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# Indo-Pacific Insights

CGS Centre for Governance Studies



## A Bi-Weekly Roundup of Key Events

### U.S. Lifts Some Myanmar Sanctions Denies Link to Junta Chief's Letter

The U.S. has lifted sanctions on several Myanmar military-linked individuals and companies, prompting criticism from rights groups. The decision, announced by the Treasury Department, came weeks after junta leader Min Aung Hlaing wrote to President Trump praising his leadership and requesting sanctions relief. U.S. officials denied any connection, citing routine review processes. Human Rights Watch called the move "extremely worrying," warning it could signal a shift in policy. The sanctions had targeted figures tied to Myanmar's 2021 coup. Key sanctions on top generals, including Min Aung Hlaing, remain in place amid ongoing human rights concerns.

### July 27

### Kim Vows Victory in Anti-U.S. Struggle on Korean War Anniversary

Marking the 72nd anniversary of the Korean War armistice, North Korean leader Kim Jong Un vowed to achieve victory in the country's "anti-imperialist, anti-U.S." battle, according to state media KCNA.

### July 26

### Australia and UK Sign 50-Year AUKUS Submarine Partnership Treaty

Australia and Britain signed a 50-year treaty to deepen cooperation under the AUKUS pact, aimed at delivering nuclear-powered submarines to Australia from the next decade. Signed in Geelong by Defence Ministers Richard Marles and John Healey, the treaty enables joint work on design, construction, and operation of SSN-AUKUS submarines. Valued at up to £20 billion in UK exports, the deal strengthens bilateral defence ties. It coincides with Australia's largest war games, Talisman Sabre, involving 40,000 troops from 19 nations, reinforcing Indo-Pacific security amid U.S.-led efforts to counter China's growing regional influence.

Kim reaffirmed his commitment to building a strong military and economy during a visit to a war museum and memorials. While North Korea celebrated "Victory Day," South Korean President Lee Jae Myung, speaking in Washington, pledged to strengthen the South Korea-U.S. alliance. North Korea has recently deployed troops to Russia in support of its Ukraine campaign, signalling deepening ties between Pyongyang and Moscow.

### **Russia Launches First Moscow-Pyongyang Passenger Flights in Decades**



Russia has resumed direct passenger flights from Moscow to Pyongyang for the first time since the 1990s, marking deepening ties between the two allies amid ongoing geopolitical tensions. The inaugural flight, operated by Nordwind Airlines, departs Sheremetyevo Airport on Sunday and will run monthly. This follows the June revival of a 10-day Moscow-Pyongyang rail service. The move comes amid Western accusations that North Korea has supplied Russia with arms for the Ukraine war—claims both countries deny. North Korea has pledged full support for Russia's actions in Ukraine, further strengthening their strategic partnership.

### **Thousands Protest in Kuala Lumpur Demanding PM Anwar's Resignation**



Thousands of Malaysians rallied in Kuala Lumpur, calling for Prime Minister Anwar Ibrahim's resignation over rising living costs and unfulfilled reform promises.

Wearing black shirts with "Turun Anwar" slogans, protesters marched to Independence Square, where opposition leaders spoke. Critics targeted Anwar's expanded taxes and subsidy changes, warning they could drive up consumer prices. Former Prime Minister Mahathir Mohamad, now 100, joined the protest, accusing Anwar of political persecution and judicial interference. Anwar denies the allegations and recently announced cash aid and fuel price cuts to ease public discontent. Police estimated 18,000 attended the demonstration.

**July 28**

### **U.S. Resumes Funding for Key Infrastructure Projects in Nepal**

The United States will resume grants for two major infrastructure projects in Nepal—an electricity transmission line and a road improvement initiative—under the \$500 million MCC Nepal Compact. The funding was paused after President Trump returned to office and ordered a review of all foreign aid. Nepal's finance ministry confirmed the review is complete and implementation has been recommended. The U.S. embassy said the projects would boost prosperity and regional energy security.

### **Thailand and Cambodia Agree to Ceasefire After Five Days of Deadly Border Clashes**

A ceasefire between Thailand and Cambodia took effect at midnight on July 28, ending five days of intense border fighting that killed at least 38 people—mostly civilians—and displaced over 300,000. The agreement followed urgent mediation led by Malaysia, the U.S., and China. U.S. President Donald Trump, who linked trade talks to the ceasefire, hailed the truce, calling himself the "President of Peace." Both nations agreed to resume dialogue and implement mechanisms to prevent further conflict. Decades of border disputes escalated into artillery exchanges and airstrikes before leaders met in Malaysia to de-escalate the crisis.

### **Evictions of Bengali Muslims in Assam Intensify Ahead of Indian State Elections**

Thousands of Bengali Muslims in Assam, India, have been evicted from their homes and pushed into makeshift camps near the Bangladesh border, as state authorities escalate anti-immigrant operations ahead of the 2026 elections.



Human rights groups have condemned the demolitions as discriminatory, targeting Muslims under the guise of removing "illegal encroachers." Chief Minister Himanta Biswa Sarma, a key figure in the ruling BJP, claims unchecked Muslim migration from Bangladesh threatens India's identity. Since May 2021, over 50,000 people—mostly Bengali Muslims—have been expelled. Critics view the campaign as politically motivated and fuelling religious polarisation for electoral gain.

**July 29**

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### **India Says Forces Killed Three Pakistanis Behind Kashmir Tourist Attack**

Indian Home Minister Amit Shah announced that security forces killed three Pakistani nationals responsible for the April attack on Hindu tourists in Kashmir, which left 26 dead. The trio was reportedly killed in a forest gunfight. Shah said Pakistani-made chocolates and voter ID cards were recovered, and forensic tests confirmed the rifles had been used in the April shooting. Pakistan denied involvement and called for an independent investigation. The attack escalated tensions, leading to cross-border strikes before a ceasefire. Kashmir remains a flashpoint between the nuclear-armed neighbours, who both claim the region but govern separate parts.

### **North Korea Tells Trump to Accept Its Nuclear Status**

North Korea declared that the U.S. must accept its status as a nuclear weapons state, with no future dialogue capable of reversing its arsenal, Kim Yo Jong said via state media. Dismissing hopes for denuclearisation talks, she warned that relying on personal ties between Trump and Kim Jong Un would be "mockery." Highlighting growing ties with Russia, Pyongyang resumed direct flights to Moscow amid military cooperation in Ukraine. Despite the North's stance, a White House official said President Trump remains committed to full denuclearisation and is open to renewed engagement with Kim to pursue that goal.

**July 30**

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### **Pakistan Rejects Indian Account of Kashmir Attackers as 'Fabricated'**

Pakistan has dismissed Indian Home Minister Amit Shah's claim that three

Pakistanis killed in a recent gunfight were behind the April 22 attack on tourists in Kashmir, calling the statement "replete with fabrications." Islamabad denied involvement in the attack, which killed 26 people, and urged an independent investigation. The incident, India's deadliest civilian assault since 2008, triggered cross-border strikes and a brief escalation in May. India accused the militants of being backed by Pakistan, a claim Islamabad refuted. Tensions remain high over Kashmir, a disputed region at the core of longstanding hostility between the two nuclear-armed neighbours.

### **Australia Expands Teen Social Media Ban to Include YouTube**

Australia will include YouTube in its under-16 social media ban from December, reversing an earlier exemption and drawing opposition from parent company Alphabet. Prime Minister Anthony Albanese said the move aims to protect children from online harm, citing a regulator's report showing 37% of minors encountered harmful content on YouTube. The ban, already covering Facebook, Instagram, Snapchat, and TikTok, allows parents and teachers to show YouTube videos but blocks personal accounts for those under 16. YouTube argues it is a video-sharing platform, not social media. The decision may lead to legal challenges over platform classification and enforcement mechanisms.

**July 31**

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### **New Zealand Lifts Ardern-Era Ban on Offshore Oil, Gas Exploration**

New Zealand's parliament has overturned a 2018 ban on offshore oil and gas exploration, ending a key policy of former Prime Minister Jacinda Ardern. The new law, passed 68–54, allows companies to apply for exploration permits beyond the Taranaki region from September. Prime Minister Christopher Luxon's conservative government argued the move is essential for energy security, but environmental groups condemned it as a setback to climate action and a blow to New Zealand's clean energy transition.

## U.S. Imposes Sweeping Sanctions on Iranian Shipping Network

The U.S. Treasury announced major new sanctions on over 115 Iran-linked individuals, entities, and vessels, targeting a vast shipping network run by Mohammad Hossein Shamkhani, son of a top adviser to Iran's Supreme Leader. Calling it the most significant Iran-related sanctions action since 2018, officials said it aims to cripple Iran's oil trade and sanction-evasion tactics. The network spans 17 countries and allegedly generates billions for Tehran. Iran condemned the move as hostile and harmful to its economy. The sanctions follow U.S. airstrikes on Iranian nuclear sites, further dimming hopes for renewed diplomacy between Washington and Tehran.

## Pakistan Secures U.S. Trade Deal Trump Highlights Oil Pact

Pakistan announced a trade deal with the U.S. that it says will reduce tariffs on its exports and boost investment, especially in energy, IT, and minerals. While Washington did not confirm tariff specifics, President Trump highlighted a separate agreement to jointly develop Pakistan's oil reserves. Islamabad had faced a potential 29% tariff, and now hopes to gain advantage over regional rivals like India and Vietnam. The deal marks a renewed economic partnership amid U.S. efforts to counter Pakistan's growing reliance on China and restore strained bilateral ties following tensions over Afghanistan.

### August 1

## Trump Seeks to Expand Abraham Accords to Azerbaijan, Central Asia

President Donald Trump's administration is in active talks to include Azerbaijan and select Central Asian nations in the Abraham Accords, sources revealed. While these countries already have diplomatic ties with Israel, the move would symbolically reinforce cooperation in trade and defence. However, Azerbaijan's unresolved conflict with Armenia poses a key hurdle, with Trump officials viewing peace as a prerequisite. Envoys have engaged leaders in Baku and reached out to Kazakhstan and others.

## Japan Voices Concern Over Myanmar Elections Without Detainee Release

Japan's Foreign Minister Takeshi Iwaya expressed "serious concern" over Myanmar's plan to hold elections without releasing detained leaders, including Aung San Suu Kyi.

He warned such actions could provoke backlash and hinder peaceful resolution. His remarks followed the military's lifting of the state of emergency and nominal power transfer ahead of elections scheduled for December and January.

## U.S., Australia Launch First Joint Military Exercise in Papua New Guinea

The U.S. and Australia conducted their first joint military exercise in Papua New Guinea this week as part of the Talisman Sabre war games, extending operations across 500 km of the country's northern coast. Involving disaster recovery and survival training, the exercise tested multi-domain capabilities. It follows a 2023 U.S.-PNG defence pact amid growing regional competition with China.

### August 2

## U.S. Restricts Karachi Hotel Visits Over Security Threat

The U.S. has temporarily limited official visits to high-end hotels in Karachi following a reported threat, the State Department said. A security alert urges avoiding crowded areas and staying vigilant. A travel advisory remains in place, warning U.S. citizens to reconsider travel to Pakistan due to terrorism risks.

### August 3

## Tens of Thousands March Across Sydney Harbour Bridge for Gaza



Up to 90,000 people marched across Sydney Harbour Bridge in the 'March for Humanity', demanding peace and urgent aid for Gaza amid a deepening humanitarian crisis. Despite initial police opposition, the New South Wales Supreme Court allowed the protest to proceed. Demonstrators, including families and elderly citizens, braved heavy rain carrying pots and pans to symbolise hunger in Gaza. Wikileaks founder Julian Assange also joined the march. Diplomatic pressure on Israel is mounting, with France and Canada recognising Palestine. Australia's Prime Minister voiced criticism of Israel's actions but stopped short of formal recognition of a Palestinian state.



### **Fragile Ceasefire Holds as Thailand-Cambodia Talks Begin**

Preliminary talks between Thai and Cambodian defence officials began in Malaysia, ahead of a high-level meeting scheduled to uphold a fragile ceasefire. The truce was brokered after five days of the deadliest border clashes in over a decade, which left at least 43 dead and displaced more than 300,000 people. Despite ongoing negotiations, tensions remain. Cambodia accused Thailand of violating the ceasefire by installing barbed wire in contested areas, while Thailand claimed Cambodia had reinforced its positions. Observers from the U.S., China, and Malaysia will attend the ministerial-level General Border Committee meeting.

### **Philippine and Indian Navies Conduct First Joint Sail in South China Sea**

The Philippine and Indian navies sailed together for the first time in the South China Sea, marking a new phase in Manila's strategy to counter China's maritime claims. The two-day joint passage, held within the Philippines' exclusive economic zone, followed a March meeting between military chiefs of both nations. Indian vessels INS Delhi, INS Shakti, and INS Kiltan joined Philippine frigates BRP Jose Rizal and BRP Miguel Malvar. The exercise coincided with President Ferdinand Marcos' state visit to India, where he aims to bolster maritime and defence ties amid rising tensions in the Indo-Pacific region.

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