster connectivity and promote supply chain linkages in the automotive, electronics, and medical device industries. Both countries announced the opening of new diplomatic posts to facilitate travel and business. Thailand will establish a consulate-general in Siem Reap, while Cambodia will reciprocate with a consulate-general in Thailand's southern province of Songkhla. Moreover, five memorandums of understanding were signed, along with the commitment to elevate bilateral trade to \$15 billion by 2025. Both sides intend to expedite demining efforts

¹⁵ May, Kunmakara. "ASEAN and Cambodia Boost Ecotourism Initiatives." *Phnom Penh Post*. Last modified February 6, 2024. <https://m.phnompenhpost.com/post-in-depth/asean-and-cambodia-boost-ecotourism-initiatives>.

¹⁶ Samban, Chandara. "Cambodia Still Committed to Strong ASEAN-EU Relations." *Asia News Network*. Last modified February 5, 2024. <https://asianews.network/Cambodia-still-committed-to-strong-asean-eu-relationships/>.

along border areas, upgrade checkpoints, and streamline border crossings for tourists to achieve this target. Furthermore, collaborative efforts in security cooperation, combating transnational crimes, and haze pollution underscore the multifaceted nature of the bilateral relationship.¹⁷

In 2024, the longstanding bilateral development cooperation between Sweden and Cambodia, aimed at enhancing democracy in Cambodia, is set to be concluded. This decision was announced after Sweden decided to withdraw financial aid and bilateral cooperation. Sweden said that Swedish aid is being used ineffectively to strengthen human rights, democracy, and the rule of law in Cambodia. The ongoing Russia-Ukraine conflict has further prompted a reevaluation of foreign aid priorities, with limited resources and increasing global demands necessitating a shift in Sweden's focus. As a result, the financial budget allocated to Cambodia is expected to diminish progressively, impacting civil liberties and NGOs operating within the country.¹⁸

Cambodia and Canada took a significant step towards strengthening their relationship on February 20, 2024, by signing a Memorandum of Understanding (MoU) establishing formal bilateral consultations between their foreign ministries. This MoU signifies a new level of cooperation between the two countries. The signing ceremony occurred during a working visit by Alan Bowman, Director-General for Southeast Asia and Oceania of Canada's Department of Foreign Affairs, Trade and Development, to Cambodia from 19th to 21st February. During his visit, Mr. Bowman met with the secretary of state of the Cambodian Ministry of Foreign Affairs and International Cooperation. Their discussions covered various topics, with both sides expressing their desire to promote cooperation in bilateral and multilateral frameworks.¹⁹

Cambodia and the US engaged in discussions to deepen their cooperation, focusing on areas of mutual interest such as trade, investment, people-to-people relations, defense, and security. Prime Minister Hun Manet met with H.E. Daniel J. Kritenbrink, U.S. Assistant Secretary of

¹⁷ Regalado, Francesca. "Thailand and Cambodia Agree to Talks on Disputed, Energy-rich Waters." *Nikkei Asia*. Last modified February 7, 2024. <https://asia.nikkei.com/Politics/International-relations/Thailand-and-Cambodia-agree-to-talks-on-disputed-energy-rich-waters>.

¹⁸ Narin, Sun. "Sweden Phasing Out Development Aid to Cambodia, Spurring Anxiety." *VOA, Voice of America*. Last modified February 15, 2024. https://www.voanews.com/cdn.ampproject.org/v/s/www.voanews.com/amp/sweden-phasing-out-development-aid-to-cambodia-spurring-anxiety-/7489486.html?amp_js_v=0.1&gsa=1#webview=1&cap=swipe.

¹⁹ "Cambodia, Canada Established Bilateral Consultations to Forge Closer Cooperation." *PRESS OCM*. Last modified February 20, 2024. <https://pressocm.gov.kh/en/archives/90997>.

State for East Asian and Pacific Affairs, in Phnom Penh on 26th February. The Prime Minister noted the positive momentum in bilateral and multilateral relations. Krittenbrink reiterated the U.S.'s commitment to enhancing collaboration, especially during Cambodia's role as the ASEAN Country Coordinator for ASEAN-U.S. Dialogue Relations from July 2024 to July 2027. Krittenbrink also praised Cambodia's regional and international contributions, including its successful tenure as ASEAN Chair in 2022.²⁰

Prime Minister Hun Manet bolstered Cambodia's bilateral relations during his attendance at the ASEAN-Australia Special Summit held from 4th to 6th March 2024. During the summit, marking 50 years of the ASEAN-Australia partnership, the Prime Minister discussed with Australian Prime Minister Anthony Albanese and other regional leaders. During the discussions, Prime Minister Manet proposed closer collaboration between relevant institutions of Cambodia and Australia to increase activity in trade and investment, university-based scientific and agricultural R&D, technical training, and labor exchanges. One notable outcome was the signing of a bilateral agreement on air freight between Australia and Cambodia. This agreement aims to boost tourism between the two countries. Australian Prime Minister acknowledged the longstanding relationship between Cambodia and Australia, highlighting its positive trajectory. In addition to engaging with Australia, Cambodia has also held bilateral meetings with other ASEAN members. With Singapore, Cambodia agreed to resume political consultations. Discussions on energy security and defense cooperation were also held to promote long-term development. Both countries identified potential collaboration with Indonesia in food security, trade, and counter-terrorism efforts. With the Philippines, Cambodia worked to resolve the double taxation issue while also discussing defense cooperation and opportunities to boost tourism. Cambodia and Vietnam prioritized the improvement of transport infrastructure and border demarcation.²¹

At the invitation by Laotian Prime Minister Sonexay Siphandone, Cambodian Prime Minister Hun Manet led a delegation to Laos from 25th to 26th March to bolster relations. Discussions between the two counterparts focused on various agreements, including border issues and

²⁰ Sok, Sereyath. "Cambodia, U.S. Seek Ways to Foster Bilateral Cooperation." *Cambodian People's Party*. Last modified February 27, 2024. <https://www.cpp.org.kh/en/details/368142>.

²¹ "Fruitful Outcomes: Prime Minister Hun Manet's ASEAN-Australia Summit Reaps Rewards." *Khmer Times*. Last modified March 8, 2024. <https://www.khmertimeskh.com/501452553/fruitful-outcomes-prime-minister-hun-manets-asean-australia-summit-reaps-rewards/#:~:text=Prime%20Minister%20Hun%20Manet's%20trip,promote%20further%20collaboration%20and%20partnerships>.

energy cooperation, with the signing of four MOUs and three agreements. These include the purchase of 1,000 megawatts of green energy from Laos, the minutes on the exchange of instruments of ratification of the State Boundary Treaty, and the exchange of ratification instruments between the two countries. The leaders also welcomed the launch of direct flights between Vientiane and Phnom Penh. Cooperation along the border to combat transboundary crimes was emphasized.²²

Conclusion

Cambodia's first quarter of 2024 saw the ruling party strengthen power and governance, the opposition divided, and land disputes persist. The economy continued to improve in exports, tourism, and transportation. The country is on track to develop beyond "least developed" status. Cambodia also strengthened ties with regional and Western nations for cooperation in various sectors such as trade, energy, tourism, and security.

²² "Getting Closer: PM's Maiden Trip to Laos Brings Fruitful Outcomes." *Khmer Time*. Last modified March 27, 2024. <https://www.khmertimeskh.com/501462966/getting-closer-pms-maiden-trip-to-laos-brings-fruitful-outcomes/#:~:text=%E2%80%9CThe%20official%20visit%20of%20Prime,long%2Dterm%20strategic%20partnership.%E2%80%9D>.

Indonesia

Cheng Ousa, Sum Pichkanika, and Mey Monita

Introduction

One of the Southeast Asian countries, Indonesia stands as a country with a diverse culture, rapid economic growth, and good foreign relations with other countries. In 2024, it had a population of 279,789,049, a 0.82% growth rate compared to 0.72% in 2023.¹ As one of the biggest and fastest-growing economies in the world, Indonesia's economy has become a powerhouse in Southeast Asia. Indonesia's advantageous position, plentiful resources, and expanding populace have made it desirable for foreign enterprises and investors.² This shows that Indonesia still demonstrates resilience and growth, as sectors like technology and agriculture thrive in its rich soil. Due to its advantageous geographic location has become a center for international investment and trade, strengthening ties with other countries and advancing its economy. Politically, Indonesia has just had a general election on February 14, 2024, with 206 million eligible voters. The president of Indonesia is no longer Joko Widodo. Right now, after the election, Prabowo Subianto is the new president of Indonesia. His inauguration is scheduled for October 2024, having been victorious in the 2024 presidential race. Under Prabowo, Indonesia will maintain its nonaligned status and balance its interactions with all major and growing nations. Prabowo will continue to have consistent relations with both Beijing and Washington.³ Therefore, this paper aims to report on the changes in Indonesia in the first quarter of 2024 in three different aspects: domestic affairs, socio-economic affairs, and foreign affairs.

Domestic Affairs

On Valentine's Day, Indonesia conducted the biggest one-day election in history to select new members of the parliament, the president, the vice president, and local representatives. After the election, Prabowo Subianto, short for Prabowo, was announced as the winner who will assume the presidency after Joko Widodo. Many reasons made him win the election. First and

¹ Macrotrends report. "Indonesia population 1950-2024". Macrotrends. Last modified 2024. <https://www.macrotrends.net/global-metrics/countries/IDN/indonesia/population>

² Jattala, I. "Indonesia: a rising powerhouse in Southeast Asia". Medium. Last Modified. 2023, September 12. <https://jattala.medium.com/indonesia-a-rising-powerhouse-in-southeast-asia-e1ad88d85d48>

³ Sambhi, N. "Indonesia's eras: reflections on Jokowi's legacy and Prabowo's presidency". Brookings. Last Modified. 2024, February 08. <https://www.brookings.edu/articles/indonesias-eras-reflections-on-jokowis-legacy-and-prabowos-presidency/>

foremost, Prabowo promised to carry on Jokowi's ten-year-long, popular economic initiatives called Economy and Green Development. This includes infrastructure development, employment creation, and foreign commerce and investment. Hence, Jokowi's resource nationalism, which aims to advance Indonesia up the industrial value chain, will likely persist under the new government. A renewed focus on free trade accords with Europe and a crucial minerals pact with the US would excite multinational corporations. Food security is also a top priority because of the pain caused by the sharp rise in food costs and the likelihood of further price increases in the future.⁴

Secondly, his foreign policy strategy is also the reason that made him become a president. Prabowo's anti-Western sentiments may influence his foreign policy, even though he has pledged to uphold Jokowi's skillful balance of "free and active" non-alignment. Despite having been barred from entering the US and Australia due to allegations of violating human rights, Prabowo continues to have a mutual contempt for the West and its ideals. Lastly, he gains strong support because of his ideas of democracy and domestic politics. Unlike Joko Widodo, Prabowo promises to ensure democracy in Indonesian society.⁵

Socio-economic Affairs

There are two things to consider regarding Indonesia's socio-economic development in the first quarter of 2024. Firstly, it is access to quality education. Schools in Indonesia have been reported to have a fair amount of curriculum autonomy. However, it seems that there is still room to improve. The national curriculum requirements have been further loosened by Indonesia's curriculum reform. The current educational changes aim to give this freedom greater significance. So, the schools can modify the curriculum to fit their unique needs by including the community. Rather than being forced to stick to a predetermined syllabus of topics and prescribed lesson plans throughout the semester, teachers are free to design their instruction to where their students are in their learning process concerning the national learning standards. More importantly, place a high priority on teacher development and grassroots adoption. Since there is a difference between adopting a curriculum and using it effectively, in

⁴ EGA. "Indonesia elections in 2024: what does a Prabowo presidency mean?". EGA. Last modified. 2024, February 20. <https://www.edelmanglobaladvisory.com/indonesia-elections-2024-what-does-prabowo-presidency-mean>

⁵ EGA. "Indonesia elections in 2024: what does a Prabowo presidency mean?". EGA. Last modified. 2024, February 20. <https://www.edelmanglobaladvisory.com/indonesia-elections-2024-what-does-prabowo-presidency-mean>

2024, the education ministry intends to require a revised curriculum from all schools.⁶ Promising aspects of Indonesia's reform strategy have proven essential for other nations' success. The reform emphasizes student learning, school capacity building, and trust-based approaches to schools and teachers.

The second is about the healthcare sector in Indonesia. It was reported that Indonesia is currently working on addressing the problem of antimicrobial resistance (AMR). AMR happens when bacteria, viruses, fungi, and parasites evolve and stop responding to treatment. This increases the likelihood of serious illness, mortality, and infection treatment resistance, making infections more difficult to cure. Therefore, the Indonesian Ministry of Health, together with the World Health Organization (WHO) and important partners like the Asia-Europe Foundation, wrapped up a series of workshops on February 29, 2024, to create the first national action plan in the world that addresses antimicrobial resistance (AMR) specifically for the human health sector and is based on the WHO people-centered approach.⁷ Indonesia's health transformation program, which includes initiatives to improve primary healthcare, increase health system resilience, and develop disaster preparedness and response capabilities, will incorporate Indonesia's human health sector plan to fight AMR. It will support the ongoing One Health initiative to combat antimicrobial resistance (AMR) at the interface of humans, animals, and the environment.

Foreign Relations

In this section, we will discuss the impacts of Indonesia's presidential election on foreign relations: relations between Indonesia and the US, the Republic of China, ASEAN (Cambodia), and ASEAN Dialogue Partner (Australia).

Firstly, during the presidential election, Prabowo Subianto vowed to continue Joko Widodo's foreign policy. Prabowo was a popular candidate for Indonesia's national election because of his policy in the foreign affairs field, as well as his expertise and experience as a defense

⁶ OECD, "Transforming Education in Indonesia: Examining the Landscape of Current Reforms." OECD. Last modified: 2023. https://gpseducation.oecd.org/Content/ProjectsMaterial/EPP-2023_Indonesia.pdf

⁷ WHO. "WHO partners support Indonesia to develop path-breaking human health sector plan to address AMR based on new WHO guidance". WHO. Last modified. 2024, March 27. <https://www.who.int/indonesia/news/detail/07-03-2024-who--partners-support-indonesia-to-develop-path-breaking-human-health-sector-plan-to-address-amr-based-on-new-who-guidance>

minister.⁸ Prabowo vowed to end poverty and corruption and to serve as a dialogue partner in the discussion between the Global North and Global South Countries, mainly focusing on global security.⁹

Moving to relations between Indonesia and The United States, 2024 marked the 75th anniversary of the U.S.-Indonesia relationship under the theme “Diversity, Democracy, Prosperity.”¹⁰ Both sides believe that their relations will strengthen day by day. Moreover, Indonesia just ended its national election, and with this new mandate for the Indonesian presidential election, the United States believes that its relations with Indonesia will become stronger.

As an official member of the Association of Southeast Asian Nations (ASEAN), Prabowo Subianto, as the newly elected president of Indonesia, has affirmed his commitment to maintaining a neutral stance in foreign policy.¹¹ This declaration signifies his adherence to the principles and values upheld by ASEAN as a regional organization. So, after Prabowo Subianto won the election and became the president of Indonesia, Indonesia continued to maintain a good relationship with China by sharing the same interests and economic interests. Furthermore, in February 2024, China and Indonesia did many activities together, including Strengthening the Comprehensive Strategic Partnership, Strengthening cooperation in Deep-Sea Research, Railway cooperation, etc. With all of these activities, we can see the good economic ties and relations between Indonesia and China.

Speaking of Indonesia-Australia's relationship as a dialogue partner, President Jokowi highly encourages good economic integration between Southeast Asia and Australia in seeking more

⁸ “Prabowo Vows to Fight for All Indonesians, Calls for Unity among Political Elites.” 2024. Voice of America. April 24, 2024. <https://www.voanews.com/a/prabowo-vows-to-fight-for-all-indonesians-calls-for-unity-among-political-elites-/7582838.html>.

⁹Gabriel Dominguez, "How Could Indonesia's Presidential Vote Affect Foreign Relations?," The Japan Times, last modified February 13, 2024, <https://www.japantimes.co.jp/news/2024/02/12/asia-pacific/politics/indonesia-election-foreign-relations/>.

¹⁰ U.S. Embassy Jakarta, "The United States and Indonesia Celebrate 75 Years of Diplomatic Relations," U.S. Embassy & Consulates in Indonesia, last modified March 7, 2024, <https://id.usembassy.gov/the-united-states-and-indonesia-celebrate-75-years-of-diplomatic-relations/>.

¹¹ Celios, "China-Indonesia Monthly Brief: February 2024," CELIOS, last modified March 1, 2024, <https://celios.co.id/2024/china-indonesia-monthly-brief-february-2024/>.

foreign direct investment (FDI). This will provide many benefits to the ASEAN region, especially to the end goal of global economic power in 2040.¹²

Talking about Cambodia-Indonesia relations, 2024 marked the 65th anniversary of these two countries. Thus, both sides discussed fostering economic relations, capacity building for army officials, and youth-to-youth connections that will provide students with both exchange and study opportunities.¹³ For Cambodia and Indonesia, their relations remain prosperous and growing.

In sum, Indonesia transferred to a new realm of presidential power in the first quarter of 2024. However, this country has done well in strengthening and maintaining good relations with its internal relations partner.

Conclusion

To sum up, with a thriving economy and a growing population, Indonesia is still a dynamic nation. The nation is anticipated to continue concentrating on infrastructure development, foreign investment, and economic growth despite a recent change in government. Moreover, Indonesia's fifth democratic election has resulted in Prabowo Subianto becoming the successor to President Joko Widodo, which has significant implications for foreign relations in the world's third-largest democracy. Prabowo has vowed to continue focusing on foreign policy, aligning himself with Joko Widodo's policies and positioning Indonesia as a dialogue partner in international discussions, particularly in international security. While in healthcare, Indonesia is spearheading the fight against antimicrobial resistance (AMR) by working with the WHO to create a national action plan. Furthermore, Indonesia's relations with the United States, China, Australia, and Cambodia are expected to strengthen as the country emphasizes economic cooperation, shared interests, and diplomatic ties. Indonesia is committed to maintaining and strengthening international partnerships while transitioning to a new presidency.

¹²Antaraneews.com, "Jokowi Accentuates ASEAN-Australia Cooperation on 50th Anniversary," Antara News, last modified March 6, 2024, <https://en.antaraneews.com/news/307812/jokowi-accentuates-asean-australia-cooperation-on-50th-anniversary>.

¹³"Indonesian Ties Set to Expand in 2024," Phnom Penh Post | The Phnom Penh Post is the Oldest and Most Comprehensive Independent Newspaper Covering Cambodia. Cambodia News, Phnom Penh News, accessed March 28, 2024, <https://www.phnompenhpost.com/national/indonesian-ties-set-to-expand-in-2024#:~:text=“2024%20marks%20the%2065th%20anniversary,two%20natio>

Laos

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

Introduction

This paper provides an update on Laos's domestic politics, socioeconomic affairs, and foreign affairs for the first quarter 2024. Laos began 2024 with a high spirit as the chair of the 2024 ASEAN Summit. Thus, 2024 will be a hectic year for Laos as the 2024 summit is coming up. Laos has been occupied with various ASEAN-related meetings since 2023. As for socioeconomic aspects, Laos strives to improve its people's well-being by developing natural disaster response mechanisms, education, and transportation. Visit Laos 2024 is in motion to attract more tourists, and the government is working closely with its stakeholders to increase domestic and international flights further. On the other hand, the economic sector has seen significant trade growth with Vietnam and the export of electricity. Laos is also building diplomatic relations with several countries in Europe, the US, and the region.

Domestic Politics

Laos celebrated the 75th anniversary of the founding of the Lao People's Army on January 17th. The event took place in Vientiane at the Kommadam Military Academy. On the event day, the army performed tremendously, showing their combat skills and military capacity.¹ Laos also held a state-level meeting on January 19th to once again further the celebration of the Laos People's Army (LPA). During the meeting, Laos President Thongloun Sisoulith continuously emphasized the meaningful sacrifices made by the army since its creation, most significantly during Laos's road to independence.²

Laos welcomed Myanmar's attendance at the ASEAN foreign ministers meeting in Laos on January 29. It was Myanmar's first attendance at the ASEAN meeting in two years. The representative was Marlar Than Htike, a senior foreign ministry bureaucrat. The regional groupings' leaders discussed plans to move forward and the possible cessation of violence.

¹ "Army's Military Might on Display to Mark 75th Anniversary" Lao News Agency (KPL). Last modified January 17, 2024. <https://kpl.gov.la/En/detail.aspx?id=79735>.

² "Laos Celebrates 75th Anniversary of Army, Appreciates Vietnam's Support." Lao News Agency (KPL). Last modified January 22, 2024. <https://kpl.gov.la/En/detail.aspx?id=79838>.

Laos's special envoy, Alounkeo Kittikoun, was also sent to Myanmar in early January in hopes of getting in touch with the parties involved in the conflict. This shows Laos's deep commitment as ASEAN chair to resolve the ongoing conflicts that have persisted for years.³ As the ASEAN summit approaches, Laos has been preparing to be ASEAN's host country and chair. The ASEAN Defense Ministers Meeting (ADMM) will be held in March. Laos Minister of National Defense Gen. Chansamone Chanyalath held a meeting on February 21 with officials to convey roles and urge them to give full attention to fulfilling their responsibilities.⁴

Moreover, President Thongloun Sisoulith chaired the Laos monthly government meeting from 28 to 29 February. The meeting touched upon Laos' previous achievements and challenges, such as public security, national defense, economic challenges, and legislative review. It also called for the importance of economic recovery and addressed areas for improvement.⁵ In addition, Laos strives to become a self-reliant economy by improving the energy and mining sectors. On March 1, Thongloun Sisoulith called for a high emphasis on these sectors during the Energy and Mines annual meeting. He believed these sectors played a huge role in Laos' economy and planned to alleviate poverty and make Laos economically independent.⁶

Socioeconomic Affairs

In 2023, Laos suffered millions of dollars in damage caused by changing weather, including fires and disasters. Laos is committed to combating these challenges this year more resiliently by establishing more effective disaster response procedures. Laos plans to put in efforts for comprehensive measures, including information centers for national water resources, stations responsible for meteorological and hydrological issues, and advancements in their earthquake monitoring capacity.⁷

³ "ASEAN Urges 'Myanmar-owned and Led Solution' to Crisis Triggered by Coup." Al Jazeera. Last modified January 30, 2024. <https://www.aljazeera.com/news/2024/1/30/asean-urges-myanmar-owned-and-led-solution-to-crisis-triggered-by-coup>.

⁴ "ADMM-Retreat to be Held in Luang Prabang." Lao News Agency (KPL). Last modified February 27, 2024. <https://kpl.gov.la/En/detail.aspx?id=80807>.

⁵ "Government's Monthly Meeting Held." Lao News Agency (KPL). Last modified February 28, 2024. <https://kpl.gov.la/En/detail.aspx?id=80864>.

⁶ "PM Gives a Guidance Speech at Energy and Mines' annual meeting." Lao News Agency (KPL). Last modified March 4, 2024. <https://kpl.gov.la/En/detail.aspx?id=80965>.

⁷ Lapuekou, Chono. "Laos Grapples with Extreme Weather Events, Fires in 2023 Causing USD 53.5 Million Damage." Laotian Times. Last modified March 12, 2024. <https://laotiantimes.com/2024/03/12/laos-grapples-with-extreme-weather-events-fires-in-2023-causing-usd-53-5-million-damage/>.

A recent World Bank report highlights the pressing need to enhance Laos' educational prospects to bolster economic growth and alleviate poverty. Significant gaps persist despite some progress due to the COVID-19 pandemic, economic challenges, and budget constraints. Access to education remains a concern, particularly at the secondary level, with lower learning outcomes than in neighboring countries. Furthermore, public financing for education has declined sharply, while high unemployment rates have dampened demand for quality education.⁸ To address these issues, the report advocates for increased educational budget allocation, economic and fiscal reforms to generate employment opportunities, and improved resource allocation and teaching methods to enhance learning outcomes.

Laos President Thongloun Sisoulith began the year by extending his warm welcome to the new year of 2024 and giving warm wishes to people of all ethnicities. The president also stated that 2024 will be a symbolic year for Laos as they will chair the 2024 ASEAN summit. Laos has spent time and effort establishing the "Visit Laos 2024" campaign to prepare for this historic occasion. He urged Lao citizens to unite, foster unity, and solidify for the country to continue its swift growth.⁹

To promote the Visit Laos 2024 tourism campaign, Laos has been working with all relevant stakeholders to increase domestic and international flights to attract tourists. Laos Airlines is set to open more flight routes connecting neighboring countries such as Thailand, Cambodia, and Vietnam. Sovannekhet-Bangkok and Vientiane-Phnom Penh flights will operate three times per week, whereas Vientiane-Danang routes will operate two weekly flights. Setting to broader tourism expansion, the country is also looking at markets such as Russia, relaunching direct flights connecting Vladivostok to Vientiane.¹⁰ Myanmar Airways International (MAI) will launch direct flights connecting Yangon, Myanmar, and Vientiane, Laos, in early May this year as part of its extensive expansion strategy to strengthen its flight network.¹¹

⁸ "Urgent Action Needed to Restore Education Funding in Laos" Lao News Agency (KPL). Last modified March 16, 2024. <https://kpl.gov.la/EN/detail.aspx?id=81251>.

⁹ "President Extends Best Wishes Lao People of All Ethnicities." Lao News Agency (KPL). Last modified January 2, 2024. <https://kpl.gov.la/En/detail.aspx?id=79325>.

¹⁰ Meadley, Jonathan. "Lao Airlines Introduces New Regional Routes." Laotian Times. Last modified January 31, 2024. <https://laotiantimes.com/2024/01/31/lao-airlines-introduces-new-regional-routes/>.

¹¹ Lapuekou, Chono. "Myanmar Plans to Launch Direct Flights from Yangon to Vientiane in May." Laotian Times. Last modified March 12, 2024. <https://laotiantimes.com/2024/03/12/myanmar-plans-to-launch-direct-flights-from-yangon-to-vientiane-in-may/>.

The Department of Public Works and Transport in Vientiane Capital has recommended closing taxi applications In-Drive and Sam Laos due to alleged non-compliance with regulations and safety concerns. The proposal has accused both services of lacking proper registration and permits, making their operations illegal and potentially unsafe for passengers. Despite claims of having necessary permits by Sam Laos, the Laotian government has disputed this.¹² The fate of these services has now rested with the Ministry of Technology and Communications and the Ministry of Public Works and Transportation, pending further review. Their potential closure underscores the significance of adhering to local regulations in the transportation sector.

The United States has pledged USD 24.2 million to the HALO Trust for Unexploded Ordnance (UXO) clearance operations in Savannakhet Province, Laos, until April 2025, reflecting its commitment to addressing the significant challenge of UXO contamination in the country. This funding will support deploying UXO clearance and survey teams and risk education initiatives to mitigate the dangers of unexploded ordinances.¹³ This contribution builds upon previous grants and reaffirms the US's dedication to supporting UXO clearance efforts in the region. Other countries and organizations, such as South Korea, the United Kingdom, Japan, and the United Nations Development Programme, are also actively involved in UXO clearance efforts in Laos, demonstrating a collective commitment to ensuring the safety of affected communities and advancing sustainable development goals.

Minister of Planning and Investment Khamjane Vongphosy said the government has set a target of achieving economic growth of 4.5% in 2024 at the ongoing 6th ordinary session of the country's 9th legislature.¹⁴ Key targets outlined in the draft 2024 socio-economic development plan include:¹⁵

- Total revenue of 49,737 billion kips, representing 16.93% of GDP, a 29% increase from the 2023 plan.
- Total expenditure of 58,294 billion kips, accounting for 19.84% of GDP.

¹² Visapra, Phontham. "Vientiane Authorities Propose Shutdown of Two Taxi Apps Over Regulatory Concern." Laotian Times. Last modified March 14, 2024. <https://laotiantimes.com/2024/03/14/vientiane-authorities-propose-shutdown-of-two-taxi-apps-over-regulatory-concern/>.

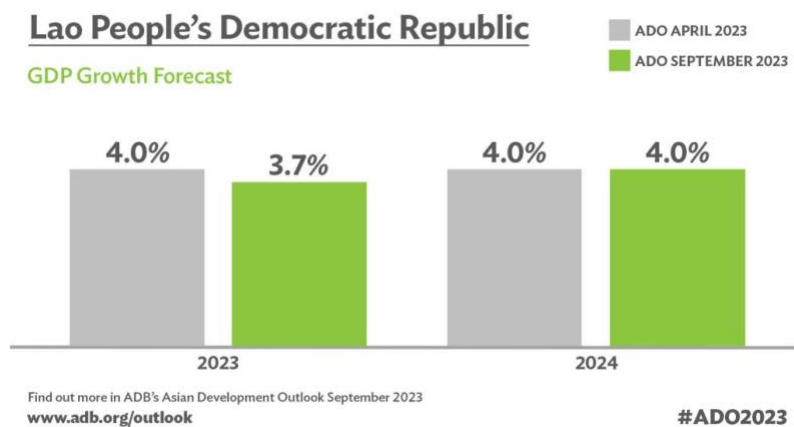
¹³ Lapuekou, Chono. "United States Provides Over USD 24 Million for UXO Clearance in Laos." Laotian Times. Last modified March 5, 2024. <https://laotiantimes.com/2024/03/05/united-states-provides-over-usd-24-million-for-uxo-clearance-in-laos/>.

¹⁴ "Laos Targets Economic Growth of 4.5% in 2024" Lao News Agency (KPL). Last modified November 3, 2023. <https://kpl.gov.la/EN/detail.aspx?id=77893>.

¹⁵ "Laos economic growth forecasted at 4.2% and 4.5% for 2023 and 2024." The Nation Thailand. Last modified November 2, 2023. <https://www.nationthailand.com/world/asean/40032473>.

- M2 not exceeding 25% compared to 2023.
- Maintenance of foreign reserves to ensure imports for at least five months.
- Non-performing loans issued by commercial banks not exceeding 3% of total credit provided.
- Export earnings conducted through the banking system constitute at least 60% of total export earnings.
- Export value surpassing US\$8.7 billion, reflecting a 6.07% increase compared to 2023.
- Import value exceeding US\$7.2 billion, marking a 2.62% increase compared to 2023.
- Total investment reaching 56,534 billion kips (19.24% of GDP), with 32,435 billion kips sourced from local and foreign private sectors.

The economic sector of Laos PDR is still facing problems such as rising inflation, lack of labor, and a growing trade deficit. The Lao Statistics Bureau reported that the inflation in Laos increased to 25.35 percent in February compared to 24.44 percent in January.¹⁶ The Economist Intelligence Unit (EIU) predicts Laos's GDP will increase by 4.7% in 2024.¹⁷ Similarly, the Asian Development Outlook (ADO) September 2023, an update of the main publication of the Asian Development Bank (ADB), revised the growth estimate for the



Lao PDR in 2023 to 3.7%, compared to the previous projection of 4.0%. However, the growth forecast for 2024 remained unchanged at 4.0%.¹⁸

¹⁶ "Inflation in Laos Rises to 25.35 pct in February." Big News Network. Last modified March 4, 2024. <https://www.bignewsnetwork.com/news/274145362/inflation-in-laos-rises-to-2535-pct-in-february>.

¹⁷ "Laos." The Economist Intelligence Unit. Last modified 2024. <https://country.eiu.com/laos>.

¹⁸ "Lao PDR's Growth Slower than Expected in 2023, Stable Outlook for 2024 — ADB." Asian Development Bank. Last modified September 20, 2023. <https://www.adb.org/news/lao-pdr-growth-slower-expected-2023-stable-outlook-2024-ADB>.

The impact of increased consumer price inflation and high local fuel costs on economic expansion is expected to lessen this year, thereby encouraging a rise in economic performance. Nonetheless, the extended El Niño event may lead to reduced water levels in the Mekong River, dampening hydropower production—the primary commodity for Laos's exports.¹⁹

Earlier this March, the Lao cabinet approved draft laws and decrees as guidelines to tackle the ongoing economic and financial challenges through strategic planning. Among the drafts approved are laws addressing money laundering and terrorism financing, along with a law regarding value-added tax. The laws of tourism governing medicinal resources, anti-money laundering, and taxation were also revised.²⁰

Laos President Thongloun Sisoulith has claimed to “remodel” the country’s economy to be independent and Lao-owned. However, he also stressed the importance of foreign investment, technology, and expertise in making the most of local resources.²¹ Moreover, the Lao National Chamber of Commerce and Industry hosted a gathering titled “Building quality products to compete in the domestic market based on international standards.” This half-day session aims to improve the competitiveness of the production sector as the government tries to promote local production.²²

Regarding trade and investment, Laos-Vietnam trade notably surged in January compared to the same period in 2023, with a 75.8% increase totaling USD 174.4 million. Vietnam's exports to Laos rose 104.4% to USD 56.8 million, while imports from Laos increased by 64.7% to USD 117.6 million. With such a high growth rate, Vietnam-Laos trade in 2024 is expected to meet or even surpass the targeted growth rate of 10-15%.²³

¹⁹ "Fears Grow That Dam Across Mekong River In Laos Could Harm World Heritage Site Of Luang Prabang." The Mainichi. Last modified February 2, 2024.

<https://mainichi.jp/english/articles/20240202/p2g/00m/0in/007000c>.

²⁰ "Lao Gov't Strives to Address Economic Difficulties." China.org.cn. Last modified March 1, 2024.

http://www.china.org.cn/world/Off_the_Wire/2024-03/01/content_117031093.htm.

²¹ "Lao Economy's Leap Towards Independence." VietnamPlus. Last modified January 08, 2024.

<https://en.vietnamplus.vn/lao-economys-leap-towards-independence/275961.vnp>.

²² "Laos Manufacturers Seek Ways to Improve Competitiveness." Big News Network. Last modified February 27, 2024. <https://www.bignewsnetwork.com/news/274139169/laos-manufacturers-seek-ways-to-improve-competitiveness>.

²³ "Vietnam-Laos Trade Turnover Increases Sharply in January." VTV News. Last modified February 27, 2024. <https://english.vtv.vn/news/vietnam-laos-trade-turnover-increases-sharply-in-january-20240303221402342.htm>.

Vietnam is also set to boost ties with Cambodia and Laos in the 25-year-old Cambodia-Laos-Vietnam (CLV) Development Triangle Area. At its 13th Joint Coordination Committee Meeting, Vietnam's Minister of Planning and Investment, Nguyen Chi Dung, urged the partners to prioritize building key transport routes for cargo delivery and developing human resources to attract investments in high-tech agriculture, renewable energy, mining, and tourism.²⁴ Lastly, Laos' Minister of Planning and Investment has just launched an Investment Tracking Application system to monitor investment permit applications and receive feedback on related sectors. The app claims to monitor comments and speed up investment applications in a specific period. Its goal is to make things quicker and more accessible by giving a fast, modern, and transparent investment service all in one place.²⁵

Laos's energy export has also increased significantly, creating a trade surplus in its total commerce, with a total value of over US\$15.5 billion in 2023. Laos's trade portfolio for 2023 is divided into five main categories, with electricity being the most important one at US\$2.382 billion, followed by gold bullion, paper and paper products, gold ore, and iron ore.²⁶ This shows Laos's growing importance in providing sustainable energy options to the region, indicating its position as the “battery of Southeast Asia.”

Foreign Affairs

In terms of international cooperation during the first quarter of 2024, Laos has strengthened its relations with several countries, such as Europe, the USA, and other Asian countries. On 10 January, China Rocket Co., Ltd. and the Lao government collaborated to employ remote sensing satellite technology for mapping natural resources, urban planning, environmental management, and mineral exploitation in Laos. The collaboration intends to improve mineral exploration services for private and public organizations while streamlining operations, cutting expenses, and using less manpower. Applications for satellite images include traffic flow management, urban management, mining operations, forest surveying, and disaster prediction. The Chinese businesses will provide the required equipment and increase the capacity of Lao

²⁴ "Vietnam Boosts Ties with Cambodia, Laos in Development Triangle Area." VOV Online Newspaper. Last modified March 1, 2024. <https://english.vov.vn/en/politics/vietnam-boosts-ties-with-cambodia-laos-in-development-triangle-area-post1080003.vov>.

²⁵ "Laos Launches App to Facilitate Investment." The Star Online. Last modified March 1, 2024. <https://www.thestar.com.my/aseanplus/aseanplus-news/2024/03/01/laos-launches-app-to-facilitate-investment>.

²⁶ "Electricity Exports Propel Laos to Trade Surplus, Marking Record Growth." The Star Online. Last modified March 9, 2024. <https://www.thestar.com.my/aseanplus/aseanplus-news/2024/03/09/electricity-exports-propel-laos-to-trade-surplus-marking-record-growth>.

government personnel. The partnership aims to investigate working with local, national, and international organizations to get funds and promote staff exchanges in scientific research.²⁷

During the visit to Cambodia on January 13, Lao Prime Minister Sonexay Siphandone met with Keo Rattanak, the Minister of Mines and Energy of Cambodia, and they agreed to further commit to expanding energy transactions. To improve energy trade, Laos and Cambodia have decided to build a 500 kV transmission line in Laos' southern Champasack province. It is anticipated that the line will increase energy transfer efficiency. Currently, Cambodia imports 445 MW of power from Laos; by 2030, it hopes to reach 6,000 MW. With their economies growing, Laos and Cambodia are trying to establish themselves as the "battery of Southeast Asia" and "energy hubs," respectively. Besides, Laos hopes to have 94 power plants, 81 hydroelectric dams, and 5,559 MW more electricity produced by 2039.²⁸

Additionally, at the 19th Non-Aligned Movement (NAM) summit in Uganda, the Lao delegation was there, and they came with the theme of "Deepening Cooperation for Shared Global Affluence." In the framework of Cold War conflicts, the 121-member NAM conference seeks to further the interests of developing nations. President Yoweri Museveni underlined the value of member states' autonomy and sovereignty and the NAM's opposition to unilateralism. The Lao delegation asked for support from NAM members for Laos' ASEAN leadership in 2024, expressing worry about the ongoing security situation and humanitarian crises in Gaza. Four important documents were adopted at the summit's conclusion: the Ministerial Declaration on the Palestine Problem, the Summit Outcome Document, the Kampala Declaration, and a document thanking the host nation.²⁹

On February 5, Lao President Thongloun Sisoulith hosted a diplomatic ceremony to welcome four recently appointed ambassadors to Laos. The ambassadors were Aung Ko of Myanmar, Heather Roach Variava of the US, Filomeno Aleixo da Silva of Timor Leste, and Megan

²⁷ Lapuekou, Chono. "Laos Partners with Chinese Firm for Tech Advancement in Mineral Exploration, Environmental Management." Laotian Times. Last modified January 16, 2024.

<https://laotiantimes.com/2024/01/16/laos-partners-with-chinese-firm-for-tech-advances-in-mineral-exploration-environmental-management/>.

²⁸ Meadley, Jonathan. "'Battery of Southeast Asia' Plans Move Forward as Laos Enhances Trade Capacity With Cambodia." Laotian Times. Last modified January 19, 2024. <https://laotiantimes.com/2024/01/19/battery-of-southeast-asia-plans-move-forward-as-laos-enhances-trade-capacity-with-cambodia/>.

²⁹ Lapuekou, Chono. "Laos Calls for Gaza Cease-Fire, Seeks Support at Non-Aligned Movement Summit in Uganda." Laotian Times. Last modified January 23, 2024. <https://laotiantimes.com/2024/01/23/laos-calls-for-gaza-cease-fire-seeks-support-at-non-aligned-movement-summit-in-uganda/>.

Elizabeth Jones of Australia. President Sisoulith congratulated their appointments and underlined their importance in fostering goodwill and collaboration. In addition to promising to strengthen bilateral ties, he urged the ambassadors to back Laos's ASEAN leadership. Reiterating the commitment to improving diplomatic relations for mutual benefit, the event ended with optimism.³⁰ Apart from that, with the conclusion of the ASEAN Tourism Forum, Laos has been awarded 20 ASEAN Tourism Standard Awards at a ceremony held in Vientiane Capital on 26 February. The 192 organizations who received prizes hope to standardize tourism services and encourage ethical management techniques. The ASEAN Green Hotel Standard award was given to five Laos hotels supporting eco-friendly travel strategies. The ASEAN Clean City Tourist Standard award, given to Vientiane Capital and Kaysone Phomvihane City, encourages urban tourist destinations to raise their tourism standards, reducing poverty in Laos. Additionally, Laos was recognized with five awards for Sustainable Tourism, Conference Hall, Exhibition Venue, Festival Venue, and ASEAN Event Venue Standard.³¹

In the same month, the Cocreation of Food Security for Farmers with Economic Empowerment with Japan (COFFEE-JAPAN) was a project that the World Food Programme (WFP) of the United Nations and the Japanese government established. The program intends to provide access to vital nutrition while empowering coffee producers in two areas of the Luang Prabang Province, Lao PDR, to increase their output and selling of coffee. Throughout two and a half years, 300 smallholder coffee producers and their families in eight villages in Luang Prabang will profit from the project, which is sponsored by the Japanese government with a contribution of about USD 1 million. By increasing coffee quality and production capabilities, the project hopes to provide opportunities for export to the Japanese market. The coffee value chain will also include nutritional education, resulting in a replicable model that combines agricultural development and health improvements.³²

From February 27 to March 2, President Jose Ramos-Horta of Timor-Leste and his delegation traveled to Vientiane to fortify diplomatic relations. The invitation from Lao President

³⁰ Chanthavong, Namfon. "President Welcomes Four New Ambassadors to Laos." Laotian Times. Last modified February 6, 2024. <https://laotiantimes.com/2024/02/06/president-welcomes-four-new-ambassadors-to-laos/>.

³¹ Meadley, Jonathan. "Laos Receives Accolades at ASEAN Tourism Standards Awards Ceremony." Laotian Times. Last modified January 30, 2024. <https://laotiantimes.com/2024/01/30/laos-receives-accolades-at-asean-tourism-standards-awards-ceremony/>.

³² "From beans to bright futures: Japan's boost for coffee and nutrition in Lao PDR" World Food Programme. Last modified February 19, 2024. <https://www.wfp.org/news/beans-bright-futures-japans-boost-coffee-and-nutrition-lao-pdr>.

Thongloun Sisoulith was the incentive for the visit. With Timor-Leste's recent admission to the World Trade Organization, both leaders stressed the significance of strengthening ties and collaborating more. They signed Letters of Intent for future exchanges of embassy lands and decided to form the Joint Committee on Bilateral Cooperation (JCBC). And the youngest nation in Asia, Timor-Leste, is concentrating on infrastructure and capital expenditures to accelerate economic growth. Therefore, the purpose of the visit is to deepen the two countries' mutual ties.³³

Conclusion

In 2024, Laos is working hard towards its role as ASEAN chair and working to resolve different conflicts and address issues with all parties involved. The Laotian government is addressing the challenges in the country by identifying challenges in all aspects and calling for collective actions from officials to tackle them. The first quarter so far has been filled with meetings and arrangements to address past challenges and build on them to ensure Laos is moving in the right direction. Economic affairs have resulted in growth, especially trade with Vietnam. Laos further harnesses its position as the region's "energy hub" by selling electricity to neighboring countries. Also, the government prioritizes "remodeling" its economy to build an independent economy. Laos has also improved its foreign relations and cooperation with several nations. The cooperation included natural resources, energy, tourism, food security and development. Lao People's Democratic Republic has set itself on a path of growth in 2024 with clear goals and continuous efforts to improve itself amidst economic challenges that have been tormenting this country for years.

³³ Lapuekou, Chono. "Timor-Leste's President Meets Lao Counterpart in State Visit to Vientiane." Laotian Times. Last modified February 29, 2024 <https://laotiantimes.com/2024/02/29/timor-leste-president-meets-lao-counterpart-in-state-visit-to-vientiane/>.

Malaysia

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Introduction

The first quarterly report on Malaysia presents a comprehensive overview of key political, foreign affairs, and economic developments in early 2024. In domestic politics, significant events include a royal pardon granted to former Prime Minister Najib Razak and proposed legislative measures for political stability. Malaysia continues to play an active role in regional and international affairs, strengthening bilateral ties and advocating for Palestinian rights. Economically, the nation faces challenges due to the ongoing COVID-19 pandemic but seeks growth opportunities through initiatives like business ventures and economic policies. This analysis provides insights into Malaysia's socio-political and economic landscape, highlighting opportunities, challenges, and strategies for sustainable progress.

Domestic Politics

This section examines key political developments, including the controversial royal pardon granted to former Prime Minister Najib Razak concerning the 1MDB scandal, proposed legislative measures to ensure political stability and reflections on governance and development by outgoing King Sultan Abdullah Ahmad Shah. These events underscore the intricate interplay between legal, political, and institutional dynamics in Malaysia, raising questions about the equitable application of the law, the consolidation of power within political factions, and the monarchy's role in ensuring stability and progress. Through these analyses, the report sheds light on the evolving socio-political landscape of Malaysia and its implications for governance, democracy, and socio-economic development.

Najib's Pardon Implication

Malaysia's Pardons Board confirmed a royal pardon for imprisoned former Prime Minister Najib Razak, reducing his 12-year sentence by half in connection to the 1MDB scandal. The decision, made after a meeting on January 29, also lowered Najib's fine. While the Board didn't provide a reason for the pardon, it stirred controversy over the perceived unequal application of the law, especially given Najib's political influence within the UMNO. The move potentially

paves the way for Najib's political comeback, and he could be eligible for parole by August 2026. Criticism has arisen, highlighting disparities in the legal treatment of the privileged.¹

The pardon of Najib poses a potential threat to UMNO's president, Ahmad Zahid Hamidi, as Najib could challenge leadership positions, causing uncertainty and weakening Zahid's influence in the unity government. Najib's strategic move may involve supporting his sons' political careers rather than directly challenging Zahid. For opposition leader Muhyiddin Yassin, Najib's comeback could be advantageous, potentially causing divisions in UMNO and undermining the unity government. Suppose Najib cannot reclaim the UMNO presidency. In that case, his path to power might involve aligning with the opposition coalition Perikatan Nasional (PN) and possibly collaborating with Parti Islam Se-Malaysia (PAS).²

The decision may impact Prime Minister Anwar Ibrahim's anti-corruption stance, causing tension in his coalition government with UMNO. The compromise of a partial pardon aimed to appease both UMNO and Anwar's coalition, but reactions indicate dissatisfaction from various political quarters. Observers predict social media backlash, particularly among urban communities, but some believe the outrage may be limited, with respect for the king's prerogative prevailing in Malaysian politics. Anwar acknowledged the king's decision, emphasizing the ongoing nature of other 1MDB-related trials for Najib.³

Fixed Term Bill & Dubai Move

Pontian MP Datuk Seri Ahmad Maslan has expressed support for Deputy Prime Minister Datuk Seri Ahmad Zahid Hamidi's law proposal allowing the federal government to complete a full five-year term without early elections. Ahmad Maslan believes this will prevent instability and political upheaval, pointing to concerns about the current prime minister facing potential ouster attempts despite having parliamentary support. He has challenged opposition lawmakers to present a vote of no-confidence in Parliament, emphasizing that attempts to change the

¹ Strangio, Sebastian. 2024. "Malaysia Confirms Royal Pardon for Jailed Former PM Najib Razak." *The Diplomat*, February 5, 2024. <https://thediplomat.com/2024/02/malaysia-confirms-royal-pardon-for-jailed-former-pm-najib-razak/>.

² Chin, James. 2024. "Commentary: How a Royal Pardon for Jailed Former PM Najib Could Rock Malaysia Politics." *CNA*, January 11, 2024. <https://www.channelnewsasia.com/commentary/malaysia-najib-pardon-politics-anwar-muhyiddin-zahid-4037466>.

³ Zhang, Kevin, and Kevin Zhang. 2024. "Najib's Reduced Prison Sentence and Misplaced Faith in Malaysia's 'Reformist' Anwar Ibrahim | East Asia Forum." *East Asia Forum* (blog). February 8, 2024. <https://eastasiaforum.org/2024/02/03/najibs-reduced-prison-sentence-and-misplaced-faith-in-malaysias-reformist-anwar-ibrahim/>.

government have proven futile in the past. Zahid's suggestion aims to establish political stability amid rumors of backdoor deals affecting Malaysia's governance.⁴

Malaysia is considering introducing a Fixed Term Parliament Act (FTPA) to ensure the government completes its five-year term without early elections. Deputy Prime Minister Zahid Hamidi proposed that the FTPA be used to counter potential defections and maintain political stability. The suggestion follows revelations of a plot in Dubai to topple Prime Minister Anwar Ibrahim's administration, known as the "Dubai Move." The proposal has garnered public support, aiming to prevent the turmoil witnessed by four prime ministers between 2018 and 2022.

However, critics argue that existing mechanisms, such as confidence votes and the King's intervention, are sufficient, and the FTPA could undermine democracy by allowing a government to remain in power despite losing majority support in Parliament. Prime Minister Anwar Ibrahim has stated that the issue is not a priority for his government, emphasizing the need for due process and consensus among unity government leaders. The proposal would require a constitutional amendment, gaining support from two-thirds of MPs in the 222-member Parliament. The debate also extends to statutory declarations in political dramas, with calls for legislation restricting their role in toppling administrations.⁵

King Calls for Govt Stability

Malaysia's outgoing King, Sultan Abdullah Ahmad Shah, concludes his five-year reign by underscoring the nation's imperative for political stability. Reflecting on his pivotal role in selecting three prime ministers between 2020 and 2022, he urged the government to prioritize development and unity over excessive politicization. Sultan Abdullah emphasized stability as crucial for attracting foreign investors, cautioning against the potential economic setbacks of frequent government administration and policy changes. Prime Minister Anwar Ibrahim has

⁴ Yusry, Muhammad. 2024. "Ahmad Maslan Backs Proposed 'Fixed Term' Bill, Says Will Let Govt Do Its Job Without Distraction." Malay Mail, January 14, 2024. <https://www.malaymail.com/news/malaysia/2024/01/14/ahmad-maslan-backs-proposed-fixed-term-bill-says-will-let-govt-do-its-job-without-distraction/112352>.

⁵ Annuar, Azril. 2024. "Malaysia Debates Controversial Fixed-term Law to Prevent Anwar's Govt from Being Toppled." The Straits Times, January 22, 2024. https://www.straitstimes.com/asia/se-asia/malaysia-debates-controversial-fixed-term-law-to-prevent-pm-anwar-s-govt-from-being-toppled#:~:text=To%20counter%20possible%20defections%2C%20Deputy_year%20parliamentary%20term%20is%20over

advocated for ample time for the government to address legacy issues and implement necessary reforms during its full five-year term.⁶

In a rare interview, Sultan Abdullah proposed a more substantial role for future monarchs in representing Malaysia internationally, particularly in areas such as climate change advocacy. He highlighted the vital role of the royal institution in Malaysia's diverse, multiracial, and multi-religious context. While the monarchy traditionally held a ceremonial position, Sultan Abdullah's tenure saw increased influence during political instability, with the King playing a decisive role in appointing prime ministers. As he concluded his reign, Sultan Abdullah's reflections underscored the significance of stability, development, and unity for Malaysia's future progress.⁷

Economic Affairs

The economic landscape of Malaysia in the first quarter of 2024 reveals a multifaceted environment shaped by various factors, such as the ongoing challenges posed by the COVID-19 pandemic, initiatives to boost economic growth, and the implementation of significant projects in key industries. Through a comprehensive analysis of economic policies, business ventures, and socio-cultural dynamics, this report aims to provide insights into Malaysia's economic development trajectory, highlighting opportunities, challenges, and the government's strategies to foster sustainable growth and resilience in the face of global uncertainties.

Economic Development

Malaysia has faced several challenges since the Covid-19 pandemic. There are still various noticeable precautions. Prevailing supply chain adjustments, inflationary pressures, and geopolitical tensions further dampened demand for business in general. Thus, the Malaysia Commercial Guide was established on January 5, 2024, to elaborate on challenges, opportunities, market entry strategy, positive sectors for investment, customs and regulations, and investment vision.⁸ Later, according to Socio-Economic Research Center executive

⁶ Hassan, Hazlin. 2024. "‘Let’s Move on’: Malaysia’s King Calls for Political Stability at the End of Five-year Reign." The Straits Times, January 30, 2024. <https://www.straitstimes.com/asia/se-asia/let-s-move-on-malaysia-s-king-calls-for-political-stability-at-the-end-of-five-year-reign>.

⁷ U.S. News. n.d. "Malaysia’s Outgoing King Wants Govt Stability, Bigger Role for Future Monarchs." Accessed January 29, 2024. <https://www.usnews.com/news/world/articles/2024-01-29/malysias-outgoing-king-wants-govt-stability-bigger-role-for-future-monarchs>.

⁸ "Malaysia - Business Travel and Etiquette". International Trade Administration | Trade.gov, (2024, January 5). <https://www.trade.gov/country-commercial-guides/malaysia-business-travel-and-etiquette?navcard=2064>

director Lee Heng Guie, “Recovery in exports, growth in domestic demand and increased development spending will underpin economic growth for Malaysia in 2024 to a 4.5% growth this year up from only 4% in 2023 while adding that the key drivers of the economy are the services, manufacturing, and construction sectors”. Additionally, he noted Malaysia's growth in contrast with global economics, such as towards China and the US economic and political movement, while expressing a mixed reaction to the proposal for the Johor-Singapore Special Economic Zone (JS-SEZ). Still, he attributed it to a lack of information.⁹

As known to many, Malaysia is culturally diverse. On February 11, among the Malaysians celebrating the festival was marketing manager Tan Hui Yun, who said this year was optimistic with the expectation that economic recovery would proceed at an acceptable pace. The wholesale and retail trade for Chinese festival preparation exceeded its all-time high of 143.9 billion ringgit (30.21 billion U.S. dollars) in December, according to the Department of Statistics, driven by expanded activity in the retail trade sub-sector, wholesale trade, and even the motor vehicle sector. The effect of visa-free entry to nationals from China starting in December might cause steady growth in the tourism sector, said Tourism operator Jimmy Thoo Choy. Malaysia's new king, Sultan Ibrahim Sultan Iskandar, and the queen also conveyed this celebration to strengthen the harmonious diversity of Malaysian nationals, races, religions, and cultures. As part of his duty, PM Anwar Ibrahim wished a happy Chinese New Year to the people, “to boost the spirit of these universal principles, we as Malaysians must continue to be determined to become an advanced and Madani (civilized) society, in the year of Dragon symbolize strengths and charisma, as well as creativity and confidence”.¹⁰

By February 22, 2024, Bank Negara Malaysia (BNM)’s international reserve rose 0.5% (\$115.4 billion by Feb 15, from US\$114.8 billion on January 31). The main components of reserves the top reserve was foreign reserve currency (in RM490.94B), followed by the International Monetary Fund reserve (in RM6.68B), Special Drawing Rights (SDRs) in RM27.67B, gold (in RM12.40B), and lastly, other reserve assets (in RM12.88B), which in total amounted to RM550.57B. The total assets stood at RM634.18B, comprising SDRs, Malaysian government paper, deposits with financial institutions, loans and advances, land and buildings, and other

⁹ Lawrence, A. “Domestic demand among factors to lead GDP growth”. Free Malaysia Today (FMT), (2024, January 11). <https://www.freemalaysiatoday.com/amp/category/business/2024/01/11/domestic-demand-among-factors-to-lead-gdp-growth/>

¹⁰ English news.cn. “Dragon-themed Festivities, Economic Optimism Mark Chinese New Year in Malaysia,” February 11, 2024. <https://english.news.cn/20240211/a926be041d7948f2b79909104956cbe8/c.html>.

assets. Lastly, the capital and liabilities of BNM are staked up to RM734.1B, composed of paid-up capital, reserve, currency in circulation, deposits by financial institutions, the federal government, and others (Bank Negara paper, allocations of SDRs, liabilities). According to BNM, in its reserve position, the amount of money accumulated by the central bank saved is sufficient for 5.5 months of imported goods and services, equal to one short-term external debt.¹¹

Business Venture

On January 8, 2024, KBR's technology was designated for a green ammonia project in Malaysia. This project collaborates with several companies to produce green ammonia and hydrogen. KBR will provide both technology and engineering design. The project is expected to have a significant capacity and begin construction at the end of 2024.¹² Also, Malaysia's efforts to develop electric vehicle (EV) battery technology are a niche player in the EV industry, focusing on battery components. According to Rezal Khairi Ahmad, the scientist leading the effort as CEO of NanoMalaysia, had stated: “NanoMalaysia is aiming for three types of batteries: graphene-enhanced aluminum ion, graphene-enhanced lithium ion, and sodium ion.” As batteries constitute 40% of the cost of an EV, he said focusing on battery technologies can lead to price reductions for the vehicles. In Malaysia, the cheapest Tesla EV is the Model 3, which currently carries a price tag of 189,000 ringgit (\$40,000), according to local media reports, making it beyond the reach of many nationwide. However, Malaysia is committed to developing its EV industry and becoming a leader in battery technology.¹³

From February 23, 2024, more talk on “Madani White Rice” was raised, which speculated that it might overtake other types of rice soon. Prime Minister Anwar Ibrahim stated that there will be a discussion between the Agriculture and Food Security Ministry with relevant stakeholders for findings before March 20, which also address the concerns over the purchasing price of padi, supply dynamics, global market trends, and the impact on the consumer (after a meeting of the National Action Council on the Cost of Livings). Additionally, the council food prices

¹¹ Bernama. “BNM’s International Reserves Rise 0.5% to US\$115bil as at Feb 15.” *Free Malaysia Today*, February 22, 2024. <https://www.freemalaysiatoday.com/category/business/2024/02/22/bnms-international-reserves-rise-0-5-to-us115bil-as-at-feb-15/>.

¹² Čučuk, A., & Čučuk, A. “KBR’s technology selected for green ammonia project in Malaysia”. *Offshore Energy*, (2024, January 8). <https://www.offshore-energy.biz/kbrs-technology-selected-for-green-ammonia-project-in-malaysia/>

¹³ “Malaysia Balance of trade: Malaysia trade surplus smallest in over 3-1/2 years”. *TRADING ECONOMICS*, (2024, January 19). <https://tradingeconomics.com/malaysia/balance-of-trade?ssp=1&setlang=en&cc=XL&safesearch=moderate>

committee chairman, Syed Abu Hussin Hafiz Syed Abdul Fasal, also announced that the government would be introducing the “Madani White Rice” at the price of a 10kg sack, costing RM30.¹⁴

There is also exciting news from the business sector. On March 8, 2024, Scientex Bhd, through its subsidiary Scientex Park (M) Sdn Bhd, proposed to buy an 826-acre parcel of freehold land for RM335.68 mil in Batang Berjuntai in Kuala Selangor, Selangor, with an agreement, in a bid, between the company and the Metalplex Plantation Sdn Bhd, to boost its existing landbank. to build an affordable home amounted to 50,000 homes by 2028 within their expanding ground. In the long run, they seek to overtake the upper ground in the real estate business.¹⁵

Economic Policy

Malaysia's long-awaited central database system will commence in late January 2, 2024. Under the leadership of the newly elected Prime Minister Datuk Seri Anwar Ibrahim, he stated that Malaysia's stance on the distribution of better policy is supported by data accumulation from the people within Malaysia. He also reiterated the importance and critical information about the PADU system.¹⁶ However, there is more talk of anxiety about whether this database could be breached, according to some governments and cabinets. By January 4, 2024, Malaysia Economic Minister Rafizi Ramli had defended the implementation of the government’s Central Database Hub (Padu) amid apprehensions about the system’s efficacy, integrity, and security. He expressed that information that may be accessed was based on the characteristics of the citizen status to which they hold an account. Whether they are an official government, the information they could get from the data is adequately safe from harm to another individual.¹⁷

¹⁴ Reporters, Fmt. “More Talks on Madani White Rice to Be Held, Says Anwar.” *Free Malaysia Today*, February 23, 2024. <https://www.freemalaysiatoday.com/category/nation/2024/02/23/more-talks-on-madani-white-rice-to-be-held-says-anwar/>.

¹⁵“Scientex to acquire Kuala Selangor land for RM335.68mil.” *The Star*, March 8, 2024. <https://www.thestar.com.my/business/business-news/2024/03/08/scientex-to-acquire-kuala-selangor-land-for-rm33568mil>.

¹⁶ Jun, Soo Wern. “Padu, a Tool to Ensure Govt’s Efficiency in Delivering Targeted Subsidies, to Be Launched Today.” *Malay Mail*, January 1, 2024. <https://www.malaymail.com/news/malaysia/2024/01/02/padu-a-tool-to-ensure-govts-efficiency-in-delivering-targeted-subsidies-to-be-launched-today/110085>.

¹⁷ Media Selangor Sdn Bhd. “Padu Implementation Timeline Ambitious but Necessary, Says Rafizi Amid Brickbats.” *Selangor Journal*, January 5, 2024. <https://selangorjournal.my/2024/01/padu-implementation-timeline-ambitious-but-necessary-says-rafizi-amid-brickbats/>.

Pangkalan Data Utiliti Kebangsaan (PADU), the Central Data-Based Hub of Malaysia, had introduced the step-by-step registration to PADU. Up to March 11, 2024, 14.36% of 30.08 million people registered in this center, the largest registration of the month.¹⁸ On March 20, 2024, the Malaysia government stated the fuel price that will be maintained at a price of the weekly retail pricing of petroleum products using the Automatic Pricing Mechanism (APM) formula, RON97 remains at RM3.47 per liter, RON95 at RM2.05 per liter and diesel at RM2.15 per liter, from March 21-27. Due to the price increase in global oil prices, Malaysia's market price has struggled to stabilize the price balance. To maintain balance in growth, the Malaysian government executed this three-period policy to monitor the response toward these issues.¹⁹ Malaysia Economic Minister Rafizi Ramli responded to this false statement about the upsurge in fuel prices, like petrol and diesel, in the upcoming Hari Raya Aidilfitri, the end of the Islamic Holy Month of Ramadan. He reiterated that the 3-day policy to maintain the price was due to the coming Padu Implementation date and that the targeted subsidy would commence in the early 2nd quarter.²⁰

Foreign Affairs

In the first quarter of 2024, Malaysia continued to play an active role in regional and international affairs by strengthening bilateral ties, especially with Cambodia, through high-level engagements, maintaining a firm stance on the Israel-Gaza conflict while advocating for a two-state solution and Palestinian rights; mitigating major power rivalries through Prime Minister Anwar Ibrahim's calls for inclusive multilateralism and regional cooperation; condemning the deadly Russian concert hall attack; securing significant foreign investment from visits to Australia and Germany; and expressing readiness to revive free trade agreement discussions with the European Union.

Bilateral Relations between Malaysia and Cambodia

Malaysia welcomed Cambodian Prime Minister Hun Manet for an official visit in February, a significant milestone in bolstering bilateral ties between the two nations. The visit involved high-level meetings with Malaysian leaders, including Prime Minister Anwar Ibrahim and the

¹⁸ Alfian, Haziq. "Here's How to Register for PADU (Plus Latest Updates)." iMoney Malaysia, March 15, 2024. <https://www.imoney.my/articles/how-register-padu>.

¹⁹ "Fuel Price March 9-15: Unchanged Across the Board." *The Star*, March 8, 2023. <https://www.thestar.com.my/news/nation/2023/03/08/fuel-price-march-9-15-unchanged-across-the-board>.

²⁰ "Price Will Come down with New Stock, Say Sellers." *The Star*, March 21, 2024. <https://www.thestar.com.my/news/nation/2024/03/22/price-will-come-down-with-new-stock-say-sellers>.

King, where various areas of cooperation were discussed. This included trade, investment, agriculture, commodities, the halal industry, energy, security, information, and communication. Several Memorandums of Understanding (MoUs) were signed, reflecting a commitment to deeper cooperation, notably between the central banks on financial innovation and payment systems. This strengthened engagement holds significance within the broader ASEAN framework, as Cambodia ranked Malaysia's 9th largest trading partner within the regional bloc in 2023, with bilateral trade valued at RM3.02 billion.²¹

Malaysia's Stance on the Israel-Gaza War

Malaysia has still maintained a firm stance on the Palestinian issue, viewing it as a critical priority in its foreign policy. In early January, Malaysia welcomed South Africa instituting legal proceedings against Israel at the International Court of Justice (ICJ) over alleged violations of the 1948 Genocide Convention relating to Palestinians in Gaza. Malaysia urged Israel to uphold its international obligations, end atrocities against Palestinians and reiterated calls for an independent Palestinian state along pre-1967 borders with East Jerusalem as its capital.²²

At the UN Security Council, Malaysia advocated for an immediate Gaza ceasefire, unhindered aid, accountability for Israeli violations, and statehood acceptance. Malaysian Foreign Minister led the delegation at ICJ public hearings, requesting an advisory opinion on the legal consequences of Israeli policies in Occupied Palestinian Territories.²³ Despite disappointment over the UN's failure to impose a Gaza ceasefire, Malaysia reiterated calls for a two-state solution.²⁴ It welcomed additional ICJ provisional measures in March, urging international

²¹“Cambodian Prime Minister Hun Manet Meets Anwar in Putrajaya,” The Star, February 27, 2024, <https://www.thestar.com.my/news/nation/2024/02/27/cambodian-prime-minister-hun-manet-meets-anwar-in-putrajaya>.

²² “Malaysia Welcomes The Application By South Africa Before The International Court Of Justice Against Israel On Alleged Genocide Violations In The Gaza Strip- Press Releases- Portal.” Ministry of Foreign Affairs Malaysia, January 2, 2024. <https://www.kln.gov.my/web/guest/-/malaysia-welcomes-the-application-by-south-africa-before-the-international-court-of-justice-against-israel-on-alleged-genocide-violations-in-the-gaza?inherit>.

²³ “Malaysia Strengthens Action In Support Of Palestine - Press Releases - Portal.” Ministry Of Foreign Affairs Malaysia, January 22, 2024. Accessed April 1, 2024. <https://www.kln.gov.my/web/guest/-/malaysia-strengthens-action-in-support-of-palestine?inherit>

²⁴ “Foreign Ministry: Malaysia Expresses Disappointment on UN Security Council’s Failure to Impose Immediate Humanitarian Ceasefire in Gaza.” Malay Mail, February 21, 2024. <https://www.malaymail.com/news/malaysia/2024/02/21/foreign-ministry-malaysia-expresses-disappointment-on-un-security-councils-failure-to-impose-immediate-humanitarian-ceasefire-in-gaza/119288>.

pressure on Israel to fulfill obligations, uphold international law, and stop aggression against Palestinians facing humanitarian crises.²⁵

Malaysia PM's View on Major Powers Rivalry

In early March, in a notable speech, Prime Minister Datuk Seri Anwar Ibrahim addressed the issue of major-power rivalry, rejecting the idea that it is unchangeable and advocating for regional cooperation to mitigate it. Anwar emphasized the need for empathy towards China's growth and the reactions it has provoked while adhering to international law. He highlighted significant global shifts, including the decline of Western industrial dominance and the evolving perspectives of the Global South, advocating for strengthening inclusive multilateral institutions over exclusive mini-lateral arrangements to bridge global differences.²⁶

Russian Concert Hall Attack Condemnation

On March 22, in response to the deadly attack at the Crocus City Hall concert hall in Krasnogorsk, a suburb of Moscow, Russia, Malaysia strongly condemned the "gruesome and barbaric" act. The attack by gunmen opening fire with automatic weapons at concertgoers left at least 60 people dead and over 145 injured, making it the deadliest attack in Russia since 2004. Prime Minister Anwar Ibrahim expressed Malaysia's deepest sympathies and condolences, emphasizing the attack's targeting of a cultural venue was likely designed to inflict maximum damage. He reiterated Malaysia's readiness to work with partners, including Russia, in fighting terrorism.²⁷

Official visits of PM Anwar Ibrahim to Australia and Germany

Prime Minister Anwar Ibrahim informed Parliament that his recent visits to Australia and Germany have yielded positive results regarding foreign investments and export opportunities for Malaysian products. The Australia visits generated potential investments worth RM24.5 billion from companies like AirTrunk and LaTrobe Magnesium, as well as RM962.1 million in potential export sales. Meanwhile, Germany's visit secured potential RM45.4 billion

²⁵ "Wisma Putra: Malaysia Welcomes Additional Provisional Measures to Stop Genocide in Gaza." Malay Mail, March 29, 2024. Accessed April 2, 2024. <https://www.malaymail.com/news/malaysia/2024/03/29/wisma-putra-malaysia-welcomes-additional-provisional-measures-to-stop-genocide-in-gaza/126263>.

²⁶ Bernama. 2024. "PM Believes Major-Power Rivalry Can Be Mitigated | New Straits Times." NST Online. March 7, 2024. <https://www.nst.com.my/news/nation/2024/03/1022547/pm-believes-major-power-rivalry-can-be-mitigated>

²⁷ "Anwar: Malaysia Condemns Attack on Moscow Concert Hall," NST Online, March 23, 2024. Accessed April 2, 2024. <https://api.nst.com.my/news/nation/2024/03/1029540/anwar-malaysia-condemns-attack-moscow-concert-hall>.

investments from major firms like Siemens Energy, Infineon, Airbus, and BMW across energy, semiconductors, and automotive sectors. Over five years, it also increased RM1.4 billion in additional aerospace export potentials to Germany. Anwar attributed the positive foreign investment climate to Malaysia's stable politics, pro-business policies, and fast approvals. He highlighted growing interest from the Middle East, especially Saudi Arabia, Kuwait, and Qatar, in investing in Malaysia.²⁸

Malaysia-EU Free Trade Agreement

Prime Minister Anwar Ibrahim stated that it is time for Malaysia and the European Union (EU) to revive discussions on a free trade agreement (FTA) to strengthen bilateral ties and regional integration further. During his visit to Germany, Anwar said a Malaysia-EU FTA would allow Europe to capitalize on Malaysia as a gateway to Asia. He expressed Malaysia's readiness to facilitate such an FTA, allowing Europe to leverage open market policies like the ASEAN FTA, RCEP, and CPTPP that Malaysia is party to. Anwar and German Vice-Chancellor Habeck also discussed the FTA during the visit. The PM highlighted Malaysia's principled, non-aligned position, allowing it to trade with both East and West. He emphasized Malaysia's strategy of being proactive and anticipatory rather than reactive, strengthening resilience against geopolitical fluctuations. Anwar stated Malaysia is ready to support Germany's energy transition through natural gas as a transitional fuel, balancing immediate energy needs with long-term sustainability goals.²⁹

Conclusion

In conclusion, this report offers a comprehensive insight into Malaysia's evolving socio-political, foreign affairs, and economic landscape in early 2024. From domestic political developments, including a controversial royal pardon, to active engagement in regional and international affairs, Malaysia has demonstrated its commitment to stability, progress, and global cooperation. Despite the economic challenges posed by the COVID-19 pandemic, the nation explores growth opportunities through innovative business ventures and strategic economic policies. As Malaysia navigates these complexities, it remains poised to address

²⁸ Mail, Malay. "PM Anwar: Official Visits to Australia, Germany Generate Potential Export Sales of Malaysian Products." Malay Mail, March 26, 2024. Accessed April 2, 2024.

<https://www.malaymail.com/news/malaysia/2024/03/26/pm-anwar-official-visits-to-australia-germany-generate-potential-export-sales-of-malaysian-products/125597>.

²⁹ "PM Anwar Says It's Time for Malaysia-EU Free Trade Agreement." Malay Mail, March 15, 2024. Accessed April 2, 2024. <https://www.malaymail.com/news/malaysia/2024/03/16/pm-anwar-says-its-time-for-malaysia-eu-free-trade-agreement/123720>.

challenges, harness opportunities, and pursue sustainable development. Malaysia endeavors to chart a course toward a prosperous and inclusive future for its citizens and stakeholders through effective governance, diplomatic engagement, and economic resilience.

Myanmar

Keo Sokkosol and Khim Tepsopheaktra

Introduction

This first quarterly report on Myanmar covers domestic politics, economy, and foreign affairs. In the domestic politics aspect, Operation 1027 by the Three Brotherhood Alliance is still ongoing with many consequences, such as 19 artillery strikes in three townships in the northern Shan State and the nearby Mogoke Township in the Mandalay Region. In the economic aspect, the people are experiencing economic challenges due to political instability and economic policy adjustments. As for foreign affairs, the National Unity Government and Myanmar military government are talking with China for peace talks. Myanmar sent a senior Foreign Minister of Myanmar, Marla Than Htike, to attend a foreign ministers retreat in Luang Prabang, Laos.

Domestic Politics

Under the control of the military junta and its State Administration Council (SAC), the people of Myanmar have endured severe and pervasive violence, civil unrest, and a collapsing economy for the last three years. But by the end of 2023, the opposition movement became stronger. Operation 1027 was initiated on October 27, 2023, by the Three Brotherhood Alliance (3BHA) consisting of the Arakan Army, Taáing National Liberation Army, and Myanmar National Democratic Alliance Army. The operation took control of a sizable portion of the regime's held territory or towns.¹

As the resistance troops are still gaining ground, the Brotherhood Alliance took over the Kokang Self-Administered Zone capital, Laukkai, on January 6, close to the Chinese border. This concluded the MNDAA's reconquest of the area, which had been forced out by the Myanmar military for 15 years. In the meantime, the TNLA is advancing into other regions of Northern Shan and has taken over the nearby Palaung (Taáing) Self-Administered Zone.²

¹ Yun Sun. 16 January 2024. "Operation 1027: Changing the tides of the Myanmar Civil War?" Brookings. Available at <https://www.brookings.edu/articles/operation-1027-changing-the-tides-of-the-myanmar-civil-war/>

² Grant Peck. 6 January 2024. "Myanmar confirms a key northern city on border with China has been seized by an ethnic alliance". AP News. Available at [https://apnews.com/article/myanmar-laukkai-shan-china-ethnic-armed-group-33f93dcfb43b23fd3364378d9044a81b|AP News](https://apnews.com/article/myanmar-laukkai-shan-china-ethnic-armed-group-33f93dcfb43b23fd3364378d9044a81b|AP%20News)

On January 11, Chinese diplomats in Kunming mediated a truce between the Tatmadaw and the Three Brotherhood Alliance. The Irrawaddy claimed that both sides had agreed on a ceasefire and that neither side would let its troops advance further. The junta promised to stop airstrikes and bombardment of the region, and the allies pledged not to take control of any additional regime towns or camps in northern Shan State. Crucially, the two sides also decided to restore commercial lines between China and Myanmar, which the combined ethnic army had taken over. However, trade could only resume after extensive negotiations between China, the junta, and the ethnic forces following the end of all ground combat.³

On January 12, however, there were reports of 19 artillery strikes in three townships in the northern Shan State and the nearby Mogoke Township in the Mandalay Region. The TNLA claimed that since Thursday, the junta has repeatedly violated the ceasefire. The Junta shelled Par Poat, Nyaung Kone, and Mann Hae on the same day. Moreover, regime forces in Lashio City shelled Kon Paung, Me Kee Nu, and Ae Nine villages in Lashio Township. Likewise, clashes also broke out in Kyaukme Township on Saturday while junta troops attacked a TNLA base.⁴

On January 15, the Arakan Army claimed control of a key western town near the border with India and Bangladesh, marking a loss for the military government as it is battling rebellion in several parts of the country. A spokesperson for the Arakan Army said late on Sunday that it had conquered Paletwa, a port town on the Kaladan River that is key to trade with neighboring countries.⁵

The assault persisted. A 20-minute gunfight broke out on January 16 as junta troops unexpectedly attacked MNDAA forces in the Kokang area with grenades. Later, powerful explosives are used by the military junta troops to shell MNDAA territory. Regime forces stationed in Nant Twan village in Lashio Township on Wednesday also shelled a location in

³ The Irrawaddy. 12 January 2024. “Brotherhood Alliance, Myanmar junta agreed to ceasefire in Northern Shan”. Available at <https://www.irrawaddy.com/news/myanmar-china-watch/brotherhood-alliance-myanmar-junta-agree-to-ceasefire-in-northern-shan.html>

⁴ Yuzana. 13 January 2024. “Myanmar junta breaks Chinese-Brokered ceasefire: TNLA”. The Irrawaddy. Available at <https://www.irrawaddy.com/news/burma/myanmar-junta-breaks-chinese-brokered-ceasefire-tnla.html>

⁵ Reuters. 15 January 2024. “Myanmar rebel group claims control of town bordering India, Bangladesh”. Available at <https://www.reuters.com/world/asia-pacific/myanmar-rebel-group-claims-control-town-bordering-india-bangladesh-2024-01-15/>

northern Shan State's Hseni Township where TNLA and another BHA member's troops were positioned.⁶

Due to many attacks from the ethnic armed groups, the National Defence and Security Council met on January 22 in the capital, Naypyidaw. It purposely extended the state of emergency for another six months to prepare for the elections. The military claims that the reason for the extension of the state of emergency is the chaos caused by the conflicts between the Three BHA and that the military was unable to control the widespread resistance to military rule, which included growing armed resistance in addition to peaceful demonstrations and acts of civil disobedience. The elections were scheduled to take place in August 2023, according to the previous extension; however, the most recent notification did not indicate the exact date of the polls.⁷

The government of Myanmar declared on February 10th that all young men and women must serve in the military due to the ongoing unrest in the nation. It was announced that all males (18–35 years old) and women (18–27 years old) would have to serve for at least two years under military command. A spokesman for the junta, Zaw Min Tun, stated that 5,000 conscripts would be recruited per batch, with the first intake scheduled for mid-April.⁸

As a result, avoiding conscription carries a maximum sentence of five years in prison and a fine; however, members of religious orders are exempt, and civil servants and students are also eligible for short postponements.⁹ In the aftermath of the news, on Friday, February 16, about 1,000 young people from Myanmar applied for visas at the Thai Embassy in Yangon. The embassy told news agency Agence France Presse that it was issuing 400 numbered tickets daily to help manage the line, as reported by The Nation.¹⁰ However, in late February, the civilian

⁶The Irrawaddy. 25 January 2024. “Myanmar junta accused of insulting Beijing by violating ceasefire near shared border”. Available at https://www.irrawaddy.com/news/politics/myanmar-junta-accused-of-insulting-beijing-by-violating-ceasefire-near-shared-border.html#google_vignette

⁷AP News. 31 January 2024. “Myanmar’s military-led government extends state of emergency, forcing delay in promised election”. Available at <https://apnews.com/article/myanmar-military-state-of-emergency-extend-c860a06985f42265088b53c0ea80029e>

⁸Mariarua Zaccaro. 11 Feb 2024. “Myanmar’s military government enforces conscription law”. Available at <https://www.bbc.com/news/world-asia-68261709>

⁹Leong Wai Kit. 21 February 2024. “CNA Explains: Why Myanmar introduced compulsory military service”. Available at <https://www.channelnewsasia.com/asia/myanmar-conscription-cna-explains-military-service-junta-army-enlistment-4135901>

¹⁰The Nation. 16 February 2024. “Long queues outside Thai Yangon embassy as youth try to escape conscription”. Available at <https://www.nationthailand.com/thailand/general/40035635>

National Unity Government issued a warning that anyone aiding in the regime's attempt to impose mandatory military service could be charged under the Counter-Terrorism Law for kidnapping civilians to be used as forced labor in Myanmar's armed forces.¹¹

Senior General Min Aung Hlaing declared on March 27 that the military is only in place temporarily to establish democracy. He also urged the military and the public to work together to combat armed groups that were attempting to hinder efforts to hold elections. Min Aung Hlaing emphasized that opponents were using violence and inciting hatred and that false information was being spread by social media users and foreign journalists against the military. Furthermore, he stated that a more inclusive mixed-member proportional representation system would be used for the upcoming election.¹²

There is a noticeable spillover impact on the neighboring countries as a result of the turmoil and battles between the military and ethnic forces. According to an article from The Economic Times on March 28, there has been a great deal of intense gunfire between rebel groups and the military junta in Myanmar at Walphabung village in Namphalong, which has caused concern among the country's citizens. As a result, more than 200 citizens of Myanmar—including women and children—ran to the Moreh town of Manipur.¹³

Economic Affairs

Irrawaddy claims that on February 22 and 27, the Junta's Commerce Ministry called business representatives to Naypyidaw to discuss its most recent policy adjustment. To increase the US dollars entering the nation, the Central Bank of Myanmar has modified its laws on foreign currency generated from exports, requiring exporters to sell a portion of their earnings at a fixed rate to authorized dealers. Following the central bank's pronouncement, exporters of rice, broken rice, corn, beans, and pulses were required to sell 70% of their US dollar earnings to approved forex dealers at a cost ranging from 3,088 to 3,155 kyats per dollar. However, the

¹¹ Maung Kavi. 27 February 2024. "Myanmar Civilian govt blasts junta over terrorist conscription law". The Irrawaddy. Available at <https://www.irrawaddy.com/news/burma/myanmar-civilian-govt-blasts-junta-over-terrorist-conscription-law.html>

¹² The Strait Times. 27 March 2024. "Myanmar junta chief calls for unity and say military holding power temporarily". Available at <https://www.straitstimes.com/asia/myanmar-junta-chief-says-military-holding-power-temporarily-to-strengthen-democracy>

¹³ The Economic Times. 28 March 2024. "Myanmar's unrest fuels ethnic strife in Manipur as cross-border crisis deepens". Available at <https://economictimes.indiatimes.com/news/india/myanmars-unrest-fuels-ethnic-strife-in-manipur-as-cross-border-crisis-deepens/articleshow/108856888.cms>

exporter is not allowed to sell the fuel importers 70 percent of their export earnings; instead, authorized dealers will do so, especially when it comes to the import of diesel. Consequently, "traders are witnessing huge losses due to these frequent policy changes."¹⁴

According to the Irrawaddy, the two sides reportedly agreed that border trade would resume through Chin Shwe Haw at the latest round of China-mediated talks between the Brotherhood Alliance and the regime earlier this month. The border crossing was again open for travel and trade on March 11. However, traders claimed that because the military regime had closed the trade route close to Lashio town, trade could not restart. Therefore, traders use the border trade gate in Kanpiketi, Kachin State, and the Taunggyi-Kengtung-Mongla route to conduct business with China. However, this route is controlled by the regime and the National Democratic Alliance Army (NDAA). Hence, merchants must pay taxes to the regime and the NDAA to export agricultural produce.¹⁵

On an important note, a line of farmers is moving from growing rice, corn, beans, and avocados to planting poppies. Due to the ongoing conflict within the country, the poppy harvest could be even bigger in 2024. "Growing poppies is the best way to make a living for his family," a farmer was quoted as saying by the Strait Times.¹⁶ Likewise, the falling value of the local kyat currency has significantly increased the cost of purchasing agricultural inputs like fertilizer and delivering produce to the brokers, which requires other expenses that the farmers cannot afford.¹⁷

Foreign Relations

The Ministry of Foreign Affairs of the NUG released a statement on January 1st, stating the NUG's stance on China as Beijing continues to push for peace talks. The declaration promises that China and Myanmar will cherish their people-to-people ties and work to promote mutual respect, trust, and collaboration. In addition, it stated that it would protect Chinese economic

¹⁴ The Irrawaddy. 4 March 2024. "Myanmar's economic crisis likely to deepen as latest dollar rule kicks in". Available at <https://www.irrawaddy.com/news/burma/myanmars-economic-crisis-likely-to-deepen-as-latest-dollar-rule-kicks-in.html>

¹⁵The Irrawaddy. 15 March 2024. "Myanmar junta blocks flow of exports to checkpoint on China border". Available at <https://www.irrawaddy.com/business/myanmar-junta-blocks-flow-of-exports-to-checkpoint-on-china-border.html>

¹⁶ The Strait Times. 14 March 2024. "Boom times for Myanmar opium farmers amid turmoil, conflict following coup". Available at <https://www.straittimes.com/asia/se-asia/boom-times-for-myanmar-opium-farmers-as-coup-chaos-bites>

¹⁷ Ibid. 16

investments and other socioeconomic businesses in Myanmar while advancing the interests of the people in both nations. Crucially, the civilian administration emphasized that it would work closely with China and other surrounding countries to tackle the threat that transnational crime poses to the region. Moreover, the NUG promised to uphold the One China concept that governs ties between Taiwan and the mainland.¹⁸

Later this month, the Ministry of Foreign Affairs of Myanmar released its views regarding the development of China on January 15 that “Myanmar constantly adheres to the “One China Policy” and reaffirms that Taiwan (Chinese-Taipei) is an integral part of the People's Republic of China and opposes any separatist activities aimed at “Taiwan independence” and foreign interference in internal affairs of other states while fully supports China’s strive in achieving peaceful reunification”.¹⁹

Regarding Myanmar-ASEAN cooperation, since the coup started, Myanmar has not attended any major ASEAN meetings. However, On January 29, 2024, a senior Myanmar foreign Minister, Marla Than Htike, attended a foreign minister's retreat in Luang Prabang, Laos. According to the Irrawaddy, Marar Than Htike refused to answer reporters' questions about Myanmar’s presence at the meeting when arriving at the opening ceremony.²⁰

On March 5, 2024, Myanmar representative Zaw Naing Win, director general of the Defence Ministry's International Affairs Department, attended a meeting of ASEAN defense ministers in Laos, which was seen as a sign of the junta’s willingness to cooperate with the regional blocs. Myanmar was participating in a significant ASEAN meeting for the second time this year. The people of Myanmar and all relevant parties would benefit from Myanmar's participation in this ASEAN military ministers meeting, according to a statement made by Thai military Minister Sutin Klungsang to Kyodo News. Hence, “it will narrow the distance” in

¹⁸ The Irrawaddy. 2 January 2024. “Myanmar’s civilian govt vows to safeguard Chinese investments”. Available at <https://www.irrawaddy.com/news/burma/myanmars-civilian-govt-vows-to-safeguard-chinese-investments.html>

¹⁹ Embassy of the People’s Republic of China in the Republic of the Union of Myanmar. 15 January 2024. “Myanmar’s view on development of Taiwan (Chinese-Taipei)”. Available at http://mm.china-embassy.gov.cn/eng/sgxw/202401/t20240115_11224296.htm

²⁰ Sebastian Strangio. 29 January 2024. “Myanmar junta sends representative to ASEAN Foreign Ministers meeting”. The Diplomat. Available at <https://thediplomat.com/2024/01/myanmar-junta-sends-representative-to-asean-foreign-ministers-meetin/>

terms of consensus building over the implementation of the peace plan for Myanmar agreed between Myanmar and the other ASEAN nations in April 2021, he added.²¹

Conclusion

This first quarterly update reports on Myanmar's domestic politics, economic affairs, and foreign affairs. In the domestic political aspect, Operation 1027 has been ongoing, and there is no sight of a successful peace talk. The government declared conscription on February 10 to enlist young men and women to serve in the military for at least two years, starting mid-April. As for the economic affairs, correlated to the political instability, the country is facing economic challenges, which forced the farmers to pay extra taxes to export their agricultural products, and with the depreciation of the local kyat currency, inputs to the farming such as fertilizers are becoming unaffordable for the farmers. As for foreign affairs, Myanmar's stakeholders are seeking peace talks with China as the mediator and seem to be trying to get on China's good side for support. As for relations with ASEAN, Myanmar sent a senior Foreign Minister of Myanmar, Marla Than Htike, to attend a foreign ministers retreat, which could open a door for future opportunities for ASEAN-Myanmar cooperation.

²¹ Kyodo News. 5 March 2024. "Myanmar junta senior official attends ASEAN defense ministers meeting". Available at <https://english.kyodonews.net/news/2024/03/c4230b109d79-myanmar-junta-senior-official-attends-asean-defense-ministers-meeting.html>

Singapore

Chhun Phalanady, Bou Nisa & Ngov Sodanet

Introduction

The paper discusses various aspects of Singapore's domestic, socioeconomic, and foreign affairs. Regarding domestic affairs, it focuses on recent corruption scandals involving high-ranking officials from the ruling People's Action Party (PAP) and the leading opposition party. These scandals have significant implications for the parties' reputations and may impact the upcoming general election. On the socioeconomic front, the paper examines the effects of inflation on Singapore's economy, trade data, including exports and imports, business development and foreign investment, and the economic impact of Taylor Swift's concerts in the country. Additionally, it will touch upon the launch of a women entrepreneurs program and Singapore's role in foreign affairs, including its partnerships with the United States and China and its involvement in ASEAN's response to the situation in Myanmar.

Domestic Affairs

On January 16th, 2024, S. Iswaran, a longtime People's Action Party (PAP) member, received formal notice of charges from the Corrupt Practices Investigation Bureau. The charges against Iswaran involve allegations of accepting kickbacks worth \$14,000, which included golf clubs and expensive whisky, from Lum Kok Seng. Lum Kok Seng is a contractor for Lum Chang Holdings, a company with government work contracts. Iswaran is facing more than 27 charges, two related to the Prevention of Corruption Act (PCA). Throughout the trial, Iswaran pleaded not guilty to all charges. Most of the charges fall under Section 165 of the Penal Code, which prohibits public servants from accepting valuable items. Additionally, there is one charge of obstruction of justice and two charges that potentially violate Section 6(a) of the PCA.¹ This case is regarded as one of the most controversial cases in Singapore as it involves a high-ranking official. It is the first case in four years that a cabinet member has been investigated for corruption.² On January 17th, 2024, Singapore's Prime Minister, Mr. Lee Hsien Loong,

¹ Louisa Tang, "CNA Explains: Iswaran's Charges - Section 165, 'obtain' Vs 'accept' and Other Legal Nuances," *CNA*, January 19, 2024, accessed April 26, 2024, <https://www.channelnewsasia.com/singapore/iswaran-charges-cna-explains-corruption-bribes-public-servant-penal-code-4056821>

² Sebastian Strangio, "Singapore Adds New Corruption Charges to Case Against Former Minister," *The Diplomat*, March 27, 2024, accessed April 26, 2024, <https://thediplomat.com/2024/03/singapore-adds-new-corruption-charges-to-case-against-former-minister/>.

publicly acknowledged the accusations against Iswaran and affirmed the government's dedication to upholding the integrity of the Party and the Government by accepting Iswaran's resignation letter.³

The corruption scandal tarnishes the ruling People's Action Party's reputation and has implications for the election's outcome. The party has positioned itself as one that aims to eliminate all forms of corruption and has a reputation for having clean officials. Therefore, this news shocked the people of Singapore and further widened the divide between the general public and the government.

On March 19th, 2024, a scandal erupted involving Pritam Singh, the leader of Singapore's Workers' Party. The controversy stemmed from his false statements to a parliamentary committee regarding the case of Raeesha Khan. The origins of this issue can be traced back to August 2021 when Raeesha Khan, a former member of parliament and a lawmaker from the Workers' Party, alleged that the police mistreated a sexual assault victim. However, it was later revealed that this anecdote was untrue. During a recent court appearance, Mr. Singh refuted the accusations against him. The prosecution intends to impose a fine on the opposition leader, which could potentially jeopardize his seat in parliament. In Singapore, Members of Parliament (MPs) convicted of an offense may lose their seats and face disqualification from standing for election if they are fined exceeding SGD 10,000 or sentenced to more than a year in jail. These developments raise significant questions about the potential unforeseen impact on the forthcoming 2025 general election, particularly regarding Pritam Singh's involvement and the overall position of the opposition party.⁴

As the general election in Singapore is approaching, scandals within the ruling PAP and the leading opposition party are emerging, which could influence voting patterns and shape public perception of the parties. Both parties have responded to these scandals by acknowledging the issues and providing critical responses to the fallout.

³“In Full: Iswaran’s Resignation Letters and PM Lee’s Response,” *CNA*, January 18, 2024, accessed April 26, 2024, <https://www.channelnewsasia.com/singapore/s-iswaran-resigns-pm-lee-hsien-loong-full-exchange-letters-corruption-charges-4056221d>

⁴“As It Happened: Pritam Singh Pleads Not Guilty to Charges of Lying to Parliament Committee Over Raeesah Khan’s Case,” *CNA*, March 19, 2024, accessed April 26, 2024, <https://www.channelnewsasia.com/singapore/pritam-singh-charged-court-lying-raeesah-khan-case-parliament-4204691>

Socioeconomic Affairs

Inflation

During the first quarter of 2024, Singapore's economy is being affected by global inflation. In February 2024, the Monetary Authority of Singapore (MAS) released a report on Consumer Price Developments, revealing that inflation rates exceeded expectations. While headline inflation slightly decreased in January, it rose to 3.4% year-on-year in February. Core inflation also increased to 3.6%.

This is because of various factors, such as increased prices for services and food. One contributing factor is the impact of the Chinese New Year, while lower accommodation costs are due to changes in Service & Conservancy Charges rebates. Additionally, service prices have risen due to more expensive airfares, holiday expenses, and increased food prices. However, the Monetary Authority of Singapore (MAS) and the Ministry of Trade and Industry expect core inflation to decrease yearly due to lower import costs and a more relaxed domestic job market. They estimate that inflation will average between 2.5% and 3.5% in 2024.⁵

Trade Data

In February 2024, Singapore's Non-Oil Domestic Exports (NODX) showed a slight decline of 0.1% compared to last year. However, there was a more noticeable decrease of 4.8% compared to the previous month. This decline was primarily driven by a reduction in non-electronic NODX, contrasting with the expansion observed in January. Although non-electronic NODX decreased by 1.5% year-on-year, electronic NODX grew by 5.2%, fueled by integrated circuits and personal computers. Despite the decline in NODX, exports to key markets such as Hong Kong, the United States, and Indonesia increased. Moreover, there was growth in domestic oil exports and non-oil re-exports. Total exports and imports recorded positive year-on-year growth, resulting in an overall expansion of total trade by 3.5% in February.⁶

Business Development

⁵Anna Maria Romero, "Singapore Inflation Rises to 3.4% in February, Higher Than Expected," The Independent Singapore News, March 26, 2024, accessed April 26, 2024, <https://theindependent.sg/singapore-inflation-rises-to-3-4-in-february-higher-than-expected/>

⁶Mary Alavanza, "Non-oil Domestic Exports in February Slipped by 0.1% YoY, Declined 4.8% MoM," The Independent Singapore News, March 18, 2024, accessed April 26, 2024, <https://theindependent.sg/non-oil-domestic-exports-in-february-slipped-by-0-1-yoy-declined-4-8-mom>

Singapore continues to attract significant investments and has improved its ranking in the Milken Institute's Global Opportunity Index 2024 Attracting Foreign Investment report. Singapore now stands at the 14th spot out of 130 countries surveyed, surpassing its ASEAN neighbors. This improvement is attributed to Singapore's strong economy. Singapore's favorable business perception, which reflects the ease of doing business and robust rules for contract enforcement, contributes to its attractiveness. Additionally, Singapore's institutional framework protects investors' rights and ensures transparency. These favorable conditions make Singapore an appealing destination for foreign investors.⁷

Swiftnomics

A notable economic phenomenon in Singapore in the first quarter of 2024 was the impact of Taylor Swift's concerts on the country's growth forecast. Economists have revised Singapore's first-quarter growth forecast upward, projecting a 2.9% expansion, partly attributed to Taylor Swift's six concerts in the country. The annual growth expectation has been raised to 2.5%, at the upper end of the government's forecast range for 2024. Swift's exclusive deal with Singapore has attracted over 300,000 fans, benefiting sectors such as hospitality and retail. Estimates suggest that the concerts could contribute S\$300 million to S\$400 million to Singapore's GDP. This economic impact highlights Singapore's reputation as a live music and events hub. Despite the positive outlook, economists caution that global uncertainties could still affect Singapore's trade-reliant economy.⁸

Launching of New Companies

The Oversea-Chinese Banking Corporation (OCBC) has launched the Women Entrepreneurs Programme in Singapore, coinciding with International Women's Day. This initiative aims to support women-led startups by waiving processing fees on loans up to SGD 100,000 for businesses less than two years old. The program is scheduled to launch in April and addresses challenges women-owned SMEs face, promoting socioeconomic advancement and international market expansion. The announcement has received positive feedback, with

⁷ Mary Alavanza, "Singapore Leads Asia in Attracting Foreign Investments: Report," The Independent Singapore News, March 23, 2024, accessed April 26, 2024, <https://theindependent.sg/singapore-leads-asia-in-attracting-foreign-investments-report>

⁸ Lee Chong Ming, "Taylor Swift's Concerts Expected to Boost Singapore's GDP as Economists Upgrade Growth Forecast: Report," CNA, March 11, 2024, accessed April 26, 2024, <https://www.channelnewsasia.com/singapore/taylor-swift-concerts-boost-singapore-economy-gdp-growth-forecast-4186226>.

stakeholders optimistic about its potential to empower women-led businesses and foster sustainable growth.⁹

Singapore's role as a regional financial hub for Southeast Asia underscores its significance in the economic and political sectors, as they complement each other.

Foreign Affairs

Singapore and the Major Powers

The Joint Statement on the 6th United States-Singapore Strategic Partnership Dialogue, held on February 27, 2024, highlighted several key areas of cooperation between the two countries. The dialogue focused on advancing robust approaches to emerging challenges and mutually beneficial areas, such as critical and emerging technologies, energy, climate change, and regional capacity building. Both sides reaffirmed their strong defense and security partnership, which includes the United States access to military facilities in Singapore and cooperation in overseas operations. The co-chairs also celebrated the 20th anniversary of the United States-Singapore Free Trade Agreement and discussed progress under the U.S.-Singapore Partnership for Growth and Innovation. They emphasized the importance of collaboration in areas such as CET, climate change, and energy and supporting capacity-building in Southeast Asia through the Singapore-U.S. Third Country Training Program. The dialogue also addressed regional and global developments, with both sides reiterating their commitment to upholding the rules-based international order.¹⁰

On March 27th, 2024, the Minister of the International Department of the Communist Party of China, Liu Jianchao, paid an official visit to Singapore and met with Dr. Vivian Balakrishnan, the Minister for Foreign Affairs. The purpose of the visit was to reaffirm their satisfaction with the strong cooperation between the two countries. This cooperation has been strengthened by the upgrade to an "All-Round High-Quality Future-Oriented Partnership" since April 2023. During the meeting, the ministers explored opportunities to deepen their cooperation further

⁹ Mary Alavanza, "OCBC to Waive Loan Fees to Support Women Entrepreneurs in Singapore," The Independent Singapore News, March 8, 2024, accessed April 26, 2024, <https://theindependent.sg/ocbc-to-waive-loan-fees-to-support-women-entrepreneurs-in-singapore>

¹⁰ "Joint Statement on the 6th United States-Singapore Strategic Partnership Dialogue, 27 February 2024, Singapore," Ministry of Foreign Affairs Singapore, February 28, 2024, accessed April 26, 2024, <https://www.mfa.gov.sg/Newsroom/Press-Statements-Transcripts-and-Photos/2024/02/Joint-Statement-on-the-6th-United-States>

and discussed their perspectives on ASEAN-China relations and other regional and international developments. Both parties reiterated their commitment to fostering an open, peaceful, and inclusive region.¹¹

Singapore and ASEAN

During the February 7, 2024, parliamentary session, Minister for Foreign Affairs Dr Vivian Balakrishnan and Senior Minister of State for Foreign Affairs Ms Sim Ann answered questions about Myanmar's situation and ASEAN's response. Ms. Sinn Ann highlighted ASEAN's consistent approach to upholding the Five-Point Consensus, expressed concerns about the lack of progress in Myanmar, and stated that Singapore is committed to partnering with this year's ASEAN Chair from Laos and external partners. They emphasized the need for the Tatmadaw (Myanmar military) to end violence and fully implement the agreement. They also pointed out the ongoing dire situation in Myanmar, the importance of humanitarian assistance, and the need for Myanmar's political leaders to engage in direct negotiations. ASEAN's commitment and consistency in response to the situation were reaffirmed.¹²

Conclusion

In conclusion, the paper has provided insights into key aspects of Singapore's domestic, socioeconomic, and foreign affairs. The examination of recent corruption scandals involving high-ranking officials from the ruling party and the opposition has highlighted the potential impact on the upcoming general election and the parties' reputations. The analysis of inflation, trade data, business development, and foreign investment has showcased the challenges and resilience of Singapore's economy. The unexpected economic boost from Taylor Swift's concerts underscored Singapore's growing prominence as an events hub. The launch of the women entrepreneurs program reflects efforts to promote inclusive growth. Singapore's partnerships with the United States and China and its involvement in ASEAN's response to the situation in Myanmar demonstrate its active role in regional and global affairs. These

¹¹“Official Visit by Minister of the International Department of the Communist Party of China Liu Jianchao, the People’s Republic of China, 27 March 2024,” Ministry of Foreign Affairs Singapore, March 27, 2024, accessed April 26, 2024, <https://www.mfa.gov.sg/Newsroom/Press-Statements-Transcripts-and-Photos/2024/03/LJC-27032024>

¹²“Minister for Foreign Affairs Dr Vivian Balakrishnan and Senior Minister of State for Foreign Affairs Ms Sim Ann’s Oral Reply to Parliamentary and Supplementary Questions, 7 February 2024,” Ministry of Foreign Affairs Singapore, February 7, 2024, accessed April 26, 2024, <https://www.mfa.gov.sg/Newsroom/Press-Statements-Transcripts-and-Photos/2024/02/20240207>

multifaceted developments shape Singapore's current state and future trajectory in domestic, socioeconomic, and foreign realms.

Thailand

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

Introduction

This report provides an update on Thailand's domestic politics, economic affairs, and foreign affairs for the year's first quarter. In domestic politics, the recent release of former Prime Minister Thaksin Shinawatra on parole has reignited debates surrounding justice and political influence. At the same time, the emergence of the Move Forward Party as a focal point has added complexity to the political landscape. In terms of economics, Thailand's economic performance has been positive despite inflation and global economic challenges, driven by resilient sectors like manufacturing, tourism, and exports. Meanwhile, in foreign affairs, Thailand's engagements with key regional players such as China, ASEAN neighbors, and the United States have underscored its commitment to regional stability and global cooperation.

Domestic Politics

The release of former Prime Minister Thaksin Shinawatra on parole has stirred up considerable controversy and speculation in Thailand's political landscape. Justice Minister Tawee Sodsong underscored the government's pledge to strictly follow the rule of law in dealing with Thaksin's situation before his parole.¹ However, despite this assurance, a faction of protesters strongly objected to Thaksin's expected release. They criticized it as an unjustifiable privilege and expressed concerns about potential increases in dissent.²

Prime Minister Srettha Thavisin weighed in on this situation by asserting that Thaksin's parole is consistent with Thailand's justice process.³ Furthermore, the Probation Department clarified that despite his legal status, Thaksin retains the right to provide political guidance and engage

¹ The Nation Thailand. 09 February 2024. "Thaksin's parole to be in strict adherence with 'Rule of Law'" Available at: <https://www.nationthailand.com/thailand/politics/40035418>

² Bangkok Post. 12 February 2024. "Rally against Thaksin's release, warning of bigger protests" Available at: <https://www.bangkokpost.com/thailand/politics/2740694/rally-against-thaksins-release-warning-of-bigger-protests>

³ Thai PBS World. 17 February 2024. "PM claims Thaksin's parole is in line with Thailand's justice process" Available at: <https://www.thaipbsworld.com/pm-claims-thaksins-parole-is-in-line-with-thailands-justice-process/>

in political activities during his parole period.⁴ As Thaksin was released on parole, controversies escalated, especially surrounding his upcoming visit to Chiang Mai, his hometown. Activists accused Thaksin of exploiting the trip to strengthen his political influence, especially since it coincided with Prime Minister Srettha's planned visit to the region.⁵

The Move Forward Party (MFP) has become a focal point in Thailand's domestic politics. Initially, the MFP announced plans to criticize the Pheu Thai Party-led coalition government in April, focusing on alleged failures in public administration, general misconduct, and delays in addressing national challenges.⁶ However, the MFP faced significant legal setbacks. The Constitutional Court accused the party of attempting to undermine the constitutional monarchy by campaigning to amend the lèse majesté law. The court ordered the MFP to cease all related activities, warning of potential threats to the monarchy's stability.⁷ Subsequently, the Election Commission petitioned for the MFP's dissolution, citing constitutional breaches and the party's alleged attempts to overthrow the monarchy.⁸ However, the Constitutional Court requested additional documents in the dissolution case, highlighting uncertainties regarding the evidence submitted.⁹

Meanwhile, regarding these legal proceedings, the Election Commission has also taken action against other parties, such as the Palang Pracharath Party (PPRP), pursuing cases of alleged electoral misconduct.¹⁰ Similarly, the Bhumjaithai Party is under scrutiny, facing accusations of illegal donations and ties to a suspended minister. Despite the Bhumjaithai Party's trust in

⁴ Bangkok Post. 23 February 2024. "Thaksin can 'advise' on politics: Probation Dept" Available at: <https://www.bangkokpost.com/thailand/politics/2747288/thaksin-can-advise-on-politics-probation-dept>

⁵ The Nation Thailand. 08 March 2024. "Thaksin accused of using Chiang Mai trip to boost political power" Available at: <https://www.nationthailand.com/thailand/politics/40036215>

⁶ Bangkok Post. 27 January 2024. "Move Forward Party to censure government in April" Available at: <https://www.bangkokpost.com/thailand/politics/2731282/move-forward-party-to-censure-government-in-april-pita>

⁷ Thai PBS World. 31 January 2024. "Move Forward's effort to amend lèse majesté law threat to Constitutional Monarchy – Court" Available at: <https://www.thaipbsworld.com/move-forwards-effort-to-amend-lese-majeste-law-threat-to-constitutional-monarchy-court/>

⁸ Thai PBS World. 18 March 2024. "EC petitions Constitutional Court seeking dissolution of Move Forward party" Available at: <https://www.thaipbsworld.com/ec-petitions-constitutional-court-seeking-dissolution-of-move-forward-party/>

⁹ Bangkok Post. 20 March 2024. "Court seeks more documents in Move Forward dissolution case" Available at: <https://www.bangkokpost.com/thailand/politics/2761799/court-seeks-more-documents-in-move-forward-dissolution-case>

¹⁰ Bangkok Post. 09 February 2024. "Palang Pracharath candidate accused of vote-buying" Available at: <https://www.bangkokpost.com/thailand/politics/2739099/palang-pracharath-candidate-accused-of-vote-buying>

the legal system and their optimism regarding their situation, there remains a concern regarding the possibility of their dissolution.¹¹

The Thailand budget bill for 2024 has sparked controversy and debate. Opposition leader Chaithawat Tulathon criticized the budget for its ineffective addressing of pressing national issues, citing poor allocation of funds and a lack of strategic planning.¹² Despite opposition, the House of Representatives passed the 3.48 trillion baht budget bill, with Prime Minister Srettha Thavisin expressing gratitude and pledging to consider recommendations for budget adjustments.¹³ Srettha emphasized the budget's role in driving government policies at societal equality and economic growth. However, former Move Forward Party leader Pita Limjaroenrat questioned the budget's objectives, alleging an emphasis on agency remuneration over public welfare. He criticized cuts in essential funding areas, warning of missed opportunities and diminished taxpayer benefits.¹⁴

Economic Affairs

Starting in 2024, Thailand is exacerbating its economy to meet resilience and growth. Thailand has accelerated lithium exploration to establish itself as a hub for electric vehicle production, with the Department of Primary Industries and Mines (DPIM) entrusted with the investigation. The move aims to build stability and prepare Thailand for becoming an EV production base. The DPIM has created technology that repurposes and recycles batteries to power various sectors.¹⁵ Thailand's Board of Investment is offering greater incentives and direct support to local electronic circuit suppliers to make Thailand the center of Southeast Asia's electronic sector. Thailand has emerged as the top relocation option for significant international PCB and PCBA manufacturers in the ASEAN area, with Malaysia and Vietnam closely behind.¹⁶

¹¹ Bangkok Post. 14 March 2024. "EC petitions Constitutional Court seeking dissolution of Move Forward party" Available at: <https://www.bangkokpost.com/thailand/politics/2758363/ec-takes-up-petition-to-dissolve-bhumjaithai>

¹² The Nation Thailand. 30 January 2024. "Opposition leader slams 2024 budget, says it does not address actual problems" Available at: <https://www.nationthailand.com/thailand/politics/40034368>

¹³ Thai PBS World. 23 March 2024. "House passes 3.48 trillion baht budget bill for 2024 fiscal year" Available at: <https://www.thaipbsworld.com/house-passes-3-48-trillion-baht-budget-bill-for-2024-fiscal-year/>

¹⁴ The Nation Thailand. 23 March 2024. "Srettha vows 2024 budget will boost economy, as Pita questions its real objectives" Available at: <https://www.nationthailand.com/thailand/politics/40036654>

¹⁵ The Nation Thailand. 3 January 2024. "Thailand accelerates lithium exploration to become EV production hub" Available at: <https://www.nationthailand.com/thailand/economy/40034371>

¹⁶ The Nation Thailand. 10 January 2024. "BOI plans enhanced support for Thailand's electronic circuit industry" Available at: <https://www.nationthailand.com/thailand/economy/40034545>

In early February, most business leaders expressed dissatisfaction over the Bank of Thailand's decision not to lower the interest rate to 2.5%, believing that the rate should be lowered to attract investors. The central bank explained that while headline inflation is projected to be lower than forecast, it is not a sign of low demand. Falling prices are mainly concentrated in sectors like food and energy. Business leaders emphasize that high interest rates impact investors and grassroots groups struggling with rising household debts. They recommended gradually reducing the policy rate to address inflation, which has been dropping for four months.¹⁷ By the end of February, PM Srettha urged BOT's Monetary Policy Committee (MPC) to consider reducing the policy rate immediately, aiming to prevent the Thai economy from sliding further into a "critical stage."¹⁸

Recently, Thai manufacturers have been dissatisfied with the flood of cheap Chinese goods. The Federation of Thai SMEs proposed the Commerce Ministry review import tax rate deals with China and asked for the Finance Ministry to slap a value-added tax on imported Chinese products, aiming to find ways to support Thai farmers and SMEs by motivating Chinese manufacturers to use local materials instead of imported raw materials from China as well as supporting online sales of Thai products while enforcing strict laws against the smuggling of cheap goods from China. The Federation has proposed some of these measures to review and set up work with other organizations and relevant government agencies to create a bargaining platform for Thai SMEs and help them reduce manufacturing costs.¹⁹

According to a report by UOB, Thailand's economy is expected to start the year slowly due to the global economy's sluggish recovery. However, it is poised for a more rapid pickup in the second half 2024. Factors contributing to this growth include a new government, fiscal stimulus packages, sustained tourism recovery, and a rebound in merchandise exports. UOB forecasts Thailand's Gross Domestic Product (GDP) to expand by 3.6 percent this year. The key growth drivers are external demand, resilient household consumption, and increased government spending. The recovery could be affected by geopolitical conflicts, a slowdown in the global economy, and China's uncertain economic recovery. Tourism recovery and merchandise

¹⁷ The Nation Thailand. 08 February 2024. "Business leaders dissatisfied with decision not to lower interest rate" Available at: <https://www.nationthailand.com/thailand/economy/40035387>

¹⁸ The Nation Thailand. 20 February 2024. "PM pleads with central bank to reduce policy rate before April" Available at: <https://www.nationthailand.com/thailand/economy/40035711>

¹⁹ The Nation Thailand. 18 February 2024. "SMEs call on govt to protect Thai manufacturers from dumping of cheap Chinese goods" Available at: <https://www.nationthailand.com/thailand/economy/40035677>

exports are expected to be crucial in driving growth. The number of foreign tourists is projected to reach 33 million, and merchandise exports are anticipated to improve, particularly in electronic products, motor vehicles, and processed food. Inflation will remain subdued due to government subsidies and favorable supply conditions.²⁰ From January to March 2024, Thailand's economy has shown resilience and steady growth despite global economic challenges. Key sectors such as manufacturing, tourism, and exports have contributed significantly to this positive momentum.

Foreign Affairs

After meeting with Thai Prime Minister Srettha Thavisin, Chinese Foreign Minister Wang Yi conveyed China's gratitude for Thailand's observance of the one-China principle. Wang praised Thailand's constructive contribution to regional stability and global peace while emphasizing that the Taiwan problem is a matter of China's sovereignty. Both countries laid a roadmap for a China-Thailand community with a shared destiny to strengthen comprehensive strategic collaboration for regional peace and prosperity.²¹

In other news, during ASEAN talks, Thai Foreign Minister Parnpree Bahiddha-Nukara reiterated Thailand's commitment to helping Laos resolve the Myanmar problem. Thailand emphasized the significance of humanitarian aid and the necessity for ASEAN members to agree to address the issue adequately.²²

Among the topics Thai and Cambodian officials discussed were the overlapping cooperative development of regions, bilateral commerce and tourism collaboration, and initiatives to reduce transboundary air pollution. Srettha informed the media that the leaders had decided to increase strategic collaboration across the board, to increase bilateral trade from 8 billion baht in 2023 to 15 billion baht the following year.²³

²⁰ Bangkok Post. 16 February 2024. "UOB Predicts 3.6% Growth for Thailand's Economy" Available at: <https://www.bangkokpost.com/thailand/pr/2743285/uob-predicts-3-6-growth-for-thailands-economy>

²¹ Khaosod English. 30 January 2024. "CHINA APPRECIATES THAILAND'S UPHOLDING OF ONE-CHINA PRINCIPLE: WANG YI" Available at: <https://www.khaosodenglish.com/news/2024/01/30/china-appreciates-thailands-upholding-of-one-china-principle-wang-yi/>

²² Bangkok Post. 30 January 2024. "Thai FM backs Laos in Asean affairs" Available at: <https://www.bangkokpost.com/thailand/general/2732785>

²³ The Nation Thailand. 7 February 2024. "Srettha, Hun Manet share far-reaching visions for both Thailand, Cambodia" Available at: <https://www.nationthailand.com/thailand/policies/40035368>

Meanwhile, Parnpree Bahiddha-Ankara, the foreign minister of Thailand, met with US Secretary of State Antony Blinken to discuss working together to address regional and global issues. The summit's goal was to deepen the two countries' almost 200-year-old strategic alliance and lasting connection.²⁴

Going into March, Thailand urged for an immediate end to violence and accelerated discussions, expressing worry about the present state of affairs in Israel and Gaza. Thailand has called on all sides to expedite the negotiating process and achieve a ceasefire for human rights, the Ministry of Foreign Affairs wrote on its website.²⁵

In later news, among the subjects discussed at a meeting between Ambassador Park Yong-min and Labour Minister Pipat Ratchakitprakarn was the increasing number of Thai workers in South Korea and the promotion of tourism. Pipat praised the long-standing bilateral connections the two nations have enjoyed for over 60 years and congratulated the ambassador on his new role. In addition, he expressed gratitude to the South Korean government for providing visa and welfare support to over 20,000 Thai laborers working there and mentioned that Thailand was prepared to collaborate with Seoul to advance reciprocal travel.²⁶

Conclusion

The first quarter of 2024 has provided a snapshot of Thailand's multifaceted landscape, marked by significant developments in domestic politics, economic affairs, and foreign relations. The release of former Prime Minister Thaksin Shinawatra has ignited debates surrounding justice, political influence, and the rule of law. This development highlights the ongoing tensions within Thailand's political landscape and the need for transparent and fair governance. Economically, Thailand strategically positions itself as a hub for electric vehicle production and electronic sector dominance, capitalizing on global trends and local innovations. However, challenges such as managing inflation, addressing cheap imports, and supporting local industries persist, demanding adaptive policies and collaborative efforts. Thailand's engagements with China, ASEAN neighbors, the United States, and South Korea in foreign

²⁴ The Nation Thailand. 13 February 2023. "Thai foreign minister bolsters diplomatic ties with key talks during US visit" Available at: <https://www.nationthailand.com/thailand/policies/40035545>

²⁵ The Nation Thailand. 6 March 2023. "Thailand calls for expedited efforts to end Israel-Hamas conflict, release hostages" Available at: <https://www.nationthailand.com/blogs/thailand/policies/40036156>

²⁶ The Nation Thailand. 5 March 2023. "Pipat eyes jobs for Thais in new South Korean industries in meeting with new envoy" Available at: <https://www.nationthailand.com/thailand/economy/40036124>

affairs showcase its commitment to regional stability, economic cooperation, and diplomatic relations. These interactions underscore Thailand's role as a key player in regional dynamics and its dedication to global peace and collaboration.

The Philippines

Cheng Ousa, Hok Srunheng, and Thorng Pisethvisal

Introduction

The Philippines consists of 7,107 islands spanning southern China to northern Borneo. It is home to more than a hundred ethnic groups and has developed a distinct Filipino culture through a blend of various foreign influences.¹ Since the start of 2024, the Philippines has significantly advanced toward building a robust ICT ecosystem. As a result of its efforts through ICT development, the Philippines gained its highest investment approval to date at Php1.16 trillion, up by 59% compared to 2022. Along with that, the Department of ICT is seeking better innovations, empowering digitalization in the Philippines to the next level that could compete with other nations globally, and advancing its capacity in technology to a higher standard.² On the other hand, the South China Sea dispute has kept dwelling on the tension between the Philippines and China for so many years. Recently, the Philippines and Vietnam signed an agreement on cooperation that focuses on maritime security, incident prevention, stability, and fostering economic relations between the two countries. Last year, the Philippines accused China of swarming its Whitsun Reef with the use of water cannons, dangerous blocking maneuvers, and military-grade lasers, and because of that, the Philippines worried about the conflicts that they could face in the near future.³ Therefore, this essay aims to highlight the Philippines' first quarter of 2024 in three dimensions: domestic, socio-economic, and foreign affairs.

Domestic Affairs

Before jumping into the recent updates on domestic affairs in the Philippines, it is essential to reflect on some of the events that happened in 2023, as it is also connected with the following updates in 2024 within these past few months. 2023 was full of political controversy and criticism of President Ferdinand Marcos regarding the overspending on the traveling budget

¹ Super User. "The Philippines - Introduction." Dfa.gov.ph, May 22, 2014.

<https://brusselspe.dfa.gov.ph/the-philippines-introduction>.

² Yen, Ocampo. "The Philippines Enhances Digitalisation Efforts in 2024 – OpenGov Asia." OpenGov Asia, January 8, 2024. <https://opengovasia.com/2024/01/08/the-philippines-enhances-digitalisation-efforts-in-2024/>.

³ Al Jazeera. "Vietnam, Philippines Sign Deals on Security in Disputed South China Sea," January 30, 2024. <https://www.aljazeera.com/news/2024/1/30/vietnam-philippines-sign-deals-on-security-in-disputed-south-china-sea>.

for his trips to foreign countries, of which many accused him of not addressing critical issues such as low wages, high prices, and any other concerns within the country. In 2023 alone, Marcos Jr. spent over US\$12.08 million traveling to many countries searching for better relations and some other beneficial gains. Many claimed that the trips were unnecessary; even the government pointed out that the trips were highly beneficial to the country, with trillions of pesos in the investment pledges. As for 2024, Marcos Jr is expected to spend even more than in 2023, with a significant increase to about US\$20.69 million for the travel budget, and the overall expenses cover the national budget of over US\$103.78 billion. There is a lot of speculation surrounding the vast expenses, leaving many worried.

Moreover, tension among other politicians is also becoming more demanding regarding the restriction on confidential funds for the daughter of Rodrigo Duterte, Sara Duterte. She is a Vice President and Education Secretary; the Congress did not accept the request due to the impropriety of funding intelligence and surveillance in the education sector and her opposition to such funds as enemies of the state. Rodrigo Duterte responded to the House of Representatives by claiming that House Speaker Martin Romualdez was conspiring with the communists and threatened to kill the oppositionist Party-list Representative France Castro for having an affair with communists. This allegation filed a criminal complaint against Castro.⁴ Furthermore, human violations in the Philippines are still a concern because the government is fully occupied and not willing to cooperate with the international criminal courts to address the issues, which resulted in deaths and disappearances. In contrast, the government is continuing in the practice of red-tagging, which is about exposing the leftist activists and other politicians who are supporters publicly, and by doing so, it is a concern for unpredicted risks and other unfortunate things that might happen to them. As the relations between Australia and the Philippines are on good terms, Marco has recently flown to Australia, and the presence of the Philippines president allows Australia to talk and address the human rights abuse in the Philippines. That negotiation is a sign that President Marco should identify the issues more deeply because it could have a significant negative impact on the Philippines in the future.⁵

⁴ Danilo Arana Arao. "Politics and Press under Pressure in the Philippines | East Asia Forum." East Asia Forum, January 19, 2024. <https://eastasiaforum.org/2024/01/19/politics-and-press-under-pressure-in-the-philippines/>.

⁵ Gavshon, Daniela . "Philippines' Marcos Addresses Australian Parliament amid Abuses | Human Rights Watch." Human Rights Watch, February 27, 2024. <https://www.hrw.org/news/2024/02/27/philippines-marcos-addresses-australian-parliament-amid-abuses>.

Aside from some political aspects, earlier in February 2024, the increase in flooding and landslides in the Philippines caused many deaths and ruined some of the infrastructure in some provinces, especially in the Southern Philippines. Also, the National Risk Reduction and Management Council (NDRRMC) reports have shown that 471,891 families in Mindanao are affected by the Northeast Monsoon. With that, over 210,000 people remained displaced due to the effects caused by the landslide incident.⁶ Not so far from the political aspects, the Philippines military and communist groups are continuing to fight even after the agreement on conflict settlement last year. The agreement was a negotiation between President Marcos and the National Democratic Front (NDF), as the two acknowledged the deep roots of socioeconomic and political grievances, and both sides were ready to seek reforms. However, earlier this year, some of the anti-communists within the government still wanted to shut down the communist group, especially the New People's Army (NPA), with physical enforcement.

As a result, the hope of a peace settlement collapsed again. The government and NPA have faced much tension since the 1980s, and the ongoing dispute remains unlikely to be adequately solved even after countless agreements and negotiations. In addition to this, ever since President Marcos took office in 2022, the process of seeking a settlement with the communist sides has been incredibly consistent. This year, some of the active NDF fronts have decreased. Still, there are some, such as the Communist Party of the Philippines (CPP) and NPA, whose numbers are significantly higher, and that worries the government about future controversial conflicts because the two sides remain fighting.⁷

Socio-economic Affairs

The economist pointed out that the Philippines economy in 2024 could develop through an exciting revolution. In the previous year, the Philippines achieved a significant milestone success for being the fastest-growing country in Southeast Asia, with a growth rate of 5.6 percent higher than Indonesia and Vietnam by about 0.5 percent. To gain a deeper understanding of the sectors that could significantly impact the growth of the Philippines economy, let's delve into each one individually. Firstly, the financial services sector is projected

⁶ reliefweb.int. "Philippines: Floods and Landslides - Jan 2024 | ReliefWeb," March 24, 2024. <https://reliefweb.int/disaster/ls-2024-000003-phl>.

⁷ Aspinwall, Nick. "Prospects Shaky for Philippines' Government and Communist Peace Talks." Al Jazeera, February 6, 2024. <https://www.aljazeera.com/news/2024/2/6/prospects-shaky-for-philippines-government-and-communist-peace-talks>.

to grow at a slower rate of around 5 percent compared to 2023, with factors such as inclusive finance, digital adoption, and high interest rates influencing its growth. Secondly, the energy and power sector is expected to experience a growth rate of approximately 7 percent, driven by the country's focus on energy security, power grid enhancements, and the expansion of green energy auctions. In the healthcare sector, growth may be slower at 2.8 percent due to an increasing shortage of healthcare workers over the next five years and rising healthcare costs.

The consumer and retail sector, although remaining relatively stable, faces considerations such as changing consumer behavior, with a significant number of consumers switching brands and seeking better promotions, as well as the popularity of online shopping. Conversely, manufacturing is a key driver of the Philippine economy, with an anticipated annual growth rate of 6 percent between 2023 and 2024. To sustain this growth, the public and private sectors should invest in research and development (R&D) and upskill the labor force to foster innovation. The information technology business process outsourcing sector is a vital source of employment and services, contributing significantly to the economy across various domains such as the environment, real estate, talent, organizational resilience, and commute time. Also, prioritizing sustainability is crucial due to the country's susceptibility to natural disasters like flooding, earthquakes, and rising sea levels.

Lastly, by prioritizing sustainability in the country, the Philippines can focus on five green growth strategies, including renewable energy, solar photovoltaic (PV) manufacturing, battery production, electric mobility, and nature-based solutions, to catalyze growth and mitigate the economic losses of approximately 3.2 billion dollars annually due to natural disasters. Thus, besides allocating budgetary resources for better investments, addressing climate change concerns is imperative for advancing green growth priorities.⁸

To be more precise, this year, the Marcos Administration appointed a transformative agenda for the Philippine Development Plan 2023-2028—the National Economic Development Authority (NEDA) secretary, Arsenio. M. Balisacan believed the Philippines Development Report (PDR) in 2023 could shed light on achievement for 2024 and the following years. The following strategies focus on accelerating digital transformation, improving connectivity,

⁸ Canto, Jon, Frauke Renz, and Vicah Villanueva. “The Philippines Economy in 2024 | McKinsey.” [www.mckinsey.com](https://www.mckinsey.com/ph/our-insights/the-philippines-economy-in-2024-stronger-for-longer), March 7, 2024. <https://www.mckinsey.com/ph/our-insights/the-philippines-economy-in-2024-stronger-for-longer>.

investing more in the agriculture and industrial sectors, boosting private-public partnerships, and more. The government also addresses the flaws that have not been fixed yet, such as promoting trade and facilitating strategic investment, improving the quality of education, building up new communities for the people, and collaborating with the private sector to promote services and digitalization in the country.⁹

Moving to the demographic in the Philippines, the population stood at 118.6 million in March 2024, of which Quezon City has the largest population, with over 2 million people living there. The Philippines is an island Country; there are 7,000 Islands in the country, and the islands are divided into North, Central, and Southern. The Philippines has many ethnic groups, such as Bisaya, Warat, Cebuano, Tagalog, and many more. According to the World Factbook, 91.8% of the Philippines is improving its water resources, yet 8.2% still struggle to have safe water. On top of that, only 77.9 percent of the population fully maintains access to sanitation, while 26.1% are limited to the services.¹⁰ By enhancing its position in global supply chains, the Philippines can bolster its capacity among businesses and consumers, which means that the government should focus on the manufacturing sector, education, healthcare, and investment to increase employment, better quality of life, and jobs for the Filipino population.

Along with that, the government, private sectors, and citizens should work hand in hand to produce productivity and job creation by creating effective strategies to reduce corruption, unemployment, inflation, etc.¹¹ In the first quarter of 2024, the country's employment rate significantly increased to 95.5 percent, the number of employed persons was 45.94 million, and the labor participation rate (LFPR) dropped to 61.1 percent. The unemployment rate also dropped to 4.5 percent, respectively. The working hours of employed individuals increased to 42.1 hours per week; meanwhile, the unemployment rate also recorded 13.9 percent. The industrial and services sectors are the two major sectors with the largest employment rate in 2024, with a share of 60.2 percent of 45.94 million employees. Additionally, some sub-sectors

⁹ D1s-prD. "MARCOS ADMINISTRATION SHIFTS TO HIGH GEAR FOR FULL IMPLEMENTATION OF TRANSFORMATION AGENDA IN 2024, RELEASES PH DEV'T REPORT." *National Economic and Development Authority* (blog), February 1, 2024. <https://neda.gov.ph/marcos-administration-shifts-to-high-gear-for-full-implementation-of-transformation-agenda-in-2024-releases-ph-devt-report/>.

¹⁰ World Population Review. "Philippines Population 2024 (Demographics, Maps, Graphs)." [worldpopulationreview.com](https://worldpopulationreview.com/countries/philippines-population), 2021. <https://worldpopulationreview.com/countries/philippines-population>.

¹¹ Rañosa, Venice Isabelle. "What Will Drive Socio-Economic Transformation in 2024?" *Philstar.com*, January 6, 2024. <https://www.philstar.com/news-commentary/2024/01/06/2323920/what-will-drive-socio-economic-transformation-2024>.

could increase the number of employed persons in the construction, transportation, administration, aquaculture, and services sectors.¹²

Foreign Relations

The Republic of The Philippines is similar to some Southeast Asian countries. The ASEAN Charter calls for ASEAN to cultivate friendly relations and mutually beneficial dialogue, cooperation, and partnerships with countries and subregional, regional, and international organizations and institutions.¹³ In addition, The Republic of the Philippines' foreign policy consists of three main pillars which, conscious of the constant interaction between internal and external factors in the pursuit, defense, and development of national interests, have concentrated on three essential areas when carrying as the following:

- 1) the strengthening of our national security, 2) the promotion of economic policy, and
- 3) the protection of the rights and promotion of the welfare of Filipinos overseas.¹⁴

Nevertheless, those three essential areas must stay within these eight foreign policy realities after The Philippines Constitution 1987. Alternatively, The US, China, and Japanese connections will greatly impact East Asia's economic growth and security. The foreign policy decisions made by the Philippines must be consistent with ASEAN. The Philippines will always value the contributions made by the Islamic community worldwide. The importance of multilateral and interregional organizations will rise to further common interests. Establishing rights over marine territories is necessary for an archipelagic state to protect its ecology, natural resources, and sovereignty. The country would promote both domestic and foreign investment. While Filipinos living abroad will continue contributing to their country's social and economic stability, the Philippines can reap great benefits by timely participation in international tourism.¹⁵

¹² Claire Dennis S. Mapa. "Employment Rate in January 2024 Was Estimated at 95.5 Percent | Philippine Statistics Authority | Republic of the Philippines." Psa.gov.ph, March 8, 2024. <https://www.psa.gov.ph/content/employment-rate-january-2024-was-estimated-955-percent>.

¹³ Asean orgs. "External Relations." n.d. <https://asean.org/our-communities/asean-political-security-community/outward-looking-community/external-relations/>

¹⁴ Malaya, J. Eduardo. 2023. "Origins of DFA's Three Pillars of Foreign Policy." INQUIRER.net. June 23, 2023. <https://opinion.inquirer.net/164250/origins-of-dfas-three-pillars-of-foreign-policy>.

¹⁵ "Avalon Project - Mutual Defense Treaty Between the United States and the Republic of the Philippines; August 30, 1951," n.d. https://avalon.law.yale.edu/20th_century/phil001.asp.

Many domestic events have recently been connected to the Philippines' foreign relations. First, The Republic of Indonesia and The Republic of the Philippines have maintained their relations for seventy-five years. Specifically, both countries have joined the 7th Commission bilateral cooperation. Thus, The JCBC is the fundamental communication channel between Indonesia and the Philippines for discussing ideas for strengthening collaboration, reviewing progress on programs to improve mutual understanding, and exchanging views on common interests.¹⁶ Furthermore, the two nations kept expanding economic market access to boost bilateral trade. Concerning security measures for Indonesian coffee products, the President specifically requested assistance from the Philippines.¹⁷

Second, The United States of America and the Philippines have had long, peaceful relations since the Independence of the Republic of the Philippines. In the Addition, on March 19th, 2024. The US-secretary Anthony Blinken has established extraordinary defense ties with the Philippines. US-secretary Anthony Blinken had stated that:

"(It) is not designed against anyone but in service of realizing a common vision for the future to the benefit of people in all of our countries."¹⁸

Last, the foreign domestic event relations with the Philippines are in China. However, a dispute about territorial issues is going on regarding the Nine Dash Line. Another view is Economic Cooperation. In other sectors, the two countries ought to be able to cooperate despite the years of focus on territorial disputes. Given the depth and breadth of the Philippines' and China's connection, other aspects, such as the ones covered in this paper, ought to promote collaboration for the two countries' mutual gain. Trade between China and the Philippines is both stable and growing. According to the Philippine Department of Trade and Industry (DTI), there was USD 14.6 billion in total trade in 2013, a considerable rise over 2011 and 2012. Growing trade numbers imply that, in bilateral ties, the political and economic domains can be maintained apart for mutual benefit.¹⁹

¹⁶ Philippine News Agency. "Indonesia, PH Agree to Further Elevate Bilateral Ties," n.d. <https://www.pna.gov.ph/articles/1216631>.

¹⁷ Translation, Office Of Assistant To Deputy Cabinet Secretary For State Documents & "Indonesia-Philippines Agree to Bolster Bilateral Ties." Sekretariat Kabinet Republik Indonesia, January 11, 2024. <https://setkab.go.id/en/indonesia-philippines-agree-to-bolster-bilateral-ties/>.

¹⁸ Reuters. "Blinken Lauds 'extraordinary' Expansion of Defence Ties with Philippines." March 19, 2024. <https://www.reuters.com/world/asia-pacific/philippines-foreign-minister-says-challenge-is-how-sustain-elevate-us-2024-03-19/>.

¹⁹ "Philippines-China Relations: Beyond the Territorial Disputes." <https://Fsi.Gov.Ph/Philippines-China-Relations-beyond-the-Territorial->

Conclusion

The Philippines has made significant progress in strengthening its ICT ecosystem, attracting high-level investment, and promoting digitalization. Despite the issues in the South China Sea, the country prioritizes maritime security and economic cooperation with Vietnam. However, domestic difficulties such as political conflicts, overspending, and worries about human rights violations and natural calamities continue to exist. The economy has the potential for growth in various areas, and the Philippine Development Plan 2023-2028 aims to foster digital transformation while investing in agriculture and industry. Despite demographic obstacles, initiatives to improve employment and eliminate corruption have had favorable outcomes. Ongoing disputes with communist parties and the necessity for continued attempts to solve domestic and foreign difficulties suggest additional work to ensure the country's long-term growth. Furthermore, the Philippines' foreign policy and international relations are consistent with those of other Southeast Asian countries, focusing on national security, economic development, and the welfare of Filipinos abroad. Recent domestic developments have influenced its relations with Indonesia, the United States, and China, emphasizing cooperation, economic ties, and security measures.

[Disputes/?_cf_chl_rt_tk=nWE1ojiTDP7rWusB7zc4s8m7aN1Rno8suRiB0tIzFho-1710925224-0.0.1.1-1706.](#)
the Philippines : Foreign Service Institution , n.d. Accessed March 20, 2024.

Vietnam

Chhun Phalanady, Pech Posocheata & Pheng Thean

Introduction

Vietnam, a rapidly growing economy in Southeast Asia, has had significant events and developments throughout the initial months of 2024. This comprehensive paper reviews key domestic, socioeconomic, and foreign affairs in Vietnam, highlighting the government's proactive and strategic endeavors to achieve recovery and implement its five-year plan. The paper explores recent policy resolutions, a directive to suppress civil society, and an unexpected leadership change within the Communist Party. Furthermore, it examines noteworthy trends in export sectors, the procurement of construction materials, fluctuating coffee bean prices, and Vietnam's success in attracting foreign direct investment. Additionally, this paper delves into Vietnam's ongoing proactive efforts to enhance its foreign relations, including its interactions with major powers such as the United States, China, and Japan. It also explores Vietnam's proactive role within ASEAN and collaborative initiatives in the Mekong Region. By presenting a detailed analysis of these developments, this paper aims to provide reassurance about Vietnam's current condition and offer solutions for future growth and stability.

Domestic Affairs

On January 5th, Prime Minister Pham Minh Chinh laid out the task outline for all-level authorities, sectors, and localities to fulfill in 2024, calling it a pivotal year for Vietnam as it holds special significance for successfully implementing the five-year plan 2021-2025.¹ He emphasized that the socio-economic continued to recover, with month-on-month and quarter-on-quarter improvements in performance.

Later in the same month, the government of Vietnam issued two important resolutions that outlined specific objectives and action plans for national socio-economic development and societal improvement. These resolutions include various measures, including maintaining macroeconomic stability, improving laws and institutions to streamline administrative procedures, and a strong focus on enhancing the business environment. This commitment to

¹ BGA Vietnam Team, "Vietnam Government Sets Action Plans for 2024," Bower Group Asia, January 16, 2024, accessed April 26, 2024, <https://bowergroupasia.com/vietnam-government-sets-action-plans-for-2024/>.

improving the business environment underscores Vietnam's dedication to creating favorable investment and economic growth conditions.

In March 2024, the leaders of the Vietnamese Communist Party issued a far-reaching directive to suppress civil society, which encompassed trade unions and labor activism.² Despite Vietnam's commitment to upholding human rights at the United Nations, this directive, known as Direct 24, seeks to prevent the formation of new labor organizations based on ethnicity or religion. Additionally, it calls for heightened vigilance regarding foreign airlines and investors to safeguard against their potential dominance in Vietnam's economic sectors, as reported by the 88 Project.

On March 20th, the Central Committee of the Communist Party of Vietnam (CPV) unexpectedly announced President Vo Van Thuong's resignation. The president had assumed office just over a year ago.³ Thuong's departure marked the second president to resign within a year, following the forced resignation of his predecessor, Nguyen Xuan Phuc, in January 2023.

There are speculations that Thuong might be involved in a corruption scandal, potentially linked to his previous role as the provincial secretary of Quang Ngai in central Vietnam between 2011 and 2013. Like his predecessor, Thuong faced allegations of turning a blind eye while a local real estate company bribed provincial officials. While the political landscape in Vietnam is not expected to be strongly affected by this leadership change, as the four pillars still guide the country with the president holding a largely ceremonial role, the anticipation for appointing a new head of state remains.

Socio-Economic Affairs

In January, seafood exports from Vietnam saw a year-on-year increase of 64%, reaching approximately USD 750 million. This growth was driven by strong demand in major markets, including China, the United States, and the European Union. China, in particular, emerged as the second-largest seafood market for Vietnam, while the US and EU experienced growth rates

² Erin Hale, "Vietnam Orders Control of Workers, Unions Despite UN Pledges, Watchdog Says," *Al Jazeera*, March 1, 2024, accessed April 26, 2024, <https://www.aljazeera.com/news/2024/3/1/vietnam-orders-control-of-workers-unions-despite-un-pledges-watchdog-says>.

³Hema Nadarajah, Alberto Iskandar, and Alberto Iskandar, "What the President Resignation Means for Vietnam's Future," Asia Pacific Foundation of Canada, March 26, 2024, accessed April 26, 2024, <https://www.asiapacific.ca/publication/what-president-vietnams-sudden-resignation-means-for-country>.

of 63% and 34%, respectively.⁴ In the fruit and vegetable sector, Vietnam has seen significant export growth between January and February 2024, amounting to USD 749.7 million, and it is expected to reach approximately USD 7 billion by the end of 2024. China remains the largest importer, accounting for over USD 3.7 billion and holding a 65% market share compared to 2022. Other partners such as the US, the Republic of Korea, Japan, Thailand, the Netherlands, Australia, the United Arab Emirates, and Russia also contribute to the growth of this sector.⁵

In the governmental meeting held on February 6th, 2024, the Vietnamese government directed the Ministry of Transport and the Ministry of Natural Resources and Environment to procure sand and pebbles from Cambodia to construct expressways in the Mekong Delta region. This decision aims to address challenges related to the availability and supply of construction materials and to facilitate the timely completion of projects for investors and contractors. TNT Group proposed in October 2023 to import sand as backfill material for various projects, citing approval from the Cambodian government to extract sand from a designated area of the Mekong River, importing approximately 30,000 to 50,000 cubic meters of sand for multiple purposes.⁶ To ensure that the expressway projects meet quantity, quality, and cost-effectiveness requirements, stakeholders contemplate using imported sand once it complies with all legal regulations mandated by the Ministry of Transport.

In early March, the price of coffee beans increased by 8.96% due to rising demand and declining supply. The price has surged by 43% compared to the previous year, averaging US\$3,100 per ton. According to Do Ha Nam, the Vietnam Coffee Cocoa Association (VICOFA) vice president, last season's coffee represents only 30% of the total supply. The low supply is attributed to climate change and Vietnamese farmers shifting to more lucrative crops.⁷

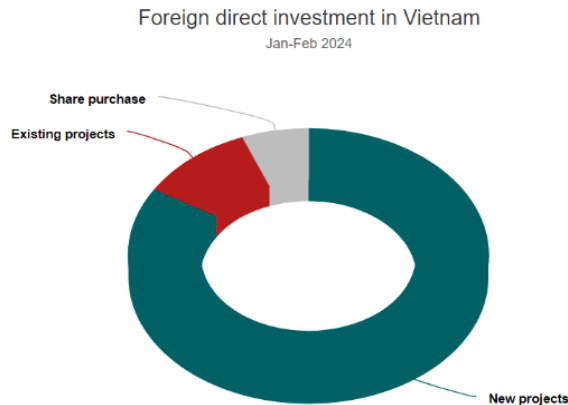
⁴Dat Nguyen, "Seafood Exports to Key Markets Rise 64%," *VnExpress International*, February 26, 2024, accessed April 26, 2024, <https://e.vnexpress.net/news/business/economy/seafood-exports-to-key-markets-rise-64-4714907.html>.

⁵VNA, "Fruit, Vegetable Exports Rise 38%," *VnExpress International*, March 2, 2024, accessed April 26, 2024, <https://e.vnexpress.net/news/business/economy/fruit-vegetable-exports-rise-38-4717332.html>.

⁶Viet Tuan, "Vietnam Considers Purchasing Sand From Cambodia for Expressways," *VnExpress International*, February 8, 2024, accessed April 26, 2024, <https://e.vnexpress.net/news/traffic/vietnam-mulls-purchasing-sand-from-cambodia-for-expressways-4710066.html>.

⁷Thi Ha, "Coffee Prices Soar on Low Supply, Strong Demand," *VnExpress International*, March 19, 2024, accessed April 26, 2024, <https://e.vnexpress.net/news/data-speaks/coffee-prices-soar-on-low-supply-strong-demand-4722841.html>.

According to the Foreign Trade Agency, Vietnam's economy has continued to prosper in the first two months of 2024, attracting over US\$4.29 billion in foreign direct investment (FDI). The top ten locations for FDI inflows were Hanoi, Quang Ninh, Thai Nguyen, Ba Ria Vung Tau, Bac Ninh, Dong Nai, Bac Giang, Ho Chi Minh City, Hai Phong, and Hung Yen, which accounted for 81.7% of all foreign capital during this period. As of February 2024, there were 39,553 operational projects with a total registered capital of US\$473.1 billion. Around US\$300 billion has been disbursed so far.⁸



This graph is sourced from <https://e.vnexpress.net/news/data-speaks/fdi-attraction-up-38-6-in-two-months-4719700.html>

In addition, many US companies are showing interest in investing in Vietnam. Meta and Boeing joined a US delegation of approximately sixty companies led by Ted Osius, the president of the US-ASEAN (Association of Southeast Asian Nations), during their visit to Vietnam to explore investment opportunities. Business leaders from various industries, including aviation, automotive, healthcare, and finance, gathered to discuss topics such as digitalization, reducing carbon emissions, and improving supply chains, as stated by Osius in a news conference held on March 18.⁹

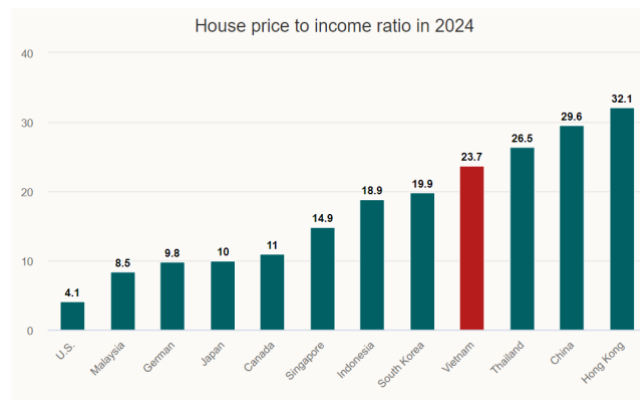
In response to technological advancements, the number of cash users in Vietnam has significantly decreased compared to 2022. According to Vietnam's State Bank, e-payment transactions grew by 63% in value in January alone. Additionally, QR code transactions saw a 900% increase in volume and a 1000% increase in value. The accelerated adoption of e-

⁸VNA, "FDI Inflow Surges Nearly 39% in Two Months," *VnExpress International*, February 28, 2024, accessed April 26, 2024, <https://e.vnexpress.net/news/business/economy/fdi-inflow-surges-nearly-39-in-two-months-4716257.html>.

⁹ Yuji Nitta, "Boeing, Meta Join U.S. Business Delegation to Vietnam," *Nikkei Asia*, March 20, 2024, accessed April 26, 2024, <https://asia.nikkei.com/Business/Companies/Boeing-Meta-join-U.S.-business-delegation-to-Vietnam>.

payment systems has led to a 2% year-on-year decline in ATMs, as electronic transactions are considered faster and more convenient.¹⁰

The housing market in Vietnam continues to be a significant focal point. In February, there was a slight increase of 0.43% in the cost of housing and construction materials, as reported by Vietnam's General Statistics Office. According to Numbeo, an online statistics platform, the average cost of housing has surged to 23.75 times the annual income of households. This rise can be attributed to increasing prices for house maintenance materials (0.48%), home repair services (0.71%), electricity (0.78%), and water (1.73%). Avison Young suggests that due to the escalating housing prices, many individuals are considering renting instead of purchasing, even though rental payments are also on the rise.¹¹



This graph is sourced from <https://e.vnexpress.net/news/data-speaks/house-prices-average-nearly-24-times-annual-household-income-4720133.html>

In a separate development, on February 22nd, the Ministry of Industry and Trade of Vietnam issued a call to implement the Hydrogen Energy Development Strategy for 2030-2050. This strategy aims to establish an ecosystem for hydrogen energy in Vietnam. This involves utilizing renewable energy sources for production, storage, and transportation, aiming for both domestic usage and international trading. By investing in modern hydrogen infrastructure, Vietnam

¹⁰ Vien Thong, “Vietnamese Gradually Shift Away From Cash,” *VnExpress International*, March 22, 2024, accessed April 26, 2024, <https://e.vnexpress.net/news/business/economy/vietnamese-gradually-shift-away-from-cash-4725401.html>.

¹¹ Anh Ky, “House Prices Average Nearly 24 Times Annual Household Income,” *VN Express International*, March 11, 2024, accessed April 26, 2024, <https://e.vnexpress.net/news/data-speaks/house-prices-average-nearly-24-times-annual-household-income-4720133.html>.

seeks to ensure energy security, combat climate change, and achieve a net-zero emissions target by 2050.¹²

Foreign Affairs

The previous year marked a notable milestone for Vietnam in solidifying its foreign policy and external relations stance. The nation demonstrated its Bamboo Diplomacy approach by actively cultivating bilateral and multilateral ties amidst heightened geopolitical tensions. With a proactive and all-encompassing approach, Vietnam effectively expanded its network of partners, seeking to assert its viewpoints on prevailing global trends. It aims to be a friendly and trustworthy partner to all, exhibiting a masterful practice of remaining neutral (not favoring select foreign relations), as it adheres firmly to the "Four No" policy agenda. The continuity of this policy in 2024 will depend on Vietnam's strategic positioning on the global stage. Consequently, this paper aims to analyze Vietnam's ongoing endeavors to enhance its foreign relations during the first quarter of 2024 while presenting implications for further discussion.

Vietnam and Major Powers Relations

On January 23, Vietnamese Minister of Foreign Affairs Bui Thanh Son delivered his speech at the Vietnam-US Relations seminar held by the CSIS in Washington, D.C.¹³ The seminar spotlights both countries' efforts to upgrade their ties and features officials, congressmen, scholars, and representatives from respective countries. The two parties aim to increase exchanges between officials and scholars to improve mutual understanding and find initiatives and ideas to boost the joint partnership.

On March 12, US Ambassador to Vietnam Marc Knapper announced the upcoming 10th Select USA Investment Summit, to be held in Washington, D.C. from June 23-26, as a gateway to connect with Vietnamese companies and institutions.¹⁴ Interestingly, the summit will see more than 2,300 international participants from 83 markets aiming for investment and cooperation opportunities in key industries such as business and professional services.

¹²“Ministry of Industry and Trade Deploys Hydrogen Energy Strategy,” *Nhan Dan Online*, February 23, 2024, accessed April 26, 2024, <https://en.nhandan.vn/ministry-of-industry-and-trade-deploys-hydrogen-energy-strategy-post133488.html>.

¹³“CSIS Seminar Spotlights Vietnam - US Relations,” *Vietnam+*, January 24, 2024, accessed April 26, 2024, <https://en.vietnamplus.vn/csis-seminar-spotlights-vietnam-us-relations/276734.vnp>.

¹⁴VietNamNet, “US Ambassador: 2024 Will Be a Great Year for Vietnam - US Relations,” *Vietnam.VN* (blog), March 12, 2024, accessed April 26, 2024, <https://www.vietnam.vn/en/dai-su-my-2024-se-la-nam-tuyet-voi-cho-quan-he-viet-my>.

Indeed, Vietnam-US relations will keep evolving, with more aspects at the forefront, as both countries are satisfied with the elevation of the comprehensive partnership. 2024 will be a year of eyeing cooperation and deepening relations between Hanoi and Washington.¹⁵

On the other hand, Sino-Vietnamese relations have not gone sour; amidst the clash around the South China Sea, the two parties keep engaging for more cooperation and opportunities in the region. Likewise, China stands ready to maintain close relations with Vietnam to anchor the new positioning of their bilateral ties.

On February 03, Xi Jinping made the remarks in exchange for Spring Festival greetings, indicating that China has opened up a new journey and a new chapter for developing ties between the two parties and two nations.¹⁶ Xi and Nguyen Phu Trong, general secretary of the Communist Party of Vietnam (CPV) Central Committee, signify the joint efforts to build a China-Vietnam community with a shared future that carries strategic significance.

On the sidelines, Vietnam is also engaging with Japan. On February 27, Vietnamese Deputy Defense Minister Senior Lieutenant General Hoang Xuan Chien and Japanese Vice Minister of Defense for International Affairs Serizawa Kiyoshi co-chaired the 10th Vietnam—Japan defense policy dialogue.¹⁷ They concluded the discussion as the two nations promoted exchanges of all-level delegations and joint work in different sectors alleviated from their CSP last year, especially education training, defense industry, and military medicine.

Vietnam-ASEAN Relations

In the current era of heightened geopolitical tensions and the impending transition to Laos' ASEAN Chairmanship, Vietnam has been actively seeking to play a proactive role within the region. This was exemplified on January 28th when Vietnam and Cambodia committed to

¹⁵ Christopher Woody, “After a Major Upgrade, the US Military Wants to Take Things Further With Vietnam,” *The Diplomat*, February 9, 2024, accessed April 26, 2024, <https://thediplomat.com/2024/02/after-a-major-upgrade-the-us-military-wants-to-take-things-further-with-vietnam>.

¹⁶ Xinhua, “Xi Says to Work With Vietnam’s Trong to Promote China-Vietnam Community With Shared Future,” *The National Committee of the Chinese People’s Political Consultative Conference*, February 2, 2024, accessed April 26, 2024, http://en.cppcc.gov.cn/2024-02/03/c_960981.htm#:~:text=Xi%20said%20that%20in%202024,levels%20and%20in%20all%20sectors.

¹⁷ VNA, “Vietnam, Japan Commit to Stronger Defence Ties in 10th Policy Dialogue,” *Vietnam+*, February 27, 2024, accessed April 26, 2024, <https://en.vietnamplus.vn/vietnam-japan-commit-to-stronger-defence-ties-in-10th-policy-dialogue/280084.vnp>.

extend their utmost support to Laos effectively carrying out its responsibilities.¹⁸ Both countries expressed their determination to diligently implement high-level agreements and enhance the implementation of the cooperation agreement between their respective foreign ministries for the period of 2021-2025. Vietnam, in particular, reaffirmed its support for Laos in assuming the role of ASEAN Chairman in 2024, emphasizing its intention to closely coordinate with its neighboring country in advancing the Strategic Plan of the ASEAN Community Vision until 2045.

Furthermore, Vietnam is actively engaging in collaborative initiatives within the Mekong Region. A notable development is establishing a tourism working group to promote both nations' tourism sectors from 2024 to 2028. Discussions have taken place regarding the concept of "Three Countries, One Destination," and there is consideration for organizing the Cambodia-Laos-Vietnam Trilateral Ministerial Meeting during the ongoing ASEAN Tourism Forum (ATF) 2024, hosted in the capital of Laos, Vientiane.¹⁹

Vietnam participated in the ASEAN-Australia Special Summit held in Melbourne from March 4-6, engaging in fruitful discussions and endorsed two significant documents.²⁰ Additionally, on the summit's sidelines, Australia and Vietnam announced the elevation of their bilateral ties to a Comprehensive Strategic Partnership (CSP), symbolizing the progress in their relationship over the past six years. This CSP and the subsequent enhancement of bilateral ties are anticipated to encompass a stronger military dimension.

Regarding Vietnam-Cambodia relations, on January 23, the Cambodian Ministry of Interior and the Vietnamese Ministry of Public Security renewed their security cooperation plan. This plan aims to jointly enhance the prevention of cross-border crimes through bilateral and regional frameworks.²¹ Both parties reviewed the outcomes of their cooperation in 2023 and

¹⁸VNA, "Vietnam Praises ASEAN Socio-Cultural Community's Priorities in 2024," *Nhan Dan Online*, March 24, 2024, accessed April 26, 2024, <https://en.nhandan.vn/vietnam-praises-asean-socio-cultural-communitys-priorities-in-2024-post134242.html>.

¹⁹Nhean Chamrong, "Mekong Nations Shine Spotlight on 'Three Countries, One Destination' - Khmer Times," *Khmer Times*, January 24, 2024, accessed April 26, 2024, <https://www.khmertimeskh.com/501427848/mekong-nations-shine-spotlight-on-three-countries-one-destination>.

²⁰Jack Butcher, "Australia-Vietnam: A Partnership Made in China?," *The Interpreter*, March 14, 2024, accessed April 26, 2024, <https://www.lowyinstitute.org/the-interpreter/australia-vietnam-partnership-made-china>.

²¹Samban Chandara, "Security Pact With Vietnam Renewed," *Phnom Penh Post*, January 24, 2024, accessed April 26, 2024, <https://www.phnompenhpost.com/national/security-pact-with-vietnam-renewed>.

established the direction for their collaborative efforts in 2024. They also exchanged views on the evolving security and political landscape in the region and the world, acknowledging the persistent challenges posed by drug crimes, human trafficking, and technological offenses, which continue to pose threats to regional security.

Conclusion

The first few months of 2024 have been eventful for Vietnam, with significant domestic, socio-economic, and foreign affairs developments. The government's focus on recovery and implementing the five-year plan has been evident, accompanied by policy resolutions and a directive to suppress civil society. The unexpected leadership change within the Communist Party adds another layer of intrigue. Notable trends in export sectors, procurement, and foreign direct investment highlight Vietnam's economic prosperity. In foreign relations, Vietnam has actively engaged with major powers and played a proactive role within ASEAN, solidifying its position on the global stage. These developments shape Vietnam's trajectory and set the stage for future growth and stability.



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