

## Welcome to This Week's Asia on the Horizon

As Asia's geopolitical and economic landscape continues to evolve, this week's Asia on the Horizon brings you in-depth coverage of the region's most critical developments. From shifting alliances in nuclear diplomacy to major trade agreements and digital connectivity initiatives, we analyze the events shaping the future of the region.

One of the most significant stories this week is China's trilateral nuclear talks with Russia and Iran in Beijing, where Beijing and Moscow reaffirmed their support for Tehran and pushed back against U.S. and Western efforts to pressure Iran's nuclear program through sanctions. This meeting signals deepening strategic coordination between the three nations, further complicating global nuclear diplomacy. Meanwhile, in Southeast Asia, Vietnam and Singapore have officially upgraded their relationship to a Comprehensive Strategic Partnership, with a focus on subsea cable development, cross-border digital trade, and financial sector integration. This move underscores ASEAN's growing role in global technology and economic connectivity.

In the energy sector, India's Russian oil imports have rebounded after months of decline, despite ongoing U.S. sanctions aimed at restricting Moscow's oil revenues. This development highlights India's delicate balancing act between its strategic partnerships and energy security priorities. At the same time, South Korea is in negotiations with the U.S. for tariff exemptions, as Washington's new reciprocal trade measures threaten to disrupt Seoul's economic outlook. In domestic politics, the arrest and extradition of former Philippine President Rodrigo Duterte to The Hague marks a historic moment for international justice, as he faces crimes against humanity charges for his deadly war on drugs.

This week's edition also brings you exclusive visuals and insights:

- Infographic of the Week – China's Five-Point Proposal on the Iranian Nuclear Issue
- Map of the Week – Vietnam-Singapore Subsea Cable Infrastructure and ASEAN's Expanding Digital Network
- Photo of the Week – China, Russia, and Iran's High-Level Nuclear Talks in Beijing

We also take a closer look at China's evolving arms trade strategy, where a decline in global exports is counterbalanced by growing military self-sufficiency. As geopolitical realignments, economic shifts, and security challenges reshape the region, Asia on the Horizon provides you with sharp analysis, data-driven insights, and essential perspectives to stay informed.



## 1. KEY DEVELOPMENTS

### China's National People's Congress Receives 269 Legislative Proposals

China's annual legislative session has received 269 formal proposals from national lawmakers, highlighting key policy priorities amid domestic economic challenges and rising global competition. According to the secretariat of the ongoing third session of the 14th National People's Congress (NPC), the submitted proposals primarily focus on legislative efforts in emerging and foreign-related sectors, with a particular emphasis on economic revitalization, technological advancement, and regulatory oversight.

Among the major themes reflected in the proposals are initiatives to boost domestic consumption, expand artificial intelligence (AI) applications to drive economic growth, and enhance protections for private enterprises. These priorities align with Beijing's broader strategy to reinforce economic stability while accelerating technological self-sufficiency in critical industries. The submission also includes a singular proposal focused on legislative oversight, underscoring efforts to refine governance mechanisms.

### EU and South Korea Strengthen Digital Trade Ties with Landmark Agreement

The European Union and South Korea have finalized negotiations on a Digital Trade Agreement (DTA), marking a significant step in their bilateral economic relations. The deal, announced during the 12th Trade Committee under the EU-South Korea Free Trade Agreement (FTA), sets out comprehensive rules governing cross-border data flows, digital consumer protection, and legal frameworks for online transactions. Key provisions include safeguards for privacy, source code protection, open government data policies, and regulatory cooperation on digital trade. By ensuring legal certainty for European businesses operating in South Korea and vice versa, the agreement aims to enhance digital trade in goods and services, facilitate e-commerce transactions, and boost confidence in digital markets between the two economies.

While EU Trade Commissioner Maroš Šefčovič hailed the agreement as a milestone in global digital trade governance, concerns remain regarding its broader implications. Digital rights organizations have criticized the agreement for potentially undermining regulatory oversight and accelerating unrestricted data flows, with some arguing that the negotiation process lacked sufficient scrutiny. Despite these reservations, the EU is actively pursuing similar agreements with Thailand, Indonesia, Malaysia, the Philippines, and India, reinforcing its strategic pivot toward Asia amid growing U.S. trade protectionism. The EU-South Korea DTA, once ratified, will serve as a blueprint for future digital trade agreements, ensuring both economic security and regulatory alignment in the evolving digital economy.

## Former Philippine President Duterte Arrested, Faces ICC Charges for Deadly Drug War

Former Philippine President Rodrigo Duterte was arrested in Manila and extradited to The Hague on Tuesday to face crimes against humanity charges before the International Criminal Court (ICC). The warrant, issued as part of an ICC investigation into Duterte's violent anti-drug campaign, marks a major step toward accountability for the thousands killed during his presidency. The Philippine authorities, acting in coordination with Interpol, detained Duterte at Manila's main airport upon his return from Hong Kong, despite his long-standing claim that the ICC lacks jurisdiction following the Philippines' withdrawal from the court in 2019. However, ICC judges ruled that their investigation remains valid, as it covers the period when the Philippines was still a member. The arrest highlights an unprecedented move against a former head of state, placing Duterte among figures such as Vladimir Putin, Benjamin Netanyahu, and Myanmar's military chief, Min Aung Hlaing, all of whom have been subjects of ICC warrants in recent months.

Duterte's allies denounced the arrest as illegal, citing his earlier withdrawal from the ICC and the continued influence of his political allies, including his daughter, Vice President Sara Duterte. His successor, President Ferdinand Marcos Jr., had previously indicated non-cooperation with the ICC, making the move a significant break from previous political norms. Human rights groups, who have long pushed for justice over Duterte's brutal crackdown, which allegedly resulted in over 30,000 extrajudicial killings, hailed the arrest as a long-overdue step toward ending impunity in the Philippines. However, Duterte's legal team has vowed to challenge the case, setting the stage for a high-profile international legal battle that will test the ICC's ability to prosecute former leaders accused of mass atrocities.

## Vietnam and Singapore Strengthen Ties with Focus on Subsea Cables and Digital Connectivity

Vietnam and Singapore have upgraded their bilateral ties to a comprehensive strategic partnership, Vietnam's highest level of diplomatic relations, marking a significant milestone in their cooperation. The announcement came during Vietnamese Communist Party Chief To Lam's visit to Singapore, where both sides agreed to expand collaboration in subsea cable development, finance, and energy. A joint statement released after the talks outlined agreements on digital connectivity, cross-border data flows, and infrastructure development, underscoring the growing importance of digital trade and technological cooperation. As Southeast Asia becomes a crucial hub for subsea cables linking Asia and Europe, both nations are prioritizing the expansion of high-speed data infrastructure to support AI-driven services and data centers. Vietnam, in particular, has set ambitious goals to launch 10 new submarine cables by 2030, with Singapore playing a key role as a regional digital hub facilitating these projects.

Beyond digital infrastructure, discussions also covered green development, industrial park expansion, and regional stability. Singapore pledged support for Vietnam's efforts to establish international financial centers, further deepening economic cooperation. Singapore remains one of Vietnam's top foreign investors, contributing over \$10.21 billion in 2024, accounting for 27% of Vietnam's total foreign investment. The strengthening of ties with Singapore—following similar agreements with Malaysia and Indonesia—reinforces Vietnam's strategic position in the region while highlighting ASEAN's growing focus on digital transformation and economic resilience. As both countries advance their collaboration on subsea cables and digital trade, their partnership is set to play a key role in shaping Southeast Asia's technological and economic landscape.

## **China Hosts Nuclear Talks with Russia and Iran, Calls for Diplomatic Resolution Amid U.S. Pressure**

China hosted high-level nuclear talks with Russia and Iran in Beijing, reaffirming its opposition to sanctions and military threats while urging a diplomatic resolution to the ongoing tensions over Iran's nuclear program. Chinese Vice Foreign Minister Ma Zhaoxu chaired the meeting with Russian Deputy Foreign Minister Sergei Ryabkov and Iranian Deputy Foreign Minister Kazem Gharibabadi, following a closed-door United Nations Security Council (UNSC) session on Iran's uranium enrichment activities. Beijing's five-point proposal called for the resumption of nuclear negotiations, recognition of Iran's right to peaceful nuclear energy, and an end to unilateral U.S. sanctions. China and Russia also issued a joint statement rejecting the UNSC's intervention, criticizing what they described as Washington's coercive diplomacy. Tehran, meanwhile, maintained that its nuclear activities remain exclusively for peaceful purposes, despite growing concerns from the International Atomic Energy Agency (IAEA) over Iran's increasing stockpile of near-weapons-grade uranium.

The meeting comes amid renewed U.S. pressure on Iran, with President Donald Trump reinstating his "maximum pressure" campaign, including new sanctions on Iran's oil sector and economic measures targeting its shadow fleet of oil tankers. The U.S. has also demanded Tehran return to negotiations, with Trump warning of military action if diplomacy fails. However, Iranian President Masoud Pezeshkian rejected what he called U.S. "orders" to negotiate under duress, stating that Tehran will not bow to external threats. With China, Russia, and Iran aligning against Western intervention, the Beijing talks underscored deepening geopolitical divisions over Iran's nuclear trajectory. While China and Russia advocate for a step-by-step diplomatic process, growing U.S.-Iranian hostilities raise concerns that the nuclear standoff could further escalate, with broader implications for Middle Eastern and global security.

## India's Russian Oil Imports Rebound Despite U.S. Sanctions, Easing Market Pressures

India's imports of Russian crude oil surged in March, recovering from a three-month decline triggered by U.S. sanctions targeting Russia's energy sector. According to shipping data and trade sources, India's purchases of Russian oil, primarily Urals crude, reached 1.54 million barrels per day (bpd), a sharp increase from the 1.1-1.2 million bpd recorded in the previous months. The revival of Russian oil shipments to India, the world's third-largest oil importer, has eased supply constraints and moderated prices for competing Middle Eastern crude grades. The supply boost comes as some shipments were rerouted from Turkey, following a decision by Turkish refiner Tupras to halt Russian oil imports, freeing up additional volumes for Asian markets. Additionally, soaring freight rates—reaching a 12-month high of \$8 million per voyage from Russian western ports to India—have enticed more tankers to service the route, despite squeezing margins for Russian sellers.

Despite Western sanctions, Russian oil continues to flow to India through non-sanctioned vessels and intermediaries, with some traders opting for Western ships to avoid compliance risks. The narrowing discount for Russian crude—now between \$2.60 and \$2.80 per barrel against Brent—signals a stabilization in the market, as traders adjust to the evolving regulatory landscape. While India has maintained that it will only purchase Russian oil from non-sanctioned entities, operational challenges persist due to fears of secondary U.S. sanctions affecting Indian financial institutions with exposure to the American system. However, a recent dip in the price of Urals crude below the G7-imposed \$60 per barrel cap has enabled greater access to Western shipping and insurance services, ensuring continued Russian supply to India. As geopolitical and economic factors continue to shape global energy flows, India's strategic balancing act between energy security and compliance with international restrictions remains critical.

## U.S. Imposes Visa Restrictions on Foreign Officials Involved in Forced Repatriation of Uyghurs

The United States has announced a new visa restriction policy targeting current and former foreign government officials complicit in the forced return of Uyghurs and other persecuted ethnic or religious groups to China, where they face arbitrary detention, torture, and enforced disappearances. Secretary of State Marco Rubio confirmed that the policy would take effect immediately, with the first sanctions imposed on Thai officials linked to the deportation of 40 Uyghurs from Thailand to China on February 27. The policy, implemented under Section 212(a)(3)(C) of the U.S. Immigration and Nationality Act, extends to certain family members of those involved in such actions. Washington has called on governments worldwide to refuse Beijing's demands for forced repatriations, emphasizing that China's actions amount to genocide and crimes against humanity.

The U.S. visa ban underscores growing international pressure on governments accused of aiding Beijing's crackdown on Uyghurs, particularly in Southeast Asia, where Uyghur refugees often transit while fleeing persecution in China's Xinjiang region. Rights groups, including Human Rights Watch and the United Nations, had previously urged Thailand to halt the deportations, warning that Uyghurs face systematic human rights abuses if returned. Beijing has consistently denied allegations of persecution, calling Washington's stance interference in its internal affairs. However, the U.S. policy signals a widening diplomatic rift over China's treatment of Uyghurs and may further strain relations between Washington and governments seen as complicit in Beijing's transnational repression efforts.

### **South Korea Seeks Exemption from U.S. Reciprocal Tariffs Amid Rising Trade Tensions**

South Korea has formally requested an exemption from upcoming U.S. reciprocal tariffs, set to take effect on April 2, amid concerns that the measures could disrupt bilateral trade and strain economic ties. During a visit to Washington, South Korean Trade Minister Cheong In-kyo met with U.S. Trade Representative Jamieson Greer, emphasizing that Seoul should not face discriminatory trade policies given its free trade agreement (KORUS FTA) with the United States. The request comes after President Donald Trump accused South Korea of imposing tariffs four times higher than those of the U.S., a claim Seoul strongly disputes, citing official data showing an effective tariff rate of just 0.79% on U.S. imports. Both sides have agreed to continue discussions to resolve tariff and non-tariff trade issues, according to South Korea's trade ministry.

The tariff dispute underscores broader tensions in U.S.-South Korea trade relations, particularly under Trump's "America First" economic agenda, which has targeted key U.S. allies for allegedly unfair trade practices. Acting President Choi Sang-mok has directed the South Korean government to increase diplomatic engagement with Washington to prevent potential economic fallout. South Korea, a major supplier of semiconductors, electric vehicle batteries, and industrial goods to the U.S., could face significant disruptions if it fails to secure an exemption. While Seoul remains hopeful for a mutually beneficial resolution, the growing U.S. protectionist stance raises concerns about future trade uncertainty for South Korea and other key American allies.



## Russian Deputy Foreign Minister Visits North Korea Amid Reports of North Korean Troops in Ukraine

Russian Deputy Foreign Minister Andrei Rudenko has arrived in North Korea, marking another step in the deepening ties between Moscow and Pyongyang, according to North Korean state media KCNA. The visit comes amid growing international scrutiny over North Korea's reported military support for Russia's war in Ukraine, with U.S., Ukrainian, and South Korean officials alleging that over 12,000 North Korean troops have been deployed to fight alongside Russian forces in the border region of Kursk. Rudenko, who has played a key role in Russia-North Korea relations since Moscow's full-scale invasion of Ukraine in 2022, has also been involved in past Russia-Ukraine peace negotiations. While KCNA confirmed his visit to a landmark monument in Pyongyang, no additional details regarding the purpose of his trip have been disclosed, raising speculation that discussions may include military cooperation, arms trade, and further strategic coordination between the two sanctioned states.

The visit comes just days after U.S. President Donald Trump called on Russian President Vladimir Putin to spare Ukrainian troops being pushed out of Kursk, a request that Putin said he would honor only if they surrendered. The allegations of North Korean troop deployment represent a significant escalation in Pyongyang's involvement in the conflict, further complicating diplomatic efforts to curb North Korea's arms exports to Russia, which have included artillery shells, rockets, and other military supplies. This deepening military cooperation has drawn condemnation from Washington and its allies, who see it as a violation of United Nations sanctions. Rudenko's visit signals that Russia and North Korea are likely to expand their military and strategic partnership, potentially including new arms deals or technology transfers, further straining Moscow's already tense relations with the West.

## Massive Protests Erupt in South Korea Ahead of Constitutional Court Ruling on Yoon's Impeachment

Tens of thousands of South Koreans took to the streets in Seoul on Saturday as the nation awaits a landmark Constitutional Court ruling on the impeachment of President Yoon Suk Yeol, whose controversial imposition of martial law has plunged the country into its deepest political crisis in decades. Protesters gathered in two rival demonstrations, with anti-Yoon activists filling central squares and calling for his immediate removal, while conservative supporters rallied nearby, demanding his reinstatement. The opposition Democratic Party claimed over a million demonstrators attended the anti-Yoon protest, though police estimates put both sides at 43,000 participants each. The Constitutional Court's decision in the coming days will determine whether Yoon, who was freed from detention last week, remains in office or is permanently removed, a verdict that could reshape South Korea's political landscape and further test public trust in democratic institutions.

Beyond impeachment, Yoon is also facing a criminal trial for insurrection, heightening political polarization and societal divisions between conservatives and liberals. The South Korean military's involvement in enforcing martial law has further strained institutional credibility, creating a tense standoff between government branches. Weekly protests, both for and against Yoon, have become a fixture of South Korean political life since the crisis erupted, with 58% of South Koreans favoring impeachment according to a Gallup Korea poll released Friday. The Constitutional Court's ruling will be a defining moment, with potential ramifications for the country's governance, judicial independence, and the stability of its democratic order.

## **Baidu Unveils Two New AI Models Amid Intensifying Industry Competition**

China's Baidu has launched two new artificial intelligence models, including a reasoning-focused model ERNIE X1, as it seeks to solidify its position in the competitive AI market. The ERNIE X1 model, which Baidu claims rivals DeepSeek R1, boasts stronger capabilities in understanding, planning, reflection, and autonomous tool usage. Baidu emphasized that ERNIE X1 delivers performance comparable to DeepSeek R1 at half the price, positioning it as a cost-effective alternative in the rapidly evolving AI sector. Additionally, the company introduced ERNIE 4.5, a multimodal AI system with enhanced language, logic, and memory capabilities. This model is designed to process diverse data formats, such as text, video, and audio, and demonstrates an improved ability to interpret internet memes and satire, showcasing what Baidu describes as a high emotional intelligence (EQ).

Despite being one of the first Chinese firms to develop a ChatGPT-style chatbot, Baidu has struggled to achieve mainstream adoption of its Ernie AI models, facing intense competition from both domestic startups and global leaders like OpenAI. The rise of DeepSeek, a Chinese AI startup that has developed cost-efficient models claiming performance on par with U.S. industry leaders, has further disrupted the market, intensifying the AI race in China. By emphasizing cost efficiency and advanced reasoning capabilities, Baidu aims to differentiate itself in the crowded AI sector, where companies are competing for dominance in large language models (LLMs) and multimodal AI technologies. As the global AI landscape rapidly evolves, Baidu's latest releases signal China's growing ambition to challenge Western AI supremacy and establish itself as a leader in the field.



## Xi Jinping Declines EU Invitation for Anniversary Summit, Signaling Strained Relations

Chinese President Xi Jinping has declined an invitation to visit Brussels for a landmark summit marking the 50th anniversary of EU-China diplomatic ties, opting instead to send Premier Li Qiang in his place, according to the Financial Times. While it is customary for China's premier to attend summits in Brussels, the EU had sought Xi's presence to underscore the importance of the occasion. The decision reflects the deepening tensions between Beijing and Brussels, particularly over China's support for Russia following its invasion of Ukraine and the ongoing trade disputes between the two economic powerhouses. The EU has accused China of backing the Kremlin, while Beijing has criticized Brussels' alignment with U.S. sanctions and military aid to Ukraine.

The EU-China relationship has become increasingly contentious, particularly following the EU's imposition of tariffs on Chinese electric vehicles (EVs) in 2024, citing unfair subsidies and overcapacity. Beijing retaliated by raising market entry barriers on EU goods, including European brandy and other high-value exports. Ongoing disputes over trade, industrial policy, and geopolitical alignments have eroded trust, and Xi's absence at the Brussels summit signals China's reluctance to engage at the highest political level amid these escalating frictions. While informal discussions continue on setting a date for the summit, Xi's decision to delegate attendance to Li Qiang suggests that China is unwilling to make concessions on key disputes, setting the stage for further diplomatic and economic clashes between the world's second- and third-largest economies.

## 2. STATISTICS OF THE WEEK

### China's Arms Trade – Declining Exports, Growing Self-Sufficiency (2020–2024)

This week's Statistics of the Week focuses on China's evolving arms trade, highlighting its declining global exports, shifting import strategy, and increasing military self-sufficiency. Despite its ambitions to expand defense exports, China faces challenges due to technological limitations, geopolitical factors, and competition from Western suppliers.

China remains the 4th largest arms exporter, accounting for 5.9% of global arms sales, yet its exports have declined by 5.4% since 2015–19, as geopolitical concerns and competition from Western defense firms limit market expansion. Its arms trade is highly concentrated, with 63% of exports going to Pakistan, while Serbia (6.8%) and Thailand (4.6%) are also key buyers. 77% of its exports stay within Asia & Oceania, and 14% go to Africa, reflecting a regional focus despite global ambitions. On the import side, China ranks 16th globally, with a 64% drop in arms imports over the past decade as it shifts towards military self-sufficiency. Though 72% of China's arms imports still come from Russia, Beijing's expanding domestic defense production is reducing reliance on foreign suppliers. Moving forward, China aims to strengthen ties with regional clients, expand its presence in Africa and the Middle East, and enhance domestic capabilities, though Western technological superiority and political barriers continue to challenge its global arms trade ambitions.

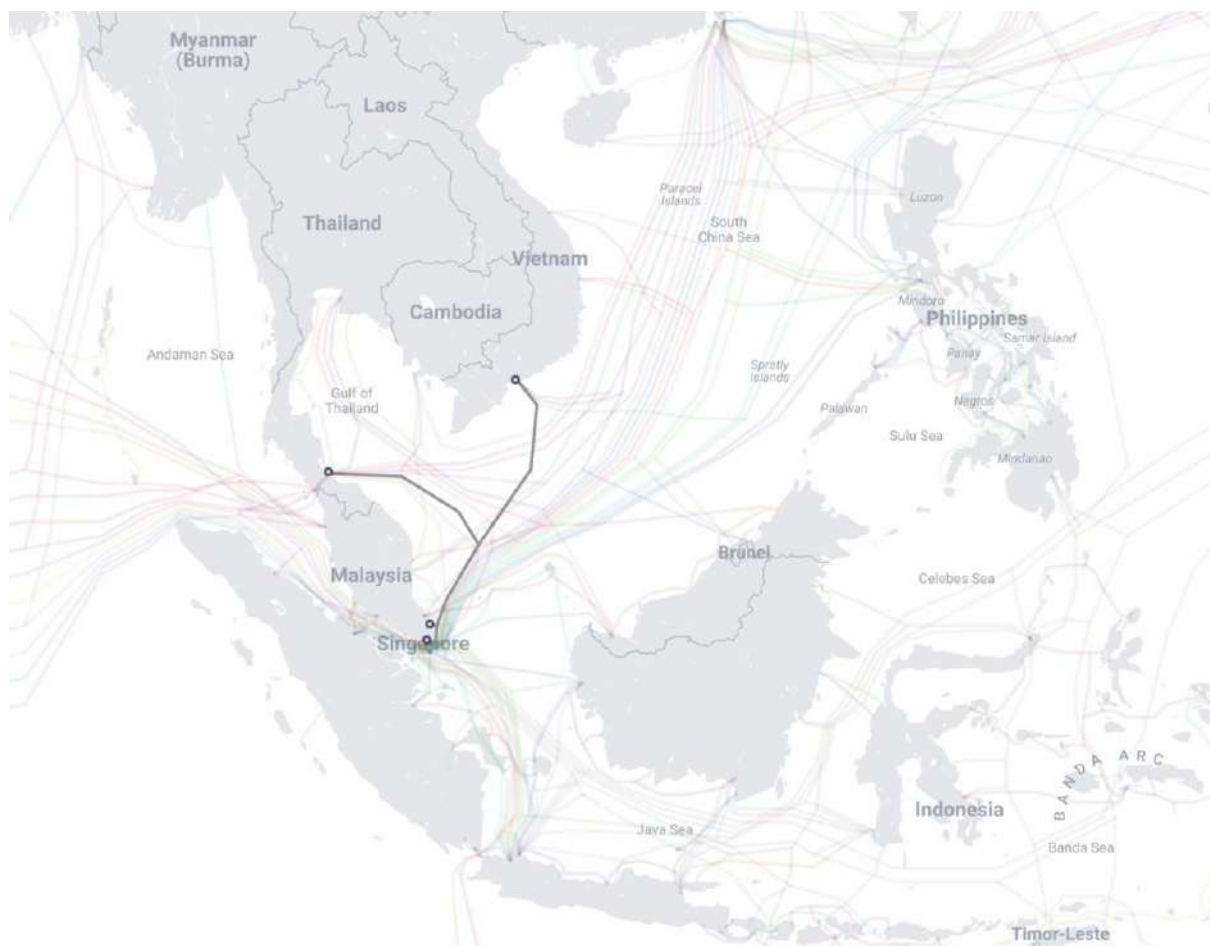


### 3. MAP OF THE WEEK

#### Vietnam-Singapore Subsea Cable Connectivity

This week's Map of the Week highlights the subsea cable network linking Vietnam and Singapore, a critical component of the recently upgraded Comprehensive Strategic Partnership (CSP) between the two nations. As Southeast Asia positions itself as a key hub for global digital infrastructure, the expansion of fiber-optic networks is crucial for enhancing cross-border data flows, AI-driven services, and regional economic integration.

The mapped cables represent Vietnam and Singapore's commitment to strengthening digital connectivity, a priority outlined during Vietnamese Communist Party Chief To Lam's visit to Singapore. With Vietnam planning 10 new submarine cables by 2030, these investments signal deeper regional cooperation in digital trade and cyber infrastructure, reinforcing ASEAN's broader digital transformation agenda.



<https://www.submarinecablemap.com/submarine-cable/vietnam-singapore-cable-system-vts>

## 4. PHOTO OF THE WEEK

### Trilateral Nuclear Talks in Beijing

This week's Photo of the Week captures a significant moment in global nuclear diplomacy, as Chinese Foreign Minister Wang Yi, Russian Deputy Foreign Minister Sergey Ryabkov, and Iranian Deputy Foreign Minister Kazem Gharibabadi stand together before their March 14 meeting in Beijing. The backdrop of the Chinese, Russian, and Iranian flags underscores the growing alignment between these three nations, particularly in opposing U.S. pressure on Iran's nuclear program.

Held at the Diaoyutai State Guest House, the meeting focused on Iran's nuclear activities, U.S. sanctions, and diplomatic efforts to revive negotiations. With Beijing and Moscow reinforcing Tehran's stance against Western intervention, the image symbolizes a shifting geopolitical landscape, where China and Russia are increasingly counterbalancing U.S. influence in global security affairs.



Chinese Foreign Minister Wang Yi, stands with Russian Deputy Foreign Minister Sergey Ryabkov, and Iranian Deputy Foreign Minister Kazem Gharibabadi, before a meeting regarding the Iranian nuclear issue at Diaoyutai State Guest House on March 14, 2025 in Beijing, China [Reuters]

<https://www.reuters.com/world/asia-pacific/china-iran-russia-kick-off-talks-beijing-over-irans-nuclear-issues-2025-03-14/>

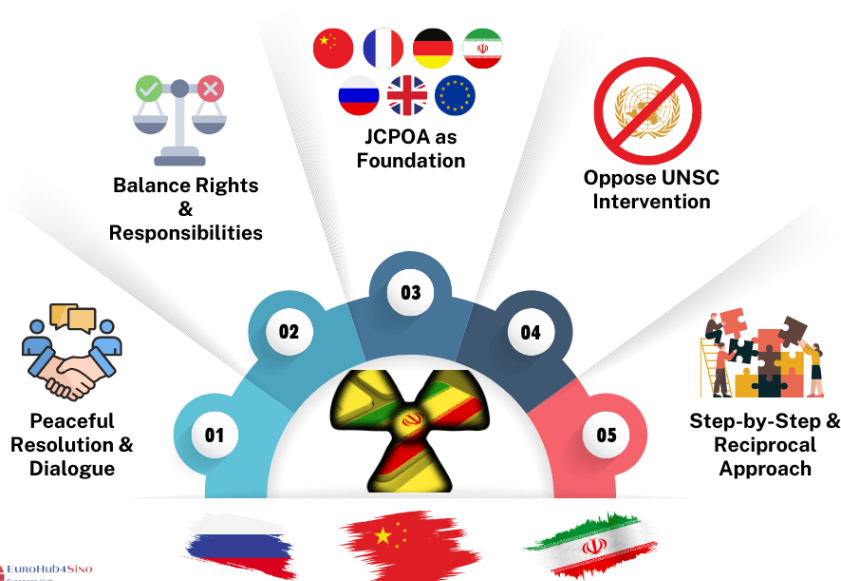
## 5. INFOGRAPHIC OF THE WEEK

### China's Five-Point Proposal on the Iranian Nuclear Issue

This week's Infographic of the Week presents China's Five-Point Proposal on the Iranian Nuclear Issue, a framework outlined by Chinese Foreign Minister Wang Yi during a trilateral meeting with Russia and Iran in Beijing. The proposal emphasizes diplomatic resolution over coercion, urging all parties to avoid force and unilateral sanctions while fostering conditions for renewed dialogue. It also underscores the importance of balancing nuclear non-proliferation with Iran's right to peaceful nuclear energy, urging Tehran to uphold its commitment to avoiding nuclear weapons development while ensuring other nations respect its rights under the Non-Proliferation Treaty (NPT). At the core of China's approach is a call to restore the Joint Comprehensive Plan of Action (JCPOA) as the foundation for negotiations, with Beijing pushing for the United States to reengage in talks with sincerity.

China also opposes United Nations Security Council (UNSC) intervention, arguing that such measures could derail diplomatic progress and deepen divisions. Instead, it advocates for a step-by-step, reciprocal approach where all parties engage in gradual, trust-building measures rather than acting from a position of strength or unilateral pressure. As a permanent UNSC member and JCPOA signatory, China has positioned itself as a mediator in the nuclear negotiations, reinforcing its strategic partnerships with Iran and Russia while countering Western-led diplomatic and economic pressures. With tensions over Iran's nuclear activities escalating, China's proposal reflects its broader geopolitical agenda—seeking diplomatic influence while maintaining regional stability in the face of growing U.S.-Iranian hostilities.

#### CHINA'S FIVE-POINT PROPOSAL ON THE IRANIAN NUCLEAR ISSUE





## 6. REGIONAL ALLIANCES

### Vietnam-Singapore Comprehensive Strategic Partnership – A Model for ASEAN Cooperation

The recent elevation of Vietnam-Singapore ties to a Comprehensive Strategic Partnership (CSP) marks a pivotal shift in Southeast Asia's economic and technological landscape. This upgrade reflects not only the deepening bilateral cooperation between two of ASEAN's most dynamic economies but also signals a broader regional realignment in digital connectivity, energy security, and trade integration. As both nations navigate a rapidly changing geopolitical and economic environment, their newly expanded partnership is poised to serve as a blueprint for regional collaboration, reinforcing economic resilience, sustainability, and digital transformation.

#### Digital Connectivity and Subsea Cable Development

One of the most critical areas of cooperation under the CSP is enhanced digital connectivity, with a strong emphasis on subsea cable infrastructure and cross-border data flows. As Southeast Asia emerges as a key transit hub for global internet traffic, nations in the region are racing to expand their fiber-optic networks to accommodate the growing demand for AI services, cloud computing, and data center expansion. Vietnam, recognizing the strategic importance of digital infrastructure, has set ambitious targets to launch 10 new submarine cables by 2030, with Singapore playing a crucial role as a regional digital hub.

Recent collaborations between Vietnamese telecom giant Viettel and Singapore's Singtel, as well as discussions between Singapore's Keppel Corporation and Vietnam's Sovico Group, highlight the increasing private sector involvement in this domain. The CSP further strengthens regulatory and technical cooperation, ensuring that digital trade and data security frameworks align with ASEAN standards, particularly in AI governance, cybersecurity, and digital economy regulations. This partnership not only benefits both countries' digital ambitions but also has wider implications for ASEAN's efforts to establish a region-wide digital economy framework.

#### Green Energy and ASEAN Power Integration

Vietnam and Singapore have also placed renewable energy and carbon neutrality at the core of their strategic alignment, reflecting their commitment to regional energy security and sustainable development. As Singapore continues its transition towards green energy solutions, Vietnam has positioned itself as a key energy exporter, particularly in offshore wind power and cross-border electricity trading. The CSP facilitates closer cooperation in renewable energy transmission, carbon credit trading, and infrastructure development, with a strong emphasis on facilitating regulatory approvals for offshore wind power exports from Vietnam to Singapore.



Furthermore, the agreement integrates efforts to accelerate the ASEAN Power Grid project, a long-term initiative aimed at enhancing electricity interconnectivity across the region. With Vietnam emerging as a regional leader in renewable energy investment, its partnership with Singapore serves as a foundation for broader ASEAN-wide energy collaboration, particularly in green finance, technology transfers, and emissions reduction mechanisms under the Paris Agreement.

### **Financial Sector Development and Trade Integration**

Singapore, as a global financial hub, has committed to supporting Vietnam's ambitions of developing an international financial center, strengthening trade connectivity, and expanding capital market integration. A major component of the CSP is the legal framework for digital asset management, which will facilitate cross-border QR code payments, stock market connectivity, and financial infrastructure modernization. The two countries also aim to streamline investment channels, reduce trade barriers, and enhance financial cooperation through the Singapore–Vietnam Connectivity Framework Agreement, which was upgraded in 2023.

The Vietnam-Singapore Industrial Parks (VSIPs), a long-standing symbol of bilateral economic success, will see further expansion under the CSP, supporting smart city initiatives, industrial innovation, and sustainable low-carbon projects. Singapore's position as Vietnam's top foreign investor—with \$10.2 billion in FDI as of 2024—underscores the economic depth of their partnership, while new agreements on intellectual property cooperation and infrastructure investment will further cement their trade and financial integration.

### **Strategic Implications for ASEAN and the Indo-Pacific**

The Vietnam-Singapore CSP goes beyond bilateral cooperation, carrying significant strategic implications for ASEAN and the broader Indo-Pacific region. By prioritizing digital economy expansion, energy security, and financial resilience, this partnership aligns with ASEAN's long-term goals of regional integration and sustainable development. It also reinforces ASEAN's ability to shape economic and technological policies, counterbalancing external pressures from China and the United States in key sectors such as trade, digital sovereignty, and supply chain diversification.

Moreover, as regional competition over digital infrastructure intensifies, Vietnam and Singapore's focus on data security, AI governance, and subsea cable expansion places them at the forefront of ASEAN's efforts to establish a unified digital economy framework. The CSP could serve as a model for other ASEAN members, particularly those seeking to strengthen their digital and energy cooperation amid rising geopolitical uncertainties.

## Conclusion

The Vietnam-Singapore Comprehensive Strategic Partnership represents a milestone in Southeast Asian economic and technological cooperation, setting a precedent for regional integration in digital connectivity, green energy, and financial sector development. By aligning their national interests with ASEAN's broader strategic objectives, both nations are not only strengthening their bilateral ties but also shaping the future of Southeast Asia's economic landscape.

As geopolitical tensions continue to reshape global trade and investment patterns, deepening cooperation between ASEAN's key economies will be essential for ensuring stability, competitiveness, and economic resilience. The CSP, with its emphasis on sustainability, digital transformation, and regional connectivity, positions Vietnam and Singapore as leading forces in ASEAN's evolving economic order, paving the way for a more integrated and future-ready Southeast Asia.

## 7. ANALYSIS

### The China-Russia-Iran Nuclear Dialogue – A Strategic Counterweight to U.S. Pressure

The China-Russia-Iran nuclear dialogue, held in Beijing, marks a significant geopolitical shift in the ongoing dispute over Iran's nuclear program. Against the backdrop of heightened U.S. pressure and renewed sanctions, this trilateral meeting serves as a counterbalance to Western efforts to isolate Tehran. China and Russia have positioned themselves as key diplomatic backers of Iran, advocating for a negotiated settlement over coercive measures and rejecting unilateral U.S. sanctions.

This analysis examines the strategic objectives of the China-Russia-Iran axis, the implications for global nuclear diplomacy, and the broader ramifications for regional stability and U.S. foreign policy. While Washington continues to push for renewed negotiations on its terms, Beijing and Moscow's involvement provides Tehran with diplomatic leverage, complicating the prospects for a Western-led resolution.

#### China's Diplomatic Strategy: Balancing Engagement and Defiance

China's role in the Beijing nuclear talks highlights its dual approach to the Iranian nuclear issue—positioning itself as a mediator while resisting U.S.-led pressure campaigns. Beijing has consistently emphasized a step-by-step, reciprocal approach, urging Washington to lift unilateral sanctions and return to the Joint Comprehensive Plan of Action (JCPOA). In its five-point proposal, China called for:

- A peaceful resolution through diplomacy, rejecting military threats and economic sanctions.
- A balanced approach to nuclear rights and responsibilities, reaffirming Iran's right to peaceful nuclear energy under the Non-Proliferation Treaty (NPT).
- The JCPOA as the foundation for renewed negotiations, emphasizing U.S. accountability for withdrawing from the agreement.
- Opposition to UN Security Council intervention, arguing that such actions undermine diplomatic efforts.
- A step-by-step approach to rebuilding trust, promoting mutual concessions rather than unilateral demands.

China's alignment with Russia and Iran on these principles underscores its broader strategy of challenging U.S. dominance in global governance. By positioning itself as a diplomatic counterweight to Washington, Beijing seeks to expand its influence in the Middle East, strengthen its economic and energy ties with Iran, and prevent Western-led economic and security coalitions from dictating regional affairs.

#### Russia's Growing Alignment with Iran: A Geopolitical Necessity

For Russia, deepening ties with Iran amid the ongoing Ukraine war and Western sanctions has become a strategic necessity. Since 2022, Moscow has significantly expanded military, economic, and energy cooperation with Tehran, culminating in a

strategic cooperation treaty signed in January 2025. The nuclear talks in Beijing serve as an opportunity for Russia to reinforce its support for Iran, further solidifying a Moscow-Tehran-Beijing axis that directly challenges U.S. strategic interests.

Moscow's alignment with Tehran also extends to military collaboration. Reports of North Korean and Iranian military assistance to Russian forces in Ukraine indicate a deepening military partnership, one that could have significant ramifications for Western sanctions enforcement. By backing Iran diplomatically on its nuclear program, Moscow strengthens its broader efforts to resist Western pressure and create alternative geopolitical alliances.

### **Iran's Calculated Defiance and Diplomatic Leverage**

Iran's approach to the Beijing talks reflects a calculated defiance against U.S. pressure, leveraging support from China and Russia to counter Western diplomatic and economic isolation. Tehran has consistently rejected U.S. demands for negotiations under coercion, with Iranian President Masoud Pezeshkian stating that Iran will not negotiate under threats. This stance aligns with China and Russia's position that Washington must first lift sanctions before talks can resume.

Despite Tehran's public defiance, economic realities could push Iran toward some level of engagement. The renewal of U.S. sanctions targeting Iranian oil exports and financial networks has further strained Iran's already fragile economy, heightening domestic unrest and pressure on the government. While Beijing and Moscow's diplomatic backing provides Tehran with room to maneuver, Iran's economic vulnerabilities could force it to seek indirect engagement with Washington—possibly through backchannel diplomacy brokered by China.

### **Implications for Global Nuclear Diplomacy**

The Beijing talks illustrate growing polarization in global nuclear diplomacy, with China and Russia advocating for multilateral negotiations under revised terms, while the U.S. continues to pursue a pressure-based approach. This division presents several challenges for the future of the Iranian nuclear negotiations:

- A weakened JCPOA framework - The 2015 agreement is increasingly losing relevance as Iran continues uranium enrichment up to 60% purity, approaching weapons-grade levels. Without a clear pathway back to the deal, the risk of further escalation remains high.
- China and Russia's expanding influence in the Middle East - By presenting themselves as alternative mediators, Beijing and Moscow are actively reshaping regional diplomacy, challenging the traditional U.S.-led security order in the region.
- Increased tensions within the UN Security Council - With China and Russia rejecting further UNSC interventions, Western efforts to use multilateral institutions to pressure Iran could face growing resistance.
- A heightened risk of regional confrontation - If diplomacy continues to stall, Washington and its allies may escalate military and economic measures,

increasing the likelihood of an Israeli or U.S. strike on Iranian nuclear facilities—a scenario that could destabilize the region further.

## Conclusion

The China-Russia-Iran nuclear dialogue in Beijing represents a strategic realignment in global power dynamics, with Beijing and Moscow providing Tehran with diplomatic cover against U.S. pressure. While China seeks to position itself as a mediator, its alignment with Iran and Russia signals a broader geopolitical shift away from U.S.-led negotiations.

For the U.S., the path forward remains uncertain. While economic sanctions and military deterrence remain key tools, continued escalation without a diplomatic off-ramp risks pushing Iran further into Beijing and Moscow’s orbit. Ultimately, the Beijing nuclear talks highlight the limits of Western influence, demonstrating that Washington’s ability to unilaterally dictate terms on the Iranian nuclear issue is increasingly constrained by the emerging multipolar order.