

04 March | 2024

# Indo-Pacific Insights

CGS Centre for Governance Studies



## A Bi-Weekly Roundup of Key Events

### February 21

#### Red Sea ASBM incidents spur interest in air and missile defense systems in Asia



The recent use of anti-ship ballistic missiles (ASBMs) in the Red Sea has piqued interest in Asia about defense systems capable of intercepting them, according to experts and industry officials. U.S. Central Command documented 48 ASBMs and 12 interceptions from Nov. 27 to Feb. 20, with concerns primarily arising from Iran-aligned Yemeni Houthis. Observers note China's extensive ASBM arsenal poses a significant challenge.

Amidst the heightened demand, there's growing interest in integrated air and missile defense systems in Asia, encompassing sensors, interceptors, and command-and-control systems. Challenges persist, particularly in countering small aerial threats like drones, as highlighted at the Singapore Airshow.

### February 22

#### Chinese research ship visits Maldives amid regional concerns

A Chinese research vessel, Xiang Yang Hong 03, arrived in the Maldives, just months after a similar visit raised Indian security concerns. The ship, owned by a Chinese research institute, made a port call in Male after spending weeks surveying waters near India, the Maldives, and Sri Lanka. While China claims its research aims for peaceful scientific understanding, India views such vessels as potentially dual-use for military purposes. Previous Chinese ship visits to the region, including Sri Lanka, have heightened regional tensions. The Maldives, despite assurances, faces scrutiny over the vessel's activities amidst growing regional geopolitical dynamics.

## February 23

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### **Biden administration imposes trade restrictions on entities supporting Russia's war effort**

The Biden administration announced new trade restrictions on 93 entities across several countries, including Russia, China, Turkey, and the UAE, for supporting Russia's war effort in Ukraine. The move, enacted just before the second anniversary of Russia's invasion of Ukraine, prohibits U.S. shipments to the targeted entities. This action, alongside previous sanctions, brings the total number of entities sanctioned over Russia's invasion to 900. The restrictions aim to curb support for Russia's military activities, including diverting controlled microelectronics and procuring American equipment. The measures underscore continued international efforts to respond to Russia's ongoing aggression in Ukraine.

### **US and China discuss North Korea's military ties amid Russia cooperation**

The State Department reported a video call between top U.S. official for North Korea, Jung Pak, and China's envoy on Korean Peninsula affairs, Liu Xiaoming, focusing on North Korea's increasing military collaboration with Moscow, deemed a violation of U.N. Security Council resolutions. While addressing North Korea's destabilizing behavior, the Chinese foreign ministry stressed the importance of regional peace and political settlement. However, it made no mention of Russia's involvement. Washington accuses North Korea of supplying Russia with artillery shells and missiles for Ukraine, despite denials. The call follows discussions between Secretary of State Antony Blinken and Chinese Foreign Minister Wang Yi, emphasizing continued dialogue on North Korea.

### **Indonesia and Australia to forge "very significant" defence cooperation**

Australian Defence Minister Richard Marles announced plans for a "very significant" defence cooperation agreement with Indonesia, expected to be signed within the next few months. Following a meeting with his Indonesian counterpart Prabowo Subianto, Marles emphasized the shared destiny and collective security between the two nations. Prabowo, likely Indonesia's next president, echoed sentiments of strong bilateral relations and good neighborliness. While details of the agreement were not disclosed, both ministers expressed optimism about the forthcoming pact, highlighting the continued strengthening of defense ties between Indonesia and Australia amidst regional security dynamics.

## February 25

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### **China conducts patrols near Taiwan's Kinmen Islands**

China's Fujian coast guard conducted patrols in waters near Taiwan's Kinmen islands on Feb. 25, as announced by the China Coast Guard. The Kinmen islands, administered by Taiwan, have seen increased maritime activities from China in recent times. The coast guard emphasized measures to strengthen law enforcement inspections and maintain operational order in the area, aiming to safeguard the safety of fishermen and their property. These patrols add to existing tensions between China and Taiwan, reflecting ongoing geopolitical complexities in the region.

## February 26

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### **Surge in anti-Muslim hate speech in India linked to Israel-Gaza war**

India Hate Lab reported a 62% increase in anti-Muslim hate speech in India during the latter half of 2023 compared to the first six months, citing a significant influence from the Israel-Gaza conflict. Documenting 668 incidents targeting Muslims, with 75% occurring in BJP-governed states, the report highlighted Maharashtra, Uttar Pradesh, and Madhya Pradesh as hotspots. During the Israel-Gaza conflict's escalation from Oct. 7 to Dec. 31, hate speech incidents mentioning the war constituted about 20% of total cases. Critics attribute mistreatment of Muslims to Modi's policies, including citizenship and anti-conversion laws, while his government denies minority abuse allegations.

### **US coast guard and Kiribati police board Chinese fishing boats in Pacific patrol**

During a patrol against illegal fishing in Kiribati's exclusive economic zone, the US Coast Guard and Kiribati police boarded two Chinese fishing boats but found no issues. The US seeks a larger role in Pacific surveillance amid growing security tensions with China. Kiribati, strategically located despite its small size, is pivotal in the region. Plans for a US embassy in Kiribati are underway. This joint patrol, with Kiribati police as "ship riders," highlights collaboration in maritime law enforcement, aiming to ensure compliance and uphold good governance in the region.



## February 27

### South Korean claims North Korea shipping munitions to Russia

South Korea claimed that North Korea has dispatched approximately 6,700 containers filled with millions of munitions to Russia since July, allegedly to aid in the conflict with Ukraine. Defence Minister Shin Won-sik disclosed at a briefing that the containers might contain over 3 million artillery shells or 500,000 rounds, with factories producing shells for Russia operating at full capacity. The U.S. State Department reported over 10,000 containers delivered to Russia by North Korea since September, leading to accusations of arms trading between Pyongyang and Moscow. Meanwhile, North Korea received 9,000 containers of food supplies, stabilizing prices.

## February 28

### German delegation visits Pyongyang as European nations plan embassy returns

A German delegation has embarked on the first visit to Pyongyang since the closure of its embassy during the pandemic, with other European countries also preparing for potential returns. The team from the German Federal Foreign Office is conducting a technical inspection trip, focusing on the site of the German embassy over several days. Despite no decision on reopening, this move marks a significant step amid North Korea's stringent pandemic measures and recent easing of international restrictions. Britain also seeks to send a team, signaling gradual diplomatic re-engagement, while Sweden's envoy hints at progress toward re-establishing diplomatic presence, albeit cautiously.

## February 29

### India approves \$15.2 billion semiconductor plant construction

India greenlit the construction of three semiconductor plants valued at 1.26 trillion rupees (\$15.2 billion) on Thursday, led by Tata Group and CG Power, as the nation aims to emerge as a global electronics hub. Seeking to rival chipmaking giants like Taiwan, India eyes a semiconductor market worth \$63 billion by 2026. Prime Minister Narendra Modi envisions India as a global chip manufacturer, despite previous setbacks in offering \$10 billion incentives to the industry. The plants, set to begin construction within 100 days, will produce chips for defense, automotive, and telecommunications sectors, marking a significant step towards self-reliance, stated Indian Electronics Minister Ashwini Vaishnaw.

### China extends \$2 billion loan to Pakistan amid economic struggles

China has extended a \$2 billion loan to Pakistan. The loan, originally due in March, has been rolled over for one year, reported Geo News, citing sources in the Pakistan finance ministry. Beijing communicated the decision to Islamabad. Pakistan's economy, facing financial turmoil, secured a \$3 billion standby arrangement from the IMF last summer. Fitch Ratings highlighted Pakistan's urgent need for financing, given its vulnerable external position. Securing support from multilateral and bilateral partners remains critical for Pakistan's economic stability, as per Fitch's

### Kazakhstan prepares for time zone change

Consumers in Kazakhstan are being alerted by banks, mobile operators, and other services of potential disruptions as the majority of the country switches to a new time zone from March 1. To streamline time across the vast nation, most regions will set their clocks back by one hour, unifying the country under the UTC+5 time zone. Previously, only western provinces observed this time zone, causing disparities. Despite concerns, Kazakhstan's key oil industry in the west is expected to remain unaffected by the change.

## March 1

### South Korea advocates for improved ties with Japan amidst North Korea threats



South Korean President Yoon Suk Yeol emphasized the importance of enhanced relations with Japan in counteracting threats from Pyongyang's weapons programs, while urging international assistance for North-South unification efforts. Yoon's conservative administration has pursued better ties with Tokyo, despite historical tensions, amidst China's influence and North Korea's nuclear advancements. Addressing the upcoming 60th anniversary of normalized diplomatic ties with Japan, Yoon envisioned an elevated bilateral relationship. He underscored strengthened security cooperation between South Korea and Japan against North Korean threats. Highlighting the necessity of international support for unification, Yoon's remarks reflect escalating tensions amid North Korean provocations and joint military exercises with the U.S.

## Malaysia Reverses Ban, Welcomes Foreign Vessels for Undersea Cable Repairs

Malaysia's Transport Minister announced the reversal of a ban on foreign vessels repairing undersea cables in its waters, potentially making the move permanent to boost tech investments and support the digital economy. The government had previously barred international vessels in 2020 to bolster the domestic shipping industry. However, after discussions with major tech companies, including Facebook and Google, Malaysia agreed to reinstate the exemption. The decision aims to ensure certainty in policy, attract international investment, and address potential delays in submarine cable repairs and maintenance, crucial for global connectivity.

## March 2

### Thailand hosts seminar on Myanmar despite junta's objection

Thailand's parliament commenced a seminar addressing Myanmar's political turmoil, defying objections from the neighboring country's military government. Lawmaker Rangsiman Rome, leading the organizing committee, emphasized the event as a pivotal step in facilitating dialogue among diverse stakeholders for a peaceful and sustainable resolution in Myanmar. Key speakers from Myanmar's shadow National Unity Government and ethnic armed groups were present, though the Myanmar government declined representation. Despite Myanmar's objection, Thailand aims to spearhead humanitarian efforts by engaging with all parties involved, including the military, to pave the way for constructive dialogue amid the ongoing crisis sparked by the 2021 coup.

## March 3

### Shehbaz Sharif becomes Pakistan's prime minister amidst controversy



Pakistan's newly formed parliament saw Shehbaz Sharif clinch the prime ministerial seat for the second time, following weeks of uncertainty after national elections. Sharif secured 201 votes, surpassing the required 169, defeating Omar Ayub, Imran Khan's candidate, who garnered 92 votes. The announcement sparked protests from the Sunni Ittehad Council (SIC), alleging electoral fraud and demanding Khan's release. In his inaugural speech, Sharif emphasized the challenges ahead, urging for economic reforms and international relations' stabilization. Despite protests, Sharif extended an olive branch to the opposition for dialogue, aiming to bridge political divides in the tumultuous aftermath of the Feb. 8 elections.

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