



SOUTHEAST ASIA

The Indo-Pacific is undergoing rapid change, and as home to more than 50% of the world's population, it is becoming a key geo-strategic region. Two thirds of the world's container trade passes through the Indo-Pacific and its sea lanes are important routes for trade and energy supplies. The EU strategy for cooperation in the Indo-Pacific was adopted in September 2021 to increase the EU's engagement and build partnerships to reinforce the rules-based international order and address global challenges. The Union is adapting its current instruments to support the [EU's strategic autonomy. Its Strategic Compass for Security and Defence](#), formally approved by the Council in March 2022, promotes an open and rules-based regional security architecture, including secure maritime routes, capacity-building and an enhanced naval presence in the Indo-Pacific.

The EU is forging closer ties with Southeast Asian countries and is promoting regional integration with the Association of Southeast Asian Nations (ASEAN). The region has geo-strategic concerns, such as the South China Sea dispute and the Taiwan issue, and environmental concerns, especially in the Mekong sub-region. The EU is a strong economic player in Southeast Asia and a major development aid donor, working to foster institution-building, democracy, good governance and human rights. The EU has mobilised a package of over EUR 800 million to tackle the COVID-19 pandemic in the region and to mitigate its socio-economic impact.

This fact sheet describes the Southeast Asia region. See also the fact sheets on South Asia ([5.6.7](#)) and East Asia ([5.6.8](#)).

LEGAL BASIS

- Title V (EU external action) of the Treaty on European Union;
- Articles 206-207 (trade) and 216-219 (international agreements) of the Treaty on the Functioning of the European Union;
- Partnership and cooperation agreements (bilateral relations).

A. Association of Southeast Asian Nations (ASEAN)

The first ASEAN summit, held in Bali in February 1976, brought together Indonesia, Malaysia, the Philippines, Singapore and Thailand. Brunei, Vietnam, Laos, Cambodia and Myanmar joined the association later. ASEAN follows a strict policy of non-interference in its members' domestic affairs.



The EU and ASEAN are like-minded partners in a challenging geopolitical context, both believing in rules-based multilateralism. Over the course of [45 years of cooperation](#), ASEAN and the EU have built a strong relationship, mainly in trade and economic relations, and are currently strategic partners. The EU is ASEAN's second-largest partner, with a 13% share of ASEAN's total trade with the rest of the world. ASEAN is the EU's third-largest partner outside Europe (after the United States and China). The ultimate goal remains the conclusion of an EU-ASEAN region-to-region free trade agreement (FTA).

The most recent EU-ASEAN ministerial meeting in July 2021 was concluded with an agreement to develop the strategic partnership agreed in December 2020. The two blocs now commit to regular summits at leaders' level to enhance their economic and security cooperation, as well as to improve relations in areas such as connectivity and development. The EU and ASEAN are committed to stepping up efforts to create a practical framework for a region-to-region FTA. Both parties are exploring a potential connectivity partnership, taking into account the EU Strategy on Connecting Europe and Asia, and the Master Plan on ASEAN Connectivity 2025. Both sides also agreed to launch a joint working group to address the challenges involved in reaching the Sustainable Development Goals in the vegetable oil sector, notably for palm oil. The 29th Meeting of the EU-ASEAN Joint Cooperation Committee was held in February 2022. Both sides underlined the significant role played by ASEAN and the EU in regional and global affairs, reviewed the fourth year of implementation of the EU-ASEAN Plan of Action 2018-2022, with over 88% of action lines either achieved or currently being addressed, and looked forward to the timely conclusion of the next Plan of Action (2023-2027).

The 17th ASEAN Economic Ministers (AEM)–EU Trade Commissioner Consultations were held on 14 September 2021. The two parties endorsed the ASEAN-EU Trade and Investment Programme 2021-2022 and reaffirmed their commitment to strengthening economic cooperation and formulating the parameters of the future ASEAN-EU FTA.

With the new EU-ASEAN Strategic Partnership, the EU aims to continue promoting the parliamentary dimension of relations, such as by supporting more structural exchanges and promoting a joint parliamentary assembly between the European Parliament and the ASEAN Inter-Parliamentary Assembly (AIPA) to provide democratic accountability and a forum for multilateral exchanges to address global issues. On 14 June 2021, the ASEAN Delegation held a meeting to exchange views with the ASEAN countries and the European External Action Service on the EU-ASEAN Strategic Partnership and the EU's Indo-Pacific strategy. On 22 June 2021, the inaugural Inter-Regional EP-AIPA Parliamentary Dialogue was held to discuss the future of EU-ASEAN trade relations and the effects of the COVID-19 pandemic.

The [Regional Comprehensive Economic Partnership](#) (RCEP), signed in November 2020, entered into force in January 2022. The RCEP, which involves the 10 ASEAN states and five of the bloc's Asia-Pacific partners, is the world's largest FTA, covering more than half of global exports and almost one third of global gross domestic product (GDP). The FTA covers most economic sectors, with about 90% of goods expected to be traded tariff free. Most of these goods are already subject



to this benefit under the existing deals between members. Pending tariff reductions could take up to 20 years to take effect. Cambodia, Laos and Myanmar have longer transition periods. Sensitive sectors such as agriculture are mostly excluded from tariff cuts. RCEP Members should benefit from common rules of origin, the removal of export quotas, simplified customs procedures and easier cross-border access to trade zones. Raw materials, machinery, motor vehicles and consumer products are likely to be key growth areas.

B. Asia-Europe Meeting (ASEM) and Asia-Europe Parliamentary Partnership Meeting (ASEP)

ASEM aims to strengthen economic cooperation, political dialogue and the promotion of people-to-people links between the EU and Asia. The partners have recently highlighted the need for effective and swift action on climate change, security cooperation, trade and human rights.

In November 2021, Cambodia assumed the role of host of the 13th ASEM Summit (ASEM13) and the 11th Asia-Europe Parliamentary Partnership Meeting (ASEP-11). ASEM13 aimed to strengthen multilateralism to share growth, with the emphasis on tackling global challenges, such as climate change, sustainable development and terrorism, as well as improving the multilateral trading system. In keeping with this overall theme, ASEP-11 was held as one of the side events of ASEM13, with the theme of strengthening the parliamentary partnership for peace and sustainable development in the post-COVID-19 era.

C. Indonesia

Indonesia is becoming an increasingly key partner for the EU as a member of the G20, the world's third-largest democracy and its largest Muslim-majority country. EU-Indonesia cooperation is based on the 2014 partnership and cooperation agreement. The EU-Indonesia Joint Committee meeting in June 2021 represented a step forward in the ongoing bilateral cooperation under the partnership and cooperation agreement. Leaders highlighted the importance of strengthening and implementing the international community's global agendas in Indo-Pacific cooperation, emphasising their commitment to combating climate change and to working towards a joint green agenda.

[Indonesia and the EU held their sixth Joint Committee in July 2022](#) in Bali to review bilateral relations. They welcomed the mutual recognition of their respective COVID-19 vaccine certificates since May 2022. Previously, the [Sixth Security Policy Dialogue was held in November 2021](#) and the Sixth Political Dialogue was held in March 2022. Indonesia expressed interest in improved mobility when entering the EU through Schengen visa liberalisation for Indonesia's business and tourist visits. Indonesia and the EU reaffirmed their commitment to the sovereignty, independence and territorial integrity of Ukraine, deploring the aggression by Russia. Both commended the visit of President Joko Widodo to Kyiv and Moscow, and supported the [Initiative on the Safe Transportation of Grains and Foodstuffs from Ukrainian Ports](#) agreed between Russia, Ukraine, Türkiye and the UN in July 2022. They renewed their commitment to strengthening the spirit of multilateralism and adherence to international law in order to promote peace and stability. The two parties agreed to pursue a partnership of mutual



benefits in security cooperation, including maritime security, peacekeeping operations, cyber security and counterterrorism.

Indonesia encouraged further exchanges of knowledge and consultations on security and defence cooperation through the EU programmes Enhancing Security Cooperation in and with Asia (ESIWA), and Critical Maritime Routes in the Indian Ocean (CRIMARIO). Both welcomed the planning for a future joint naval exercise and the fact that the Indonesian Defense University had joined the EU Defence and Security College Network as an Associate Member. The July 2022 Joint Committee also took note of the meeting of the Working Group on Trade and Investment held in April 2022, which addressed bilateral trade and investment, and confirmed the commitment to expedite work on the [ongoing negotiations for an Indonesia-EU Comprehensive Economic Partnership Agreement](#).

In June 2021, the World Trade Organization (WTO) [issued a document](#) on the biofuels dispute over palm oil between the EU and Indonesia. Indonesia filed a lawsuit at the WTO against the EU in December 2019, on certain measures concerning palm oil and oil palm crop-based biofuels, arguing that the EU's restrictions on palm oil-based biofuels were unfair and discriminatory, and requesting WTO dispute consultations. The consultations on the measures were held on 19 February 2020, but since they failed to settle the dispute, in March 2020 Indonesia asked the WTO's Dispute Settlement Body to set up a panel to examine the matter. The WTO decision is pending and it is speculated that a decision will be reached by the end of 2022. Nevertheless, the Russian invasion of Ukraine has caused the global edible oil shortage, which might help Indonesia regain palm oil market share in the EU. Regardless of the results of the WTO decision, the EU is keen on boosting its reputation and signing new deals, also as a result of [the energy crisis caused by the Ukraine war](#) and there is speculation that there could be a surge in EU imports of palm oil in the coming years.

The EU is Indonesia's third-largest trading partner, with total trade in goods worth EUR 20.6 billion in 2020 and a surplus of EUR 6.2 billion in favour of Indonesia. The EU's FDI stocks in Indonesia amounted to EUR 25.8 billion.

Indonesia held its presidential, parliamentary and regional elections simultaneously in April 2020. Joko Widodo (Jokowi, Indonesian Democratic Party) returned for a second term, and his leadership and broad popularity were challenged by the COVID-19 crisis. The administration has prioritised infrastructure development, with the assistance of foreign and private investment. However, policymaking has focused on the recovery from the COVID-19 pandemic.

The next presidential election is due in 2024. President Jokowi is very likely to run for a third term. There have been several cabinet reshuffles over the past year.

When President Joko Widodo announced his plans to construct a new capital city, he promised a gleaming, green, high-tech metropolis. The future of the EUR 30 billion project will depend on the February 2024 elections. The construction of Nusantara is expected to continue up to 2045, coinciding with the centenary of Indonesia's independence. Located in Borneo, it has a significant environmental cost in a region known for its vast rainforest and wildlife, including orangutans and long-



nosed monkeys. The government has promised to redistribute wealth and promote development in other parts of Indonesia.

Indonesia holds the Presidency of the G20 this year. Much attention is being paid to the split between G20 countries over the issue of Russia's right to have a seat at the G20 table. Russia was invited to the Bali summit in November 2022, as was Ukraine. However, President Putin did not attend and President Zelenskyy attended by video link.

In [October 2019, Parliament adopted a resolution on the proposed criminal code in Indonesia](#), expressing concerns about its provisions on blasphemy and adultery, as well as worries that the new code would be used against minorities and would allow discrimination on the grounds of sex, religion and sexual orientation. The proposed new code triggered demonstrations in the country. Parliament welcomed President Widodo's decision to delay its adoption following large-scale protests attended by thousands of people across Indonesia.

D. Myanmar

The EU has been an active partner in Myanmar's democratic transition and at the forefront of the international community's re-engagement since the country began to re-establish democracy and open up to the world in 2015. There is no formal framework agreement because of decades of international isolation and sanctions.

Myanmar's Constitution, written by the military government and adopted by referendum in 2008, restricts civilian government actions and grants exceptional power to the military, such as allocating it 25% of seats in parliament and control over the main ministries responsible for security and territorial administration. Myanmar is still engaged in a civil war that began in 1948. A ceasefire was agreed in October 2015, but several ethnic insurgent groups have not signed it. Democratic reforms progressed following the 2015 elections, when Aung San Suu Kyi assumed the posts of state counsellor, foreign minister and minister of the Office of the Presidency. The most recent general elections took place on 8 November 2020. Aung San Suu Kyi's ruling National League for Democracy (NLD) won enough seats in parliament to form a government.

However, in February 2021, the military seized power in a coup and detained Aung San Suu Kyi, President U Win Myint and other senior NLD figures in response to alleged election fraud. Army chief General Min Aung Hlaing was appointed as leader of the military junta. Charges have been filed against Aung San Suu Kyi and other top NLD leaders. The events have led to pro-democracy protests, and clashes with the army have led to deaths and severe injuries.

The EU, along with other international actors, has issued numerous statements on Myanmar and imposed sanctions on the junta and entities owned by the military. In February 2021, the [Council adopted conclusions](#) condemning the military coup and calling for a de-escalation of the crisis, an end to the state of emergency, the restoration of the legitimate government and the immediate release of those detained or arrested in connection with the coup. In March, April and June 2021, the Council imposed sanctions on the individuals responsible for the military coup and extended the sanctions to military-controlled companies and entities.



In April 2021, the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy (VP/HR) [issued a declaration](#) on [the five-point consensus](#) reached at the ASEAN Leaders' Meeting held in Indonesia, supporting the ASEAN Special Envoy. In October 2021, the VP/HR called on Myanmar to engage constructively with ASEAN. However, Myanmar issued a press release rejecting the ASEAN Special Envoy's request to meet Aung San Suu Kyi. In February 2022, the Council endorsed [a fourth package of sanctions](#) targeting high-ranking Tatmadaw (military) members and entities, including the Myanma Oil and Gas Enterprise.

Total trade between the two partners amounted to EUR 3.1 billion in 2020. As a least developed country (LDC), Myanmar benefits from the Everything But Arms (EBA) trade initiative under the generalised scheme of preferences (GSP). Myanmar is currently subject to a procedure called enhanced engagement that ensures its compliance with the basic requirements of the GSP Regulation. The EU allocated EUR 688 million to Myanmar for the 2014-2020 period. Despite the recent coup, the Commission has so far been reluctant to introduce trade restrictions because of the fallout for Myanmar's population and the limited impact on the military. The [EU's 2021-2027 Multi-Annual Indicative Programme](#) is based on specific priorities for Myanmar: governance, the rule of law, sustainable growth, assistance to displaced people, the Green Deal and the digital agenda.

The country has seen [an alarming increase](#) in the number of death sentences recorded since the February 2021 military coup, but no executions are thought to have been carried out until July 2022, when Myanmar's military junta reported the execution of four men indicted under Myanmar's 2014 Counterterrorism Law.

According to the [UN figures, from May 2022](#), the number of people internally displaced inside Myanmar has reached one million. More than 1 900 people are thought to have been killed by the military since the coup, according to the latest figures.

Myanmar is having to contend with an escalation of inter-communal tensions. In August 2020, the fourth meeting of the Union Peace Conference or '21st Century Panglong' resumed. The conference was designed to resolve conflicts between the military and ethnic insurgent groups by transforming a Nationwide Ceasefire Agreement into a lasting settlement.

[The 2021 Democracy Index](#) ranked Myanmar 166th out of 167 countries. There are major human rights issues, foremost among which is the persecution of the Rohingya people in the Rakhine state. Since August 2017, over 800 000 Rohingya refugees have fled to Bangladesh to escape persecution in Myanmar. In August 2019, thousands of refugees refused attempts by Bangladesh, Myanmar and the UN to repatriate them on account of security concerns. [Parliament condemned the human rights violations against the Rohingya in its September 2019 resolution](#). In February 2021, Parliament [adopted a resolution](#) strongly condemning the military takeover and abuse of human rights, and calling on the junta to restore the civilian government and for an immediate release of all those detained.

In October 2021, Parliament [adopted a resolution](#) condemning the human rights violations, the ongoing discrimination against ethnic minorities and the use of violence by the junta against its citizens, as well as the military attack on medical professionals



and facilities. Parliament also urged Myanmar to cooperate with the ASEAN Special Envoy and called on the Council to continue to impose targeted sanctions against those responsible for the February 2021 military coup.

In March 2022, Parliament passed a [resolution on Myanmar, one year after the coup](#), reaffirming its position on Myanmar. The EU provided an additional EUR 1 million to the UN Independent Investigative Mechanism for Myanmar, a group set by the UN Human Rights Council in 2018 to collect evidence on human rights violations.

E. The Philippines

The Philippines-EU Partnership and Cooperation Agreement (PCA) was signed in 2011 and entered into force in March 2018. The [first joint committee](#) met in Brussels on 28 January 2020 and established specialised subcommittees, thereby allowing the Philippines and the EU to develop the full potential for cooperation with a view to raising the bilateral relationship to a higher level and strengthening ties. Furthermore, in August 2021, the Philippines assumed the role of ASEAN coordinator for dialogue relations with the EU until 2024.

The second joint committee meeting took place in April 2022 to review the ongoing bilateral cooperation under the PCA. On the issue of regional security developments such as the South China Sea dispute, the EU and the Philippines agreed on the need to find peaceful and inclusive solutions to conflicts, while respecting the principles of international law and the UN Charter. Both delegations discussed the adoption of the relevant resolutions at the United Nations General Assembly Emergency Special Session on Ukraine and the Human Rights Council, which condemned the Russian aggression against Ukraine.

The EU is a significant donor to the Philippines, having provided EUR 325 million for the period 2014-2020. The rule of law and inclusive growth are focus areas. The EU's [2021-2027 Multi-annual Indicative Programme](#) will continue the overall EU cooperation. EU-Philippines bilateral trade in goods amounted to EUR 12.3 billion in 2020, and the EU ranks as the Philippines' fourth-largest trading partner, accounting for 8.4% of the country's total trade in 2020. Negotiations on an EU-Philippines FTA were launched in December 2015, and a first round took place in May 2016. The negotiations covered a broad range of issues, including tariffs, non-tariff barriers to trade, trade in services and investment, as well as trade aspects of public procurement, intellectual property, competition and sustainable development.

In May 2016, Rodrigo Duterte won the presidential election and adopted controversial measures against drug trafficking with 'shoot to kill' orders that led to human rights violations. Duterte changed the direction of the Philippines' foreign policy, building a new alliance with Russia and China, despite the controversy over the South China Sea, the Philippines being one of the claimant ASEAN states in this dispute. The EU supported the Mindanao Peace Process and welcomed the peaceful conduct of the referendum in early 2019.

The EU has become increasingly concerned about human rights violations, particularly the extrajudicial killings related to the 'war on drugs' and the Anti-terror Bill passed in July 2020. As the Philippines has benefited from the EU's GSP+ trade preferences scheme since December 2014, the EU has reminded the country of its commitment to



ratify and implement 27 international core conventions on human and labour rights, as stated in the GSP+ Agreement.

In a September 2020 resolution, Parliament urged the EU and Member States to immediately initiate procedural steps, potentially resulting in the temporary withdrawal of GSP+ preferences. For the time being, there has been no further follow-up on this request.

In May 2022 the presidential elections took place. The Philippines' new president is Ferdinand 'Bongbong' Marcos and its vice-president, Sara Duterte, is the daughter of the outgoing leader. In his inauguration address on 30 June 2022, President Ferdinand Marcos promised to prioritise near-term policy goals on agriculture, infrastructure and investment. At the same time, competition between Japan and China to support the ambitious plans for new railways is likely to intensify. Unlike Duterte, Marcos intends to pursue more balanced diplomacy between Beijing and Washington. President Ferdinand Marcos is expected to participate in the EU-ASEAN summit in Brussels in December 2022.

[Parliament adopted a resolution in February 2022](#), strongly condemning the thousands of extrajudicial killings and other serious human rights violations related to President Rodrigo Duterte's war on drugs. Members also condemned all intimidation and violence against those seeking to expose allegations of such abuses in the country. [ASEAN Parliamentarians for Human Rights](#) also called for the immediate and unconditional release of Filipina Senator Leila De Lima, one of former President Duterte's staunchest critics.

F. Vietnam

EU-Vietnam relations are based on the partnership and cooperation agreement adopted in 2016. A total of EUR 400 million was allocated for the 2014-2020 period, with a focus on good governance, energy and climate change, especially in the Mekong Delta. The [EU's 2021-2027 Multi-Annual Indicative Programme](#) for Vietnam addresses crucial issues and key areas for the country.

The EU and Vietnam signed an FTA and an investment protection agreement (IPA) in June 2019. Parliament subsequently gave its consent to the two agreements in February 2020 and the FTA came into force in August 2020. The FTA involves the immediate elimination of 65% of tariffs on EU exports to Vietnam and 71% of such duties on imports from Vietnam. The European Parliament's Committee on International Trade follows the implementation of the FTA. The IPA will enter into force when it is ratified by all EU Member States.

EU-Vietnam trade in goods amounted to EUR 43.2 billion in 2020 and the stock of EU FDI in Vietnam reached EUR 6.1 billion in 2019.

In October 2019, the EU and Vietnam signed a Framework Participation Agreement to set a legal basis for Vietnam's participation in EU crisis management operations.

The overall human rights situation in Vietnam has been deteriorating, a trend worsened by the COVID-19 pandemic. The same is true of freedom of expression in the country, with crackdowns on dissent intensifying and the number arrests for 'anti-state' activities increasing. In 2020, dozens were prosecuted for activism, journalists were arrested



and jail sentences under the national security laws were increased. Vietnam is a one-party communist state with no political freedom. In May 2021, amid the COVID-19 pandemic, the country held legislative elections to the 15th National Assembly and the local-level People's Councils. The Vietnamese Communist Party (VCP) won the elections, maintaining full control over the media and the electoral process, with no independent agency overseeing the polls. The entirely state-controlled electoral process eliminated 64 out of 75 self-nominated candidates and saw two independent candidates arrested.

Vietnam is one of the most successful examples of a country that has transitioned from a failed communist economic system to an open and market-oriented economy. It is one of the fastest growing countries in the ASEAN region, having recorded average GDP growth of almost 7% between 2010 and 2020.

In January 2021, [Parliament adopted a resolution](#) on Vietnam calling for the immediate and unconditional release of all human rights defenders and journalists, and condemning the abuse of repressive legal provisions that restrict fundamental rights and freedoms. It also called on the government to allow independent media outlets to function and appealed for the establishment of an independent mechanism to monitor human rights. In 2021, Vietnam ranked 175th out of 180 countries on the [World Press Freedom Index](#).

In office for over a decade, Vietnam's Communist Party leader Nguyễn Phú Trọng has developed a strict anti-corruption policy. In June 2022, the country's health minister Nguyễn Thanh Long and Hanoi Mayor Chu Ngọc Anh were dismissed and arrested on allegations of a EUR 169 million fraud involving COVID-19 test kits. Other high-ranking officials were also arrested. Vietnam's position has improved by more than 30 places on the Transparency International [2021 Corruption Perceptions Index](#), where it ranks 87th out of 180 countries.

G. Thailand

The EU-Thailand partnership is based on the 1980 framework agreement and EU-Thai cooperation is based on the 1980 EU-ASEAN Cooperation Agreement. The parties completed negotiations for a partnership and cooperation agreement (PCA) in March 2013, but it was halted following the military coup in 2014.

On 2 September 2022, the EU and Thailand finalised the text of the EU-Thailand PCA, closing the negotiation process. The PCA will enhance the political dialogue and cooperation in a wide number of policy areas, including the environment, energy, climate change, transport, science and technology, trade, employment and social affairs, human rights, education, agriculture, non-proliferation, counterterrorism, the fight against corruption and organised crime, as well as migration and culture.

Steps are also being taken towards the resumption of negotiations on an ambitious and comprehensive EU-Thailand FTA. Negotiations resumed in August 2021, after talks collapsed in 2014, following the military coup. The EU is one of Thailand's largest export markets, and Thailand is one of the EU's main trade partners in the ASEAN region. In 2020, bilateral trade amounted to EUR 29 billion. Thailand's Minister for Trade Minister and EU counterparts resumed trade talks in June 2021.



Since 2014, the military has suppressed opposition by imposing martial law, and human rights abuses have been reported. King Maha Vajiralongkorn was crowned in May 2019. The pro-military party won the general election in March 2019, amid claims of manipulation. Prayuth Chan-ocha, already prime minister (PM) from 2014 to 2019 under the National Council for Peace and Order (NCPO), was appointed PM in June 2019. Although rule by the junta officially ended in July 2019, the military still has influence over the government.

The Thai [Constitutional Court](#) had previously decided to suspend PM Prayuth Chan-ocha from office, as he had supposedly overstayed the limits of his term, eight years after coming to power in a coup in 2014. However, the [final decision on 30 September 2022 by the Constitutional Court](#) ruled that PM Prayuth Chan-ocha had not exhausted a term limit of eight years in office.

Thai protests against the military government have included demands for the reform of the Thai monarchy. In February 2020, the first wave of protests was triggered by the Constitutional Court's decision to disband the Future Forward Party, an opposition party popular among young people, with the third-largest number of seats in the House of Representatives following elections in March 2019. The Thai Government declared a state of emergency in October 2020, reserving the right to impose a curfew and martial law. In September 2021, the Thai Government extended the state of emergency, for the fourteenth consecutive time, until the end of November 2021. Despite the high number of COVID-19 infections, the Thai PM announced plans on 11 October 2021 to reopen the country in November 2021 to vaccinated visitors from specific countries. Although the extension of the state of emergency and the rising number of *lèse-majesté* prosecutions against protesters has slowed down protests, the student-led movement continues to mobilise periodically.

In January 2020 in Kuala Lumpur, Thailand officially launched a peace process with insurgent groups in the southern Muslim-majority provinces. The negotiations were mediated by Malaysia. Despite the declaration of a ceasefire in April 2020, some bombings have still occurred in 2021 and 2022.

In September 2021, the Thai Parliament gave initial approval to a bill on protection and the suppression of torture and enforced disappearance, having delayed the introduction of the law for 14 years following Thailand's signature, in 2007, of the Convention against Torture and Other Cruel, Inhuman and Degrading Treatment or Punishment. Parliament has adopted several resolutions on human rights, migrant workers and labour rights in Thailand.

H. Cambodia

The EU's relations with Cambodia date back to the 1977 Cooperation Agreement. The EU is the country's biggest donor, having allocated EUR 410 million for the 2014-2020 period for improving governance and the rule of law, as well as for the Khmer Rouge Tribunal. [The EU's 2021-2027 Multi-Annual Indicative Programme for Cambodia](#) provides for USD 510 million in aid for Cambodia to help the country boost its economic development. In 2020, total trade in goods between the two partners amounted to



EUR 4.3 billion. The EU is Cambodia's third-largest trade partner, after China and the US, accounting for 10.6% of the country's total trade.

Years of civil war left Cambodia one of the poorest states in Southeast Asia. After the 1991 Paris Peace Agreements, Cambodia adopted a constitution in 1993, laying the foundations for a liberal, multi-party democratic state. In February 2018, the Council adopted conclusions on Cambodia in the light of political developments and the continuing deterioration of democracy.

PM Hun Sen and his ruling Cambodian People's Party (CPP) won the general election in July 2018, but the opposition claimed that the electoral process had been neither free nor fair. The leader of the opposition Cambodia National Rescue Party (CNRP), Kem Sokha, was arrested in September 2017 and former CNRP leader Sam Rainsy has been in self-imposed exile since 2015. The CNRP was dissolved in November 2017. In March 2021, a Phnom Penh Municipal Court sentenced Sam Rainsy to 25 years in jail over an alleged plot to overthrow PM Hun Sen's government. It also disallowed him from voting and standing for election. Eight other ex-CNRP politicians were given lengthy prison terms *in absentia*.

In February 2020, the Commission decided to withdraw part of the tariff preferences granted to Cambodia under the EBA trade scheme on account of the serious and systematic violations of the human rights principles enshrined in the International Covenant on Civil and Political Rights. The relevant regulation came into effect in August 2020. Cambodia's economy is dependent on international aid and garment exports, and is highly sensitive to labour costs. The withdrawal of tariff preferences, and their replacement with the EU's standard tariffs, mainly affect garment and footwear products. The withdrawal amounts to around one fifth or EUR 1 billion of Cambodia's yearly exports to the EU.

In [September 2017, Parliament adopted a resolution](#) calling on the Cambodian Government to end Kem Sokha's politically motivated prosecution. In [September 2018, it adopted a second resolution](#) calling for all charges against Kem Sokha to be dropped.

In March 2021, Parliament adopted [a resolution](#) condemning the escalating violations of human rights in Cambodia and the repression carried out under the guise of COVID-19 protection. It called on the security forces to refrain from unnecessary and excessive force against peaceful protesters and to cease all forms of harassment, including judicial harassment.

In February 2022, the government postponed the entry into force of a controversial 'national internet gateway', which would have routed all internet traffic in the country through a Chinese-style firewall. The government blamed the postponement on pandemic-related delays and denied it had been influenced by severe criticism from free speech advocates.

A Cambodian court convicted 20 opposition politicians and activists in a trial [described by Human Rights Watch](#) as 'a witch hunt'. Those convicted in the March 2022 sentencing include exiled opposition leaders Sam Rainsy, Eng Chai Eang, Mu Sochua and others. The [European Parliament has called for the charges to be unconditionally](#)



[annulled](#). Parliament passed a [resolution in May 2022 on the continuous crackdown of political opposition in Cambodia](#).

I. Singapore

The EU and Singapore cooperate very closely in business, science and technology. In February 2019, the EU and Singapore ratified three 'new generation' agreements: the EU-Singapore Partnership and Cooperation Agreement (EUSPCA), the EU-Singapore Free Trade Agreement (EUSFTA) and the EU-Singapore IPA (EUSIPA). The FTA with Singapore entered into force in November 2019. These agreements are designed to boost political, economic and trade ties, and will significantly reduce customs duties. Technical and non-tariff barriers to trade in goods are being removed across a wide range of sectors.

In 2021, EU-Singapore trade in goods reached EUR 42.9 billion, an increase of 4.5% from 2020. EU exports to Singapore amounted to EUR 27.3 billion, while imports from Singapore totalled EUR 15.6 billion. Singapore ranked globally as the EU's 20th-largest merchandise trade partner in 2021. EU-Singapore trade in services amounted to EUR 50.3 billion in 2020, ranking Singapore as the EU's fifth-largest partner for trade in services. Total EU-Singapore trade, including both goods and services, reached EUR 91 billion in 2020, ranking Singapore as the EU's largest trade partner in ASEAN and its 11th-largest trade partner in the world.

Singapore remains an important destination for FDI from the EU. At the end of 2020, EU FDI stocks held in Singapore reached EUR 255.6 billion, an increase of 15.4% since 2019. Singapore ranked globally as the EU's seventh-largest destination for FDI stocks and the largest investment destination in ASEAN. Conversely, FDI stocks held by Singapore in the EU amounted to EUR 150 billion in 2020, a significant 26.6% increase compared to 2019. In early December 2021, the EU and Singapore held talks on strengthening bilateral digital trade, including advancing a comprehensive EU-Singapore digital partnership and enhancing cooperation on artificial intelligence and data governance.

Singapore held general elections in July 2020. Lee Hsien Loong, of the People's Action Party (PAP), won 83 out of 93 seats in Parliament, while the biggest opposition group, the Workers' Party, had its best result to date, winning 10 seats. The PAP has never lost an election and has governed the city-state since 1959. PM Lee Hsien Loong had long said he would hand over power before he turns 70 in 2022. In April 2021, Deputy PM Heng Swee Keat, who was designated Lee Hsien Loong's successor, announced his decision to step aside. Lawrence Wong became the new head of the ruling PAP and consequently the deputy PM, and is supposed to succeed PM Lee Hsien Loong at the next general election scheduled for 2025.

PM Lee Hsien Loong's priority has been to tackle the COVID-19 pandemic, its economic challenges and the country's recovery. In October 2021, the government announced that Singapore would be open from that month onward for quarantine-free travel for fully vaccinated people from eight countries, including some EU countries.

Also in October 2021, the Parliament of Singapore passed the Foreign Interference (Countermeasures) Act, aiming to tackle foreign meddling in domestic politics. While



supporting the work of civil society, the European Parliament has called for the abolition of the death penalty.

In June 2022, Finance Minister and Deputy PM Lawrence Wong announced a USD 1.1 billion support package to mitigate cost of living pressures. Wong stated that the move had been especially designed to help low-income groups, as Singapore is suffering from high inflation. Key factors behind the surge in prices include disruption to global supply chains, high commodity prices and Russia's invasion of Ukraine. Singapore has tightened its monetary policy three times since October 2021.

J. Brunei

The Sultan of Brunei, Hassanal Bolkiah, rules the state while Prince Billah Bolkiah is taking on responsibilities. Political liberalisation is non-existent. The penal code was reformed in 2014 to incorporate a Sharia-based approach. In April 2019, a penal code was enacted to impose new forms of punishment that include death by stoning for gay sex and adultery, and the amputation of limbs for theft. Following an international outcry, Brunei extended a moratorium on the death penalty.

The EU is actively enhancing its relations with Brunei, but there is no framework agreement. An EU-Brunei Partnership and Cooperation Agreement (PCA) is in the process of being negotiated and will cover a range of political and economic areas. In 2020, the total trade in goods between Brunei and the EU stood at EUR 153 million, with a surplus of EUR 142 million in favour of the EU. Trade between the EU and Brunei is mainly in machinery, motor vehicles and chemicals.

EU-Brunei relations are mainly handled through ASEAN, of which Brunei assumed the role of chair in 2021 with the theme 'We Care, We Prepare, We Prosper'. In August 2021, Deputy Foreign Minister of Brunei Erywan Yusof was appointed ASEAN Special Envoy to Myanmar to act as a mediator with Myanmar's junta.

Parliament [passed a resolution in April 2019 strongly condemning the entry into force of the Sharia Penal Code](#). It reiterated its condemnation of the death penalty and underlined that the provisions of the Sharia Penal Code violate Brunei's obligations under international human rights law.

Tensions between China and the Southeast Asian claimants in the South China Sea territorial disputes have been increasing in 2022. Although Brunei has been silent so far, it made its first ever unilateral statement on the South China Sea in July 2022, as a country with competing claims. However, Brunei's policy avoids a confrontational approach with China over the South China Sea dispute, afraid of damaging bilateral economic ties.

The Sultan of Brunei announced an early reshuffle of ministers in June 2022. The Sultan retains the post of prime minister, along with the defence, foreign affairs, and finance and economy portfolios. For the first time, a woman was appointed as minister (for education).

K. Laos

EU-Laos relations are based on the 1997 Cooperation Agreement. The EU provided over EUR 500 million for the 2016-2020 period, supporting the Lao Eighth National Socio-Economic Development Plan, which focused on achieving high economic growth



with an overall target of graduating from least developed country status by 2020. In March 2021, the EU, in partnership with the World Health Organization, provided EUR 2.8 million for Laos' health system to strengthen its capacity for preparedness and to respond to COVID-19 and other pandemics.

In October 2021, the country launched its first national digital teaching and learning platform, thanks to the support of the EU, UNICEF and the Global Partnership for Education to facilitate distance learning for students and teachers during the COVID-19 pandemic. [The EU's 2021-2027 Multi-Annual Indicative Programme for Laos](#) provides for a total indicative allocation for the first phase 2021-2024 of EUR 83 million.

The EU is Laos' fourth-largest trade partner (after Thailand, China and Vietnam), accounting for 3.6% of the country's total trade. EU-Laos total trade amounted to EUR 436 million in 2020. Despite economic reforms, the country is still poor and dependent on international aid. As a least developed country, it benefits from the EU's Everything But Arms (EBA) trade scheme.

Laos is a one-party state. The Lao People's Revolutionary Party (LPRP), in power since the end of the civil war in 1975, rules the country with an iron grip, allowing no opposition to challenge it. Laos held parliamentary elections in February 2021 for its ninth National Assembly, consisting of 164 seats, of which 158 went to the ruling LPRP and six were claimed by independent candidates. In March 2021, during the opening of the National Assembly, Laos elected its President, Thongloun Sisoulith, the Secretary-General of the ruling LPRP, who had earlier served as PM from April 2016.

Laos is deepening its relations with China and ASEAN, seeking to attract greater investment. Economic reforms have led to sustained economic growth of over 7% since 2014. The COVID-19 pandemic has brought renewed challenges to this agenda, severely affecting economic growth, which declined to an estimated range of between -0.6 and -2.4% in 2020.

The EU attaches particular importance to the human rights situation, including the plight of people displaced by huge dam constructions on the Mekong River. Costing nearly one third of Laos' annual GDP, a new 414-kilometre railway linking China with the capital Vientiane was opened in early December 2021 as part of Beijing's Belt and Road Initiative.

At the International Labour Organization Conferences in Geneva, the EU has called on Laos to address the issue of the sexual exploitation of children. In July 2022, the EU raised concerns over the lack of progress on addressing long-standing human rights violations in Laos and urged the authorities to comply with the country's human rights obligations under the International Federation for Human Rights (FIDH) and its member organisation Lao Movement. The two organisations released a briefing paper providing a summary of human rights developments in Laos. The most recent [EU-Laos human rights dialogue](#) was held in July 2022.

L. Malaysia

The EU and Malaysia concluded negotiations on a partnership and cooperation agreement (PCA) in December 2015. The negotiations on an EU-Malaysia FTA were put on hold at Malaysia's request in April 2012, after seven rounds. In March 2017, the



Council asked the Commission and the High Representative to revise the proposed agreement and change it to a 'mixed' agreement. The EU and Malaysia discussed the insertion of new provisions and agreed on them in principle, such that signature of the agreement is expected shortly. Two agreements are under negotiation, an FTA and a voluntary partnership agreement in relation to Forest Law Enforcement, Governance and Trade. In May 2022, the Commission published the [final report](#) of the sustainability impact assessment, supporting the FTA negotiations.

The EU is an important trading partner and a big investor in Malaysia, whose emerging economy offers the EU attractive opportunities for trade. EU-Malaysia trade is expanding, having grown by over 50% since 2010. In 2020 Malaysia ranked as the EU's 20th-largest trading partner, while the EU was Malaysia's fifth-largest trading partner. Malaysia is the EU's third-largest ASEAN market after Singapore and Vietnam.

The EU represented 8.1% of Malaysia's total trade in 2021. EU imports from Malaysia have gradually increased, standing at EUR 29.2 billion in 2021, while EU exports to Malaysia stood at EUR 11.8 billion. Malaysia's overall trade surplus with the EU has grown steadily over the years, reaching EUR 17.4 billion in 2021. As a result of Malaysia's liberalisation policies and prospects for an FTA, EU FDI in Malaysia increased to EUR 27.8 billion in 2020. EU-Malaysia bilateral trade is dominated by industrial products, accounting for more than 90% of trade. In March 2019, the Commission announced that the use of palm oil in transport fuel should be phased out based on the Renewable Energy Directive, which sets a sustainable bioenergy target of 32%. Indonesia and Malaysia protested and lodged complaints with the World Trade Organization (WTO). In January 2021, Malaysia, the world's second-largest producer of palm oil, followed Indonesia's example by filing a complaint with the WTO over the EU's rules on biofuels. In January 2021, the Malaysian Government announced that it was taking legal action against EU Member States France and Lithuania for curbing palm oil-based biofuels. Despite the EU's rejection of Malaysia's request to establish a panel for the dispute over biofuels in April 2021, the WTO finally approved Malaysia's request in May 2021 to establish a panel to examine EU law. In October 2021, the EU Council adopted [conclusions](#) on the revised EU list of non-cooperative jurisdictions for tax purposes. For the first time, Malaysia was added to the Annex II grey list. Although palm oil is considered a major issue in the EU-Malaysia FTA talks, palm oil in fact accounts for less than 5% of EU imports from Malaysia, and statistics from the Malaysian Palm Oil Council in 2019 also indicated that the EU's restriction on palm oil will only impact 0.04% of Malaysia's annual production. Nevertheless, the Russian invasion of Ukraine has caused a global shortage of edible oil, which might help Malaysia regain palm oil market share in the EU. As the Malaysian Minister for Plantation Industries and Commodities pointed out in May 2022, the EU's demand for global edible oil is expected to increase in the near future owing to tight sunflower and soy oil supplies.

Malaysia's Barisan Nasional (BN) coalition, which includes the United Malays National Organisation (UMNO), was defeated for the first time ever in the May 2018 general election. PM Mahathir Mohamad, leader of the Alliance of Hope, replaced Najib Razak, who faced 12 years in jail pending appeal. In November 2019, the opposition BN coalition won a by-election and PM Mahathir Mohamad's administration collapsed. With the backing of UMNO, in March 2020 King Abdullah swore in Muhyiddin Yassin,



president of the United Indigenous Party (PPBM), as PM leading a new Perikatan Nasional (PN) coalition. However, in October 2020, the leader of the opposition, Anwar Ibrahim, met King Sultan Abdullah Sultan Ahmad Shah in a bid to prove he has a convincing parliamentary majority and called on PM Muhyiddin Yassin to resign.

The king rejected Mr Ibrahim's proposal but, amid a deep political crisis, PM Muhyiddin Yassin decided to resign in August 2021 after losing majority support in the parliament. The king stepped in to arrange for the PM's succession and, once again, wielded his constitutional power. In August 2021, he named Ismail Sabri Malaysia's ninth PM and the third PM of the current five-year election term. The next Malaysian general election will be held in 2023.

In its resolutions, Parliament has condemned the death penalty, the lack of respect for LGBTI rights and the silencing of public discontent, as well as the lack of peaceful expression, including public debate.

In June 2022, the Malaysian Government announced that it will abolish its mandatory death penalty. This is step forward and an exemplary decision in the region. The EU has encouraged the country's authorities to take concrete steps to swiftly pass the agreement into law.

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