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BEIJING LEADS REGIONAL AGENDA, REJECTS US CHALLENGES

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The annual heads of government regional meetings convened by ASEAN leaders in Bangkok, topped by the 14th East Asian summit on Nov. 4, saw Beijing's leaders set the pace for slow-moving negotiations on a China-ASEAN Code of Conduct in the South China Sea. They also celebrated the conclusion of negotiations on the Regional Comprehensive Economic Partnership (RCEP), a trade accord that excludes the United States.

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The annual heads of government regional meetings convened by ASEAN leaders in Bangkok, topped by the 14th East Asian summit on Nov. 4, saw Beijing's leaders set the pace for slow-moving negotiations on a China-ASEAN Code of Conduct in the South China Sea. They also celebrated the conclusion of negotiations on the Regional Comprehensive Economic Partnership (RCEP), a trade accord that excludes the United States.

These achievements contrasted with sharp attacks by the US delegation, led by National Security Advisor Robert O'Brien, on Chinese bullying to compel acceptance of China's wide-ranging claims to the South China Sea, which have been found illegal by a UN Convention on the Law of the Sea (UNCLOS) arbitration panel. Chinese media and lower-level officials rebuked the Americans for their efforts at getting regional support to thwart China's commanding influence in Southeast Asia. Underlining American weakness, they noted the less-prominent US officials attending the meetings, seeing "White House indifference" to ASEAN and regional matters.

For China, the highlight of the meetings was the end of RCEP negotiations, a seven-year process involving the 10 ASEAN members and six other Asia-Pacific countries (China, Japan, South Korea, India, Australia, and New Zealand), with India dropping out at the last minute. Chinese officials and [media](#) saw the achievement as a "milestone" for greater economic integration and development in East Asia. The agreement countered what Beijing saw as the "rampant unilateralism and protectionism" from the US-initiated trade war with China. It fostered momentum for China-backed efforts to reach agreements on an enhanced China-ASEAN free trade area and a China-Japan-Korea free trade area and to follow through with the China-ASEAN agreement announced at the Bangkok meetings. This would integrate China's Belt and Road Initiative with the master plan on ASEAN Connectivity 2025.

As US trade with China declined over the past year, official Chinese [commentary](#) placed more emphasis on ASEAN's importance for China's development and trade. ASEAN became China's second-largest trading partner in January 2019. Total trade in 2018 was valued at \$587.8 billion. For the first 11 months of 2019 the value increased 12%, fastest among China's three top trading partners (the European Union, ASEAN,

and the United States), with China-ASEAN leaders discussing in the Bangkok meetings the possibility of soon reaching a bilateral annual trade level of \$1 trillion.

Positive [publicity](#) on conclusion of the RCEP talks also included reference to the difficulties and shortcoming during the 28 rounds of consultations—and 18 rounds of ministerial meetings—leading to the final pact. The RCEP process established trade rules seen to fill the gaps in the weakening WTO-led world trading system. Unlike the recently concluded 11-member Comprehensive and Progressive Agreement for Trans-Pacific Partnership agreement and the United States-Mexico-Canada Agreement, RCEP was viewed as giving priority to developing countries, with relatively less emphasis on "high standards" and "openness."

At the Bangkok meetings, Chinese Premier Li Keqiang urged his ASEAN counterparts to keep making steady progress in following the "agreed timetable" on achieving the Code of Conduct for the South China Sea. The first reading of the text of the draft code was completed in July 2019. Li called for completing the second reading of the draft code in 2020, which he said would lay a "solid foundation" for completion of the negotiations before the end of 2021.

The overall low priority of the above issues in Southeast Asia in current Chinese foreign policy seemed evident in State Councilor and Foreign Minister's Wang Yi's year-end [address](#) at a symposium on Chinese Foreign Relations in 2019. The RCEP pact, the upgrading of the China-ASEAN FTA, and progress on the Code of Conduct were noted positively, as were achievements in Southeast Asia as part of China's Belt and Road Initiative (BRI) involving the China-Laos Railway and the Jakarta-Bandung High-Speed Railway. Wang devoted special attention to criticizing abrupt US cutbacks in economic and other exchanges with China and related US efforts to undermine China's sovereignty regarding Hong Kong, Taiwan, Xinjiang, and Tibet. But there was no mention of US challenges to China and its sovereign claims in the South China Sea or other issues in Southeast Asia. In an end-of-year interview on Chinese television later in December, Wang also was optimistic about South China Sea developments.

Military Tensions in the South China Sea — Serious Trouble Ahead?

Chinese Defense Minister Wei Fenghe strongly criticized US infringements on Chinese sovereignty in a keynote address to the Xiangshan Forum in China in October. Meeting with US Defense Secretary Mark Esper on the sidelines of the ASEAN and dialogue partners' defense ministers' meetings in Bangkok in November, Wei [warned](#) specifically against US military activities in the South China Sea. He urged Esper to “stop flexing muscles” in the South China Sea and avoid provocation and escalating tensions in the South China Sea. Related official Chinese complaints over ongoing US military exercises and freedom of navigation exercises challenging Chinese island claims in the sea were handled in a routine way, consistent with recent practice.

Chinese muscle flexing to counter the US came in the Dec. 17 commissioning of China's second aircraft carrier, *Shandong*, with President Xi Jinping participating in a ceremony at a naval base in Hainan Island in the South China Sea, where the carrier is stationed. In November, China undertook naval aviation warplanes exercises, which commentary in official Chinese media said were substantially more advanced than previous exercises in preparing for confrontation with foes in the sea.



Figure 1 The Chinese navy's second aircraft carrier, *Shandong*. Photo: National Interest

The Chinese and US militaries also competed in relations with Southeast Asian nations. Following China's first naval exercise with ASEAN in 2018, the United States and ASEAN carried out their first maritime exercise in September 2019. In November, China hosted an antiterrorism exercise involving 800 officers from ASEAN countries and dialogue partners from the ASEAN Defense Ministers' Meeting-

Plus, in which both the United States and China participate.

Cooperation between the United States and its allies and partners in challenging Chinese interests in the South China Sea remains a serious Chinese concern. Japan and Australia have long been targets of Chinese criticism for working with the US against China. A Chinese government South China Sea [expert](#) in September focused on European powers – France, Great Britain, and Germany – issuing statements in support of the United States in opposition to Chinese militarization of the South China Sea on island claims the UNCLOS tribunal deemed illegal. Vietnam, the incoming chair of ASEAN, and Japan also were said to have lobbied for the European statements challenging China in the South China Sea. France and Great Britain have sent naval forces to the South China Sea challenging China, as has India. In November, a US Merchant Marine vessel conducted a publicized replenishment-at-sea operation with an Indian warship in the sea.

Philippines-based South China Sea expert Richard Heydarian [argued](#) in December that Chinese competition with the US needs to take account of the strong regional role played by Japan, America's closest Asian ally. Japan has been strengthening coast guard forces and the maritime domain awareness capacity of Malaysia, Vietnam, and the Philippines; it provided Manila reconnaissance aircraft and an armored vehicle unit. On the economic front, Japan remained ahead of China in investment in Southeast Asia and in competition for financing and the building of large infrastructure projects. Fitch Solutions placed the value of Japan's infrastructure projects in Southeast Asia at \$367 billion, vs \$255 billion for China's. Japan was well-ahead of China in Vietnam and the Philippines.

Coercing South China Sea Claimants

The Thayer Consultancy Background Briefs and the CSIS Asia Maritime Transparency Initiative Briefs thoroughly covered China's continued coercive efforts in the South China Sea against Vietnam, Malaysia, and the Philippines during this reporting period. The Chinese Coast Guard and Maritime Militia are key instruments Beijing uses to compel these claimants to acquiesce to China's presence in their exclusive economic zones (EEZs). China also presses the claimants to have the proposed Code of Conduct

preclude coastal states from employing international oil firms to develop offshore resources and preclude the US and other outside powers from conducting military operations in the South China Sea. At year's end, China's Coast Guard and Maritime Militia sustained an intimidating presence in key South China Sea locations claimed by others, including Luconia Shoal (claimed by Malaysia), as well as Second Thomas Shoal and Scarborough Shoal (claimed by the Philippines).

The major confrontation between Vietnam and China that began in June continued into October. The Chinese Coast Guard's harassment of resupply ships for a gas drilling vessel employed by the Russian firm Rosneft, carrying out work for Vietnam, was followed by a Chinese survey vessel, starting in July, surveying a large area of seabed close to the Vietnamese coast but within the boundaries of China's nine-dash line. The Vietnamese reportedly sent "dozens" of protests and eventually complained publicly about the Chinese survey vessel and its accompanying Chinese Coast Guard forces. They also reportedly mobilized 50 ships to face off with the Chinese forces. On Oct. 22, the Vietnamese-employed drilling vessel stopped its work and went to a Vietnamese port. The day after, the Chinese survey vessel stopped its work and, with its accompanying Coast Guard vessels, returned to Hainan Island.



Figure 2 A Chinese oil survey ship. Photo: SCMP

The impasse continued to fester. Most notably, Vietnam's deputy foreign minister, in an address to a conference in Hanoi on Nov. 6, said Vietnam would look to arbitration and litigation if negotiations with China did not result in solutions. The Chinese Foreign Ministry spokesperson responded two days later with a [warning](#) that Vietnam "needs to avoid taking actions that may complicate matters or

undermine peace and stability in the South China Sea as well as our bilateral relations."

Outlook

US specialist Oriana Skylar Mastro, writing in *The Economist* in early November, argued that these dynamics indicated serious trouble ahead for the South China Sea situation. Later that month, Philippines-based Heydarian also forecast higher tensions as "the United States and China have doubled down on their struggle for dominance in the South China Sea." China's most prominent South China Sea expert Wu Shicun [agreed](#), arguing that the US-China competition will "heat up" the South China Sea, posing the most important threat to regional stability. Thus far, these assessments have not resulted in dire predictions from the senior ranks of concerned governments, though the situation is volatile and tense.

China-Philippines Relations—Positives and Negatives

On the positive side, in late August it was [reported](#) that the Chinese side accepted responsibility and was making compensation for the sinking of a Philippines fishing boat in the disputed Reed Bank of the South China Sea, which prompted a public outcry in the Philippines in June. Duterte disclosed on Sept. 11, following his visit to Beijing in late August, that Xi offered a lucrative 60-40 split favoring the Philippines on gas from proposed joint development in Reed Bank. The main requirement was that the Philippines "set aside" the 2016 UNCLOS arbitral ruling. Duterte did not say if he accepted Xi's offer.

September reports said the Philippines [put aside](#) US and allied warnings about Chinese penetration of communications systems and moved ahead with deals involving control of Philippines communications by Chinese firms Huawei and China Telecommunications Corporation, including deals involving Philippines armed forces' communications. In a gesture to China in November, Duterte's government reversed the previous government's practice of refusing to stamp Chinese passports displaying a map showing China's expansive South China Sea claims.

On the negative side, China continued deploying intimidating Coast Guard forces against Philippine outposts and claimed territories in

the South China Sea, Chinese survey vessels in sensitive Philippines territorial waters, and the use of flares to warn away Philippines reconnaissance aircraft from areas Manila claims. Major gaps in the implementation of deals on Chinese financing of infrastructure and other assistance to the Philippines, signed during Duterte's visit there three years ago, have become subject to criticism and ridicule. In September, Foreign Affairs Secretary Teodoro Locsin [told](#) the Asia Society in New York that "we signed up to this and that agreement [with China], but they hardly materialized." Locsin also [spoke](#) against China's pressure tactics in Code of Conduct negotiations, advising that, in the end, the code will involve "a manual for living with a hegemon or the care and feeding of a dragon in your living room." Against this background, the US alliance is widely seen in the Philippines military and other parts of the government as an essential foundation of the country's security. The military has avoided substantial interchange and exercises with Chinese counterparts while carrying out an active agenda of exercises and other interchange with the United States.

Briefly Noted

The intensifying US-China rivalry heads the list of factors causing regional countries to maneuver for a better position amidst changing regional dynamics, with many hedging against one or the other power.

Malaysia

Relations with China generally continued on the upswing that began a few months after the installment of the Mahathir government in 2018. Mahathir reportedly [told](#) a New York audience in September that Malaysia is too small to confront China over the Chinese ships surveying its waters for oil and gas without permission. "We watch what they are doing, we report what they are doing, but we do not chase them away or try to be aggressive," he said. Mahathir offered a similar rationale for avoiding criticism of harsh Chinese treatment of Muslim Uighurs in China's Xinjiang region. Tilting toward China on issues sensitive to the United States, Malaysia declared in September that it was open to the controversial firm Huawei building its 5G network, and Mahathir in November called for ASEAN to unite against Trump administration trade policies. A notable exception to this pattern came on Dec. 12 with

Malaysia's new submission to the UN Commission on the Limits of the Continental Shelf implicitly challenging China's South China Sea claim. The Malaysian foreign minister subsequently told a media interviewer that China's South China Sea claim was "ridiculous."

Thailand

China substantially advanced its military sales relationship with Thailand as a result of September's signing of a contract for a Chinese firm to build an amphibious transport dock ship for Thailand—the largest ship ever produced by China for export. Also, that month saw the start of construction of the first of three submarines Thailand agreed to buy from China, putting the program on course for the subs' delivery over the next decade. In November, Li Keqiang followed the ASEAN-convened summit meetings in Bangkok with an official visit to Thailand marked by agreements to synchronize the BRI with Thai development strategies. China has been Thailand's largest trading partner since 2013; annual trade is valued at about \$85 billion and more than 10 million tourist visits by Chinese to Thailand in 2018 represented about 28% of the foreign tourists entering the country.



Figure 3 Prime Minister Prayuth Chan-ocha meets Premier Li Keqiang in Bangkok. Photo: Reuters

Singapore

In September the United States renewed its agreement allowing US forces access to the city state's naval and air bases until 2035. Singapore is the main maintenance center for US forward-deployed Littoral Combat Ships in the Pacific. Reflecting a careful balance, Singapore in May agreed to deepen military ties with China, with a second joint naval exercise in 2020, following one in 2015. The two countries' defense

ministers met in October and worked out the details of the enhanced military relationship.

Cambodia

Cambodia is widely viewed as the Southeast Asian country most closely aligned with China. For many years it has followed China's interests in thwarting efforts by Vietnam and others to register complaints about Chinese claims and pressures on the South China Sea in ASEAN pronouncements. It is reportedly preparing the way for China to establish its first foreign military base on the South China Sea in Cambodia. Nevertheless, strongman leader Hun Sen responded positively to Trump administration efforts to improve relations by toning down attention to differences over human rights and free elections. The Cambodian leader welcomed Trump's invitation to attend a planned US-ASEAN summit in the United States in 2020.

Laos

Another Southeast Asian country heavily dependent on and aligned with China, Laos warmly welcomed November's extended visit by one of the seven members of the Standing Committee of the Chinese Communist Party's Central Committee. In December, it took part in its first ever joint military exercise with Russia and publicized details of Laos' longstanding arms sales and related military technical cooperation with Russia. Whether China has been consulted on such sensitive ties remains unknown but Russia's advantage in this area shows in 2010-2017 arms sales to Southeast Asia, valued at \$6.6 billion versus \$1.8 billion for China and \$4.58 billion for the United States.

New Zealand

A close ally of Australia and one of the "five eyes" countries (along with the United States, Australia, Canada, and Great Britain) sharing sensitive intelligence, Wellington is wary of Chinese influence operations and Huawei even as it fosters close economic ties with China. A defense white paper in October dealing with the Pacific Islands, long an area of keen strategic interests to New Zealand, took aim at self-serving Chinese ambitions leading to adverse consequences. Beijing, for its part has emphasized a proposal that New Zealand serve as the "southern link"—a way station between

China and its burgeoning economic relationships with South America.

Australia

The prime minister's office in December set up a "foreign interference task force" to protect the country from foreign influence operations. It came after disturbing events in November involving China:

1. A self-proclaimed Chinese intelligence officer based in Australia, who told the media he was employed in clandestine operations to influence politics in Hong Kong and Taiwan, attempted to defect and seek asylum in Australia.
2. A businessman was found dead after telling authorities about a Chinese plot to install him in Parliament. China media endeavored to debunk and discredit the alleged intelligence operative's story.

The Pacific Islands

Media reports said large Chinese payments to Solomon Island leaders influenced the government's decision to switch relations from Taipei to Beijing despite the advice of the United States, Australia, and other developed countries. Tuvalu announced, amid a flurry of US statements advising staying with Taiwan, that it would not switch to Beijing. China continued to march forward with its high-level treatment and seemingly generous BRI, to attract Pacific Island states including those closest to the United States: the three members of the Compact of Free Association, the Federated States of Micronesia (FSM), the Marshall Islands, and Palau. Only FSM has diplomatic relations with Beijing. In December, Xi welcomed the FSM president for an official visit in Beijing.

Taking Stock, Seeking Improvement—China's Rise in Southeast Asia

For many years, assessing Chinese influence in the region has continued to involve measuring of economic, military, diplomatic, cultural, and other conventional elements of power and influence. This has resulted in continued debate among specialists regarding the actual strength of Chinese influence; 2019 was no exception. As in the past, some today see China as increasingly dominant, in line with the view of China as a regional hegemon. Others see the United States having strong roots via deep regional involvement, plus willingness and ability to

provide needed security and stability along with a set of values involving rule of law, the right of small nations not to be dominated by big nations, and popular empowerment considered attractive in the region. Others hail the power of ASEAN and Southeast Asian governments' adroitness and resiliency in the face of China's power and US pressure. They highlight efforts by Vietnam, Singapore, Malaysia and even the Philippines to strengthen against feared Chinese dominance through individual and collective efforts. A wide array of Southeast Asian leaders urge the United States to avoid pressing ASEAN states to choose between the US and China in their intensifying competition in Asia and the world.

Unconventional Levers of Power and Influence

The practice of relying on conventional metrics to assess China's rise and its implications is incomplete and no longer viable. China's heretofore often-disguised, hidden, denied, or otherwise neglected unconventional levers of power have been revealed by in-depth studies and reports by the US and other governments, by progressive, moderate, and conservative think tanks—in the US, Europe, Australia, and elsewhere—and by a broad array of investigative journalism and scholarship in Western-aligned countries, plus those around China's periphery. The information casts a broad shadow over Chinese foreign relations that cannot be ignored or dismissed.

Heading the list of China's unconventional sources of power now receiving growing attention is its mendacity, espousing economic globalization while doubling down on a three-decades-long strategy: use of state-directed development polices to plunder foreign intellectual property rights and undermining international competitors with hidden and overt economic coercion, egregious state subsidies, import protection, and export promotion via subsidized products to drive out foreign competition in key industries. The massive profits flow into efforts to achieve dominance in major world industries and build military power to secure China's dominance in Asia. They allow companies like Huawei to attempt to dominate international communications enterprises; the profits support the massive state-directed efforts to lead in high-tech industries that will define global economic and, eventually, military leadership. China may remain "hemmed in" by US and allies/partners in major parts of nearby

Asia, but it may outflank US power with a breakthrough providing high-technology control.

Specific examples of China's unconventional measures to influence Southeast Asia and nearby areas to follow its preferences and undermine the interests of the US and its allies and partners are:

1. Corrupt practices in development projects associated with the Belt and Road Initiative, and earlier involving the military regime in Myanmar, the Arroyo government in the Philippines, the Razak government in Malaysia, and arguably today in the Philippines, Laos, and Cambodia, along with several Pacific Island states.
2. Chinese leaders' corrupt practices, special economic (and other) benefits for the Hun Sen regime of Cambodia, notably during Hu Jintao's stay in the country in 2012. Cambodia then posed as the main obstacle to the Philippines and Vietnam's efforts in ASEAN to challenge Chinese expansionism at their expense in the South China Sea. It later became clear that China used leverage with Hun Sen to develop ports and airfields useful for eventual Chinese military operations in the country.
3. Cambodia joined Laos and Myanmar—also strongly influenced by Chinese largess provided in non-transparent development projects and other means—to shape ASEAN deliberations to emphasize the positives and ignore the negatives of China's expanding influence and control in the region, including the creation, occupation and militarization of South China Sea territories claimed by Southeast Asian states.
4. Chinese influence operations involved special benefits for leading officials and others in Australia, New Zealand, several Pacific Island states, as well as penetration and control of the Chinese diaspora (including student groups), their chambers of commerce, and media, along with other media in Singapore and other regional countries.
5. The BRI worked in tandem with Huawei's subsidized efforts to expand control of regional communications that the US government and others viewed as easing Chinese penetration and manipulation of regional communications, as well as providing Chinese companies with

advantages in the race for leadership in high-tech industries.

6. Beijing's hidden hard sticks, along with BRI carrots, continue in unpublicized coercion of Vietnam, the Philippines, and Malaysia, included chilling private warnings to the first two that contesting Chinese claims would lead to defeat in war, and harassment of oil and gas exploitation efforts.

7. Beijing is positioned as key to Myanmar satisfactorily resolving the longstanding differences it has with the impressive armed forces of the Wa state and other nearby independent forces along the Chinese border that have decades of close collaboration with the Chinese security forces. A more recent source of regional leverage comes from China's ever-closer cooperation with Russia in the common aim of weakening the US security position, and those of its allies along Asia's rim. Putin's Russia shows strong support for China in the South China Sea through joint exercises in the sea and criticism of the ruling against China's claim in an UNCLOS tribunal in 2016.

Beijing routinely seeks to disguise and divert attention from the above unconventional uses of power with strong publicity for vague values of "win-win" and "the community of shared future." Nevertheless, the recent wave of government, think tank, journalistic, and scholarly assessments has depicted a formidable authoritarian power determined to remove serious obstacles in its headlong pursuit of interests at the expense of others. The perceived obstacles involve the interests of the United States and its allies and many partners.

Those interests include: a) the rule of law; b) the rights of small nations in contested issues with large nations, including the right to join with other powers in protecting themselves and their interests in the face of dominance; c) transparent, free, and fair economic dealings in line with governance accountable to populations concerned; d) popular political rights—including the rights to dissent and popular empowerment, leading to a government accountable to the people, political freedom, human rights, and democracy; and e) religious freedom and nondiscrimination against minorities.

There is no easy answer for the United States and like-minded states in countering these kinds of often-disguised, hidden, denied, or

otherwise unappreciated unconventional applications of Chinese power. It remains unclear how seriously they impact US and regional interests. What is clear is that they have become more important with China's rise, and that they need careful examination in any assessment of the US rivalry with China and what it means for Southeast Asia.

Gone are the days when the US or other observers could reassure themselves with China's authoritative pledges, throughout the previous decade, that its rise to power would be benign. And Americans can no longer take comfort that continued US support for state sovereignty, accountable governance, investment and free and transparent trade would place them on the side of "the good guys" in world politics, assuming that such practices, along with free and fair economic competition, would assure continued US primacy. The record shows Beijing is unbridled in pursuit of key ambitions, and in Asia, as in much of the world, there are many self-serving, authoritarian, and/or corruptible leaders inclined to side with an enabling China.

In sum, this conundrum and the analysis that goes with it will preoccupy specialists for years to come. One clear impact of the problem is that it weighs heavily in support of those in the US, other Western-aligned countries, and many of China's neighbors who argue against significant improvement in their relations with China without considering thoroughly the negative implications of closer exposure to the guile and mendacity of China's unconventional statecraft. In the short term this impact will intensify the competition between the United States and China, posing difficult choices for them and for regional countries.

CHRONOLOGY OF CHINA-SOUTHEAST ASIA RELATIONS

SEPTEMBER – DECEMBER 2019

Sept. 12, 2019: Vietnam's Foreign Ministry raises objections regarding Chinese survey ship *Haiyang Dizhi 8's* activities in Vietnam's exclusive economic zone and continental shelf, citing a violation of its sovereignty and jurisdiction in the territorial waters.

Sept. 13, 2019: Chinese State Councilor and Foreign Minister Wang Yi and visiting Malaysian counterpart Saifuddin Abdullah meet in Beijing and announce that China and Malaysia agree to set up a new joint dialogue mechanism for discussing South China Sea issues. China has similar bilateral consultative mechanisms on the maritime dispute with Brunei and the Philippines.

Sept. 16, 2019: China and Thailand sign a shipbuilding agreement that will see the China State Shipbuilding Corp build and transfer an amphibious transport dock ship for Thailand. The ship is expected to be the Royal Thai Navy's largest navy ship.

Oct. 1, 2019: A Pew Research Center [survey](#) finds that public opinion on China among its neighbors in the Asia-Pacific region is turning negative. The regional survey covers five countries, including two Southeast Asian nations, Indonesia and the Philippines. Favorable views of China in Indonesia fell from 73% in 2002 to 36% in 2019.

Oct. 7, 2019: Myanmar's Kachin State government [announces](#) that it intends to sign a new deal with China to develop the Namjim Industrial Zone. The project is expected to cost more than \$400 million, including around 500 factories and 5,000 buildings, as well as new paved roads and infrastructure projects in and around the development zone.

Oct. 20, 2019: China and Singapore agree to upgrade their defense pact to include more frequent high-level dialogues, the establishment of a bilateral hotline, and larger scale joint military exercises.

Oct. 23, 2019: China's Ministry of National Defense pledges to provide \$84 million in aid to Cambodia's national defense, doubling China's military aid to Phnom Penh next year.

Oct. 23, 2019: Speaking on the sidelines of the Xiangshan Forum, senior Chinese and Vietnamese defense chiefs agree to deepen bilateral military ties and increase communication and cooperation through the ministerial-level defense policy dialogue mechanism.

Oct. 24, 2019: Philippine President Rodrigo Duterte meets visiting Chinese Vice Premier Hu Chunhua in Manila. Both sides agree to "fast-track" bilateral cooperation through the BRI to develop the bilateral comprehensive strategic partnership.

Oct. 24-26, 2019: Senior economic officials and business delegations from China and Vietnam meet in Quang Ninh, Vietnam for the ninth conference on bilateral economic corridor cooperation. Established in 2004, the bilateral discussion focuses on increasing cross-border economic ties, transportation and infrastructure links, and tourism.

Nov. 1-4, 2019: China and ASEAN mark the 16th anniversary of their strategic partnership in the regional ASEAN-related summit in Bangkok, Thailand, with regional leaders agreeing that ASEAN-China relations are advancing across diplomatic, economic, and security fronts. They finalize negotiations on the Regional Comprehensive Economic Partnership (RCEP). Regional leaders appear optimistic that ASEAN and China are on track and working toward a timely completion of the Code of Conduct for the South China Sea, citing the first reading of the single draft negotiating text of the regional accord in mid-2019.

Nov. 18, 2019: Officials from Cambodia, China, Laos, Thailand, and Vietnam [agree](#) to increase regional law enforcement cooperation and cross-border investigations to address the transnational criminal narcotics networks operating in the lower Mekong area.

Dec. 9, 2019: Wang visits Myanmar and meets Myanmar's State Counselor and Foreign Minister Aung San Suu Kyi. Both sides pledge to strengthen bilateral cooperation as the two countries celebrate seven decades of diplomatic relations next year. Among other issues, the meeting focuses on the Rakhine issue, with China agreeing to provide repatriation assistance and promote economic development in Rakhine.

Dec. 16, 2019: Senior Chinese and Indonesian defense chiefs meet in Beijing to discuss the strengthening of bilateral military and security ties. Indonesia is seeking Chinese support to help develop and modernize its defense and weapon systems.

Dec. 17, 2019: Vietnamese Deputy Foreign Minister Nguyen Quoc Dung calls on China to refrain from engaging in provocations that would undermine regional peace and security in the maritime dispute in 2020, when Vietnam takes over the rotating chairmanship of ASEAN.

Dec. 22, 2019: *The New York Times* reports that China is building and developing the longest airstrip at the Dara Sakor International Airport in Cambodia, amid speculation that the airport facilities would turn into a new military base for China. The Cambodian government officially denies the report and insists that there will be no Chinese military presence in Cambodia. Dara Sakor, leased to China for 99 years, is located less than 50 miles from Ream Naval Base, Cambodia's largest naval base. In July, *The Wall Street Journal* reported on a secret draft agreement between China and Cambodia that granted China exclusive access to parts of the Ream Naval Base for three decades.