



STRATEGIC REFLECTIONS

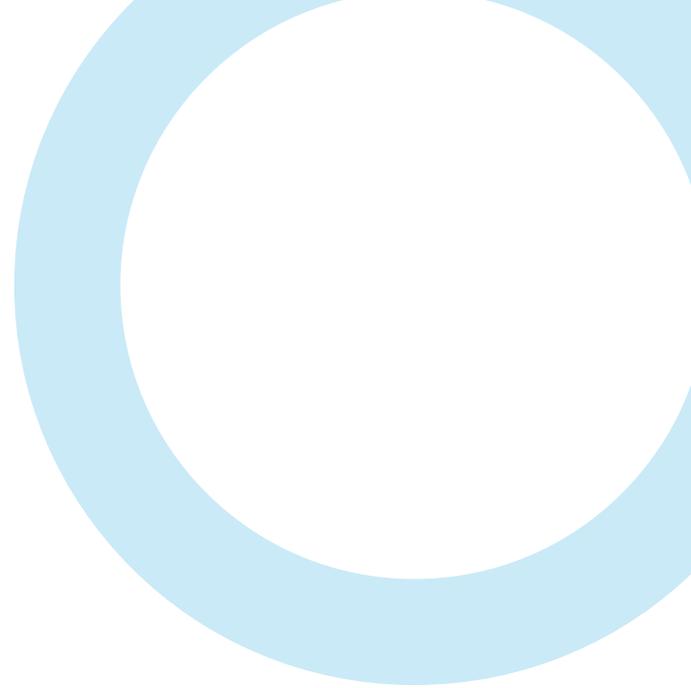
Indo-Pacific Outlook

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INTRODUCTION

Charles Labrecque, Director of Research, Asia Pacific Foundation of Canada

The Indo-Pacific remains at the centre of a rapidly evolving international order, marked by accelerating geoeconomic realignment, intensifying rivalries, and greater reliance on regional frameworks as global institutions continue to weaken.

For Canada, this shifting environment underscores the need not only for sustained political and economic engagement with the Indo-Pacific but also for ongoing reassessment of how that engagement is pursued, as well as updated strategic analyses. As regional governments adapt to geopolitical pressure, economic division, and technological disruption, Canada's Indo-Pacific Strategy, released in November 2022, is being tested in new ways. In this context, timely and regionally grounded analysis is essential.

This second edition of the Asia Pacific Foundation of Canada's Indo-Pacific Outlook brings together eight new essays by our [2025 Indo-Pacific Research Fellows](#), the same Indo-Pacific Research Fellows whose work informed the [first edition](#). Building on their earlier analyses, the Fellows examine recent developments across security, economics, technology, and regional governance, highlighting both continuity and change in regional trajectories, and suggesting practical steps for Canada to engage on these issues.

As part of APF Canada's Indo-Pacific Initiative, funded by the Government of Canada, the fellowship program aims to deepen partnerships, strengthen regional networks, and expand Canadian understanding of the Indo-Pacific.

Together, these essays identify where Canadian engagement remains effective, where recalibration may be required, and where emerging dynamics demand greater strategic attention as Canada continues to advance its Indo-Pacific Strategy.



Toward a Canada–Japan Defence Technology and Innovation Partnership

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Introduction

Defence industries in the West are undergoing a fundamental and structural change. Based on the simple fact that there is no defence without a robust defence industry, there is a global race to bring cutting-edge technologies owned by national commercial companies into the hands of the military. These efforts to integrate national commercial solutions represent a fundamental shift away from legacy practices, such as commercial manufacturing and related supply chains migrating overseas, custom-made capabilities, and the underutilization of innovation and technological advances originally developed for non-military purposes.

Defence innovation — defined as the transformation of ideas and knowledge into new or improved products, processes, and services for military and dual-use applications — is a challenge because of a deeply conservative and insular military culture and mindset. But

necessity is indeed the mother of innovation. Ukraine, a country that has faced a far bigger and better-equipped adversary, has developed one of the most dynamic defence-technology ecosystems in the world. Moreover, as the world shifts from platform-centric procurement to a data-centric approach and software-defined capability development, the growing role of data, software, and artificial intelligence (AI)/machine learning (ML) cannot be overemphasized.

Canada and Japan, as two key members of the G7 and allies of the United States, are among the countries searching for their own path for defence innovation. Canada launched in late 2025 a Defence Investment Agency to streamline procurement and tie it more strategically to benefit domestic industries. Japan established the Acquisition, Technology & Logistics Agency (ATLA) more than 10 years ago, and has since developed a Defense Innovation Science and Technology

[Institute](#). Looking for synergistic partnerships, the defence relationship between the two sides is growing year by year. Ottawa and Tokyo seek to continue to deepen security and defence co-operation based on the [2022 Action Plan for contributing to a free and open Indo-Pacific region](#).

Multiple avenues for co-operation

Within a six-month span, Canada and Japan signed two landmark agreements: a Security Information Agreement in July 2025 and an Equipment and Technology Transfer Agreement in January 2026. The time is ripe, therefore, to examine the potential avenues for Canada–Japan co-operation in defence innovation that are fit for the digital age. Surprisingly, the starting point is not over the Pacific Ocean, but through strategic partnerships with the European Union and NATO. Opportunities also lie in the Japan–U.S. alliance, multilateral formats, and the bilateral relationship between Canada and Japan.

Co-operation through the EU

Given Ottawa’s track record of [deployment in Europe and its longstanding commitment to European security](#), Canada is already part of many EU initiatives. Canada is an active third-country participant in the EU’s Common Security and Defence Policy (CSDP) through a Framework Participation Agreement, and it concluded a Security of Information Agreement with the EU in 2018. Canada also joined the EU’s Permanent Structured Cooperation (PESCO) — a framework to strengthen the EU’s military capabilities and interoperability — specifically on [Military Mobility](#) and the [Network of Logistic Hubs in Europe and Support to Operations](#).

Most recently, Canada became the first non-European country to participate in the [Security Action for Europe \(SAFE\)](#), the C\$2.4-billion (€150-billion) defence fund for common procurement, strengthening Euro-Atlantic ties, and opening access for Canadian suppliers to joint projects. In terms of research and innovation, Canadian entities already enjoy participation in Horizon Europe, a C\$154-billion (€93.5-billion), seven-year funding instrument for research and innovation.

Japan is catching up. Negotiations have begun with the EU on a Security of Information Agreement. Last December, Japan and the EU agreed in principle that [Japan will join as an associate partner in the Horizon Europe program](#). As with Canada, this association will be limited to Pillar II, which covers Global Challenges and European Industrial Competitiveness.

While it makes operational sense for Canada to join some of the PESCO projects mentioned above, as many of the EU member states are also in NATO, it is understandable that Japan is not in PESCO. Japan is not a member of the Euro-Atlantic collective defence alliance, and the EU is not yet recognized by Japan as a fully-fledged military actor. That said, Tokyo was the first in the Indo-Pacific region to sign [the Security and Defence Partnership with the EU](#), ahead of Canada.

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co-operation. This Competitiveness Alliance covers 12 areas, which include trade and economic security, supply chain resilience, energy, the defence industry, space, research and innovation, and digital partnership. Among the highlights is an agreement for Japan and the EU to co-operate to build a network by launching and jointly operating small communications satellites. Although details are not yet available, this relates to the EU’s ambition to build a sovereign space asset called the Infrastructure for Resilience, Interconnectivity and Security by Satellites (IRIS²) and Japan’s plan to develop its own system. The strategic objective of the Japan–EU agreement is [to reduce reliance](#) on American technology, such as SpaceX’s Starlink, a commercial internet service provided by a proliferated low-Earth orbit satellite

constellation. Governments have increasingly realized the necessity of sovereign control of space assets, especially since [Elon Musk cut off Ukraine's access to Starlink](#). The Japan–EU joint decision in the context of the development of Japanese systems and the EU system IRIS² may have been triggered by this very need to have redundancy in wartime. Considering this operational requirement, Canada may wish to explore a way to join this Japan-EU collaboration.

Co-operation through NATO

When it comes to military capabilities, Japan looks to NATO for dialogue and practical co-operation. Compared to Canada, which is a founding member of the alliance, Japan's deepening co-operation with NATO in recent years may not be obvious, but has been growing.

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While Japan has been deepening overall co-operation with NATO both bilaterally and through the “Indo-Pacific Four” framework, along with Australia, New Zealand, and the Republic of Korea, the area gaining the most traction is defence industry co-operation. On his first trip to the Indo-Pacific region in April 2025, NATO Secretary General Mark Rutte visited Japan and stressed the importance of collaborating with Japan in areas such as defence industrial production, cyber defence, and maritime security. Unusually, Rutte met the Japanese Minister of Economy, Trade and Industry (METI), along with Japan's defence minister. He then visited Yokosuka Naval Base and Mitsubishi Electric's Kamakura Works, which is a major facility that develops and manufactures satellites and their components. Japan and NATO launched the Defence Equipment and Industrial Dialogue.

Japan has been an interoperability partner of NATO since the 2014 NATO Wales Summit, when it signed the [Partnership Interoperability Initiative](#) (PII). As a PII

partner, Japan gained entry to the [Conference of National Armament Directors \(CNAD\) as well as the NATO Industrial Advisory Group \(NIAG\)](#).

Whereas Canada's delegation to NIAG is the Canadian Association of Defence and Security Industries, for now, Japan's delegation to NIAG is Japan's Mission to NATO, composed of diplomats seconded from ATLA and METI. It may only be a matter of time before Japanese associations such as the [Japan Association of Defense Industry](#) or the [Society of Japanese Aerospace Companies](#) become regular participants. While CNAD and NIAG have been around for a long time, the [relevance of these gatherings has been elevated and recognized](#) in recent years, especially since Russia's war against Ukraine. CNAD and NIAG provide ideal opportunities for representatives of the Canadian and Japanese industries to meet.

Although Canada is not a member of the NATO Innovation Fund, a C\$1.4-billion (€865-million) stand-alone venture-capital fund supporting next-generation defence technology, Ottawa is part of NATO's DIANA — the Defence Innovation Accelerator for the North Atlantic. Canadian companies are actively participating in this framework. Out of more than 3,600 submissions, a total of 150 companies were selected for the DIANA 2026 innovators cohort. These successful companies receive C\$160,000 (€100,000) in funding and join Phase One of the DIANA accelerator program for six months to work on initiatives based on their proposals. Some of the companies will be invited to participate in Phase Two of the program, with an additional grant up to C\$485,000 (€300,000) for another six months to further demonstrate their technology and solutions, working with investors and end-users to identify pathways to adoption. A network of three regional offices, one of which is in Halifax, Canada, alongside London and Tallinn, co-ordinates 17 accelerator sites and more than 180 test centres spread across the Alliance.

Co-operation through the Japan–U.S. alliance

Japan's ATLA and the U.S. Defense Innovation Unit established something similar to DIANA in 2024, the [U.S.–Japan Global Innovation Challenge](#). Surprisingly, Canada

is also participating in the initiative. Although the winners were two American companies (in the fields of biotech and counter-disinformation) and one Japanese AI company, a Toronto-based company, [Resemble AI](#), made it to the finals. Effectively, the U.S. and Canada are benefiting from being part of both DIANA and the Japan–U.S. framework. Could Japan not be part of DIANA then?

This locus of defence innovation also reveals how much Canada is integrated into the American defence industrial ecosystem. Indeed, Canada — along with Australia, New Zealand, and the U.K. — is [one of the defence industrial bases of the U.S.](#) While Canada may have an incentive to shift away from the American to the European defence and technology base due to U.S. President Donald Trump’s belligerent attitude toward Canada, [this would mean economic disaster](#) and, therefore, a clean break from the U.S. is unlikely.

Co-operation in the Indo-Pacific

Other opportunities may be found in the Indo-Pacific. Canada and Japan are both part of the U.S.-led Partnership for Indo-Pacific Industrial Resilience, also known as PIPIR. It is a multilateral forum of 14 Indo-Pacific and Euro-Atlantic partners, including Japan and Canada. The aim is to create a trusted ecosystem through [four workstreams](#): sustainment built around regional Maintenance, Repair, and Overhaul capabilities; bilateral or multilateral co-production; supply chain resilience; and policy and optimization. For example, one PIPIR project is developing small unmanned aerial systems.

AUKUS, a trilateral security partnership between Australia, the U.K., and the U.S. in acquiring nuclear-powered submarines for Australia and developing advanced technologies, is another opportunity. Although [Canada has been consulted about joining](#) AUKUS’s Pillar 2, which focuses on emerging and advanced technologies, no project has yet been identified for Canada to participate in. As Japan is already a partner in this framework, this presents an opportunity to pull Canada in.

Bilateral co-operation

On October 30, 2025, on the sidelines of the Asia-Pacific Economic Cooperation summit in South Korea, Canadian

Prime Minister Mark Carney and South Korean President Lee Jae Myung [announced](#) an ambitious bilateral security and defence co-operation partnership. The partnership covers military-to-military co-operation and interoperability, defence industry and innovation, and cyber, space, and hybrid threats.

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security and defence challenges. Japanese Prime Minister Takaichi Sanae has [affirmed](#) Japan’s objective to vigorously advance a free and open Indo-Pacific as a pillar of Japan’s diplomacy and to further evolve this vision in line with the times, strengthening cooperation with like-minded countries that share fundamental values. Canada must be at the forefront of this endeavour. A [recent poll](#) showed that Japan is the jurisdiction Canadians view most favourably (82% had a favourable view), ahead of Australia (80%), New Zealand (77%), the U.K. (76%), Mexico (69%), South Korea (62%), and Taiwan (60%). Riding on this positive public sentiment toward Japan, Canada–Japan defence ties are set to take on common challenges. Defence innovation must be at the heart of that ambition.

Where could this go from here? The most viable scenarios for two-way innovation through technology lie at the intersection of the reform of the Canadian defence industry and Japan’s accelerated modernization of the whole defence ecosystem.

Through Ottawa’s new Defence Investment Agency, the procurement process is projected to be more efficient; the agency plans to initiate a number of projects that will pique the interest of the domestic market (especially with the growth of innovative small and medium enterprises) and create partnerships with trusted foreign ecosystems. These are all conditions that Japan is looking for in a partner as it transitions to open and collaborative

innovation models. Canadian capabilities in AI/ML, space-based surveillance, quantum technologies, Arctic-tested autonomous systems, and resilient critical-mineral supply chains are well aligned with the Japanese directions laid out in the Defense Buildup Program and new Science, Technology and Innovation [initiatives](#).

This could organically evolve into joint research challenges, shared test beds, and combined user-evaluation environments by leveraging Canada's DIANA and Japan's ATLA-led innovation programs. Trilateral pilot projects, which are small, focused, and commercially viable, could be an initial practical move to link Canadian SMEs, Japanese primes, and U.S. integrators under frameworks like PIPIR, the U.S.–Japan Global Innovation Challenge, and targeted DIANA thematic challenges.

Trilateral co-operation

Besides being beneficial, working together with the U.S. is a structural requirement for any Canada–Japan defence-innovation partnership. Both states are integral parts of the U.S. defence industrial base, depend on U.S. export-control frameworks, and have similar needs in terms of interoperability and guaranteed access to critical enabling

technologies. Instead of duplicating initiatives, Ottawa and Tokyo can together complement the U.S., given each innovation partner has a different comparative advantage: Canada offers an advanced research ecosystem, DIANA footprint, deep integration with NORAD, and familiarity with North American defence requirements, whereas Japan has industrial scale, a rapid prototyping culture, and the capacity to convert commercial technologies into deployable military systems.

A trilateral model involving Canada, Japan, and the U.S. would help synchronize shared experimentation cycles, coordinate the co-development of dual-use technologies, and more smoothly integrate them into U.S. program-of-record pathways. The model would also minimize the duplication of investments, ensure security requirements are met, and facilitate the quick scaling-up of solutions for Canadian and Japanese innovators by using U.S. demand signals.

Essentially, an appropriate trilateral innovation corridor would be the turning point in Canada–Japan co-operation from a bilateral aspiration to a strategically coherent pillar not only in the Indo-Pacific and North American theatres, but also in the broader security architecture linking the two.



Taiwan–Japan Security Co-operation in Maritime and Space Domains: Strategic Implications for Canada

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Over the past decade, Taiwan–Japan security co-operation has evolved from discreet functional exchanges into a more structured, strategic, and openly articulated partnership shaped by common regional threats. For several years now, China has significantly intensified military pressure on Taiwan through grey-zone tactics, regular incursions into Taiwan’s Air Defence Identification Zone (ADIZ), and live-fire exercises that simulate blockade scenarios. Simultaneously, China has expanded its maritime presence in the East China Sea, especially surrounding the Diaoyutai Islands (also known as the Senkaku Islands), employing coast guard vessels and a state-trained maritime militia to protect its “sovereignty claims.”

Taiwan’s survival is increasingly seen as essential to maintaining a free maritime corridor from the South China Sea to the East China Sea, a corridor that supports Japan’s energy imports and global commerce.

Furthermore, given the geographic proximity of Taiwan and Japan — Yonaguni Island lies only 110 kilometres from Taiwan’s east coast — these developments are deeply interconnected. The strategic coupling of Taiwan’s security environment and Japan’s southwestern-island defence posture elevates Taiwan–Japan co-operation from a secondary diplomatic issue to a direct national security priority for Tokyo.

Although the absence of formal diplomatic relations imposes institutional constraints, both governments have developed a multilayered network of co-operation in both the maritime and space domains. In 2021, a landmark statement by the late Japanese prime minister Shinzo Abe redefined strategic interdependence between Taiwan and Japan and catalyzed new forms of engagement from parliamentary diplomacy to defence-related policy research. It signalled that Taiwan’s security had become an integral pillar of Japan’s broader Indo-Pacific strategic

planning. Japan's 2022 National Security Strategy, National Defense Strategy, and Defense Buildup Program also marked historic shifts in policy, including significant increases in defence spending, the development of counter-strike capabilities, the explicit mention of the stability of the Taiwan Strait as a core interest, and the recognition of Chinese military coercion as the greatest strategic challenge to Japan. Moreover, for the first time in a Diet session, Prime Minister Takaichi Sanae officially recognized that the Taiwan contingency represented a "survival-threatening situation" for Japan, in which it might exercise the right to collective self-defence.

The implications of non-diplomatic co-operation extend beyond bilateral relations between Taiwan and Japan.

Canada, as an active stakeholder in Indo-Pacific security, has increasingly recognized the relevance of Taiwan's security to the stability of supply chains, maritime security, and democratic resilience. As [Canada's Indo-Pacific Strategy](#) states, the security and stability of the region are vital to Canada's prosperity and future, prompting deeper engagement with regional partners. By examining the trajectory of Taiwan-Japan co-operation, Canada can gain insights into developing deeper strategic relations with Taiwan, particularly through defence-oriented partnerships aligned with an open and rules-based international order.

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Overview of Taiwan-Japan Security Co-operation

1. Institutionalized coast guard co-operation

The most tangible progress in Taiwan-Japan security co-operation in the past decade has emerged in coast guard collaboration, reflecting a mutual desire to

avoid direct military confrontation with China while managing potential escalatory risks in maritime domains. The 2016 Taiwan-Japan Maritime Affairs Co-operation Dialogue created a formal dialogue mechanism to address fisheries management, maritime safety, and crisis communication. A 2021 memorandum between the Taiwan Coast Guard and Japan Coast Guard established frameworks for co-operation in joint training, ship visits, and maritime law enforcement. Regular joint exercises have focused on search and rescue (SAR) missions, environmental protection, and counter-piracy operations, and have gradually expanded into co-ordinated responses to grey-zone maritime activities. This approach strengthens Taiwan's capacity to handle non-traditional security threats while educating Japanese institutions about Taiwan's operational environment in the East China Sea — a critical step toward joint contingency planning without breaching political sensitivities.

2. Maritime domain awareness and intelligence sharing

A key area of silent co-operation — that is, behind-the-scenes information sharing and operational co-ordination carried out without public knowledge — is maritime domain awareness (MDA). The integration of radar networks, exchange of satellite imagery, and sharing of data on unidentified vessels, including the Chinese maritime militia, plays a decisive role in detecting pre-invasion or pre-blockade indicators.

Although such co-operation is classified, multiple Japanese security experts and retired officials, such as retired admiral Takei Tomohisa, have publicly acknowledged its importance. Taiwan's geographic position provides unique observational value: Taiwanese assets monitor the Bashi Channel — a narrow waterway in the Western Pacific separating Taiwan from the Philippines' Batanes Islands and linking the South China Sea to the Pacific — which is one of the critical maritime chokepoints for People's Liberation Army Navy (PLAN) operations. Japan views this channel as essential to tracking China's submarine movements into the Western Pacific.

3. Defence policy dialogue and parliamentary diplomacy

Given the lack of official diplomatic recognition, political channels have focused on legislative exchanges. Both governments have established parliamentary “Taiwan–Japan Friendship Associations” and promoted visits by elected officials and senior security advisers. Think-tank collaborations — among Taiwan’s Institute for National Policy Research and The Prospect Foundation, and Japan’s Sasakawa Peace Foundation and the Japan Institute of International Affairs, and others — also facilitate security-related exchanges on contingency planning and supply-chain security. These exchanges normalize the strategic partnership and create the intellectual infrastructure for future defence co-operation.

4. Economic security and supply-chain resilience

Security co-operation is not limited to military dimensions. Taiwan and Japan have advanced coordination in the manufacture of semiconductors, diversification of rare-earth imports, and development of digital infrastructure, recognizing that strategic competition with China is fundamentally a competition over the control of critical technologies and information flows. TSMC’s investment in Japan’s Kumamoto facility symbolizes a deeper strategic alignment between Taiwan and Japan: while Japan seeks technological sovereignty, Taiwan aims for strategic redundancy to reduce the risks of war. This semiconductor alliance reinforces deterrence by signalling that the security of semiconductor supply chains is not merely Taiwan’s concern but a shared global one.

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Maritime Security Co-operation Between Taiwan and Japan Coast Guards

In July 2024, the Taiwan Coast Guard and Japan Coast Guard conducted salvage-and-search co-ordination drills off Japan’s Izu and Boso peninsulas. Although officially non-military, these exercises marked the first joint drills of their kind since 1972.

These recent drills are the result of an incremental, decade-long buildup of institutional collaboration. Formal co-operation began with the 2010 comprehensive memorandum of understanding (MOU), which committed both sides to promoting maritime safety and order. This was followed by a dedicated maritime search and rescue MOU in 2017, and most recently, in February 2024, a new MOU on Co-operation in Search and Rescue at Sea, which likely provided the framework for the July exercises.

The core function of this enhanced coast guard co-operation is twofold: managing grey-zone activities and establishing MDA. China’s use of grey-zone operations necessitates a rules-based response.

1. Managing grey-zone activities

Grey-zone operations — coercive activities below the threshold of armed conflict — have become China’s primary tool against both Taiwan and Japan. These include continuous PLA incursions into Taiwan’s ADIZ, the presence of the China Coast Guard around the Diaoyutai Islands, the maritime militia shadowing fishing vessels, and legal warfare through China’s 2021 Coast Guard Law authorizing the use of force. Taiwan and Japan’s coast guard co-operation serves as a mechanism to de-escalate without surrendering maritime rights, demonstrating a rules-based response model grounded in international maritime law.

2. Ensuring freedom of navigation

Taiwan’s maritime geography lies at the centre of the first island chain. Secure sea lines of communication from the South China Sea to Japan pass near Taiwan. Any conflict scenario that interrupts maritime transit would instantly impact Japan’s energy supply, food imports, and industrial logistics. Co-operation in MDA, regional exercises under the Global Coast Guard

Forum, and joint humanitarian assistance and disaster relief (HADR) missions strengthen the international norm of free navigation — an interest Canada shares as a trading nation with direct access to the Pacific.

// **Coast guard co-operation serves as a crucial mechanism to de-escalate without surrendering maritime rights. "**

Coast guard co-operation serves as a crucial mechanism to de-escalate without surrendering maritime rights. These activities demonstrate a mutual desire to enhance operational readiness and manage potential escalatory risks below the threshold of an armed conflict. Although Taiwan and Japan have not conducted joint military exercises, maritime capacity-building activities between coast guards simulate aspects of wartime co-ordination, including communications interoperability in SAR operations and evacuation co-ordination for foreign nationals in conflict scenarios.

Co-operation between Space Agencies

China's satellite capabilities are rapidly expanding in scale and sophistication, underscoring the critical role of space in modern warfare. This threat has heightened regional security concerns, as evidenced by the July 2024 amendment to Article V of the U.S.–Japan Security Treaty, which now addresses threats “to, from, or within space.”

The successful deployment of Starlink to Ukraine to maintain C4ISR capacities during contingency serves as a clear “wake-up call” for both Taiwan and Japan. Given the vulnerability of undersea cables — often severed even in peacetime — and the dependence on Taiwan-adjacent networks, there is an urgent need to develop a robust, unassailable backup system using low Earth orbit (LEO) satellites. Space-based communication systems are essential for military operations, making resilience in this domain crucial for sustaining operations and co-ordinating international aid during conflict.

To secure its position, Taiwan is strategically investing in

space technology as a key wartime asset. The Taiwan Space Agency (TASA) and the Ministry of Digital Affairs (MODA) are leading this initiative. In July 2024, MODA announced complete low- and medium-Earth-orbit satellite signal coverage for Taiwan and its outlying islands. This network ensures the continuity of military communication even if ground-based systems fail. Taiwan's National Space Technology Development Long-term (B5G) Plan allocates a significant investment of US\$836.8 million over 10 years to accelerate its self-reliance goals. The plan focuses on developing indigenous LEO communication satellites, establishing a national launch site, and nurturing local talent. Taiwan's prized industries — cutting-edge semiconductor chips and a robust ICT ecosystem — are set to revolutionize the LEO satellite bus, making this essential spacecraft component smaller, sleeker, and far more efficient.

While the Japan Aerospace Exploration Agency (JAXA) boasts a larger budget and longer history than Taiwan's equivalent, Taiwan's strategic prowess in the rapidly growing LEO sector sets the stage for a powerful partnership. TASA and JAXA signed a co-operation MOU in 2024 to leverage the technological strengths of both economies to enhance regional communication resilience and security.

Implications for Taiwan–Canada Security Relations

The 2022 Canadian Indo-Pacific Strategy emphasizes maritime security co-operation, critical supply chains, and democratic resilience. Taiwan–Japan co-operation offers concrete lessons for Canada's emerging regional role.

1. Maritime security and coast guard co-operation

The Taiwan–Japan model demonstrates a pragmatic pathway for Canada to conduct SAR and HADR exchanges with Taiwanese agencies, participate in multilateral coast guard forums, share best practices on Arctic governance for application to Indo-Pacific maritime governance, and collaborate on maritime-law training and law enforcement. This approach aligns with Canada's law-focused international diplomacy and supports a rules-based maritime order.

2. Supply-chain security and critical technology partnerships

Taiwan and Japan's semiconductor collaboration highlights a model for Canada-Taiwan co-operation, including joint semiconductor research with Canadian tech clusters, Canadian integration into TSMC's global R&D networks, and partnerships on AI governance, cybersecurity, and quantum technologies. By treating critical technology co-operation as part of security policy, Canada can embed economic diplomacy in its Indo-Pacific strategy.

3. 'Minilateral' + Taiwan framework

Canada's strongest Indo-Pacific partnerships — with Australia, Japan, South Korea, and the U.S. — could further integrate Taiwan. This could be done through parallel policy dialogues, such as think-tank forums, parliamentary co-ordination on democratic resilience and disinformation, and cybersecurity exchanges, including among Taiwanese, Japanese, and Canadian agencies. This framework mirrors the unofficial strategic architecture built between Taiwan and Japan with U.S. encouragement.

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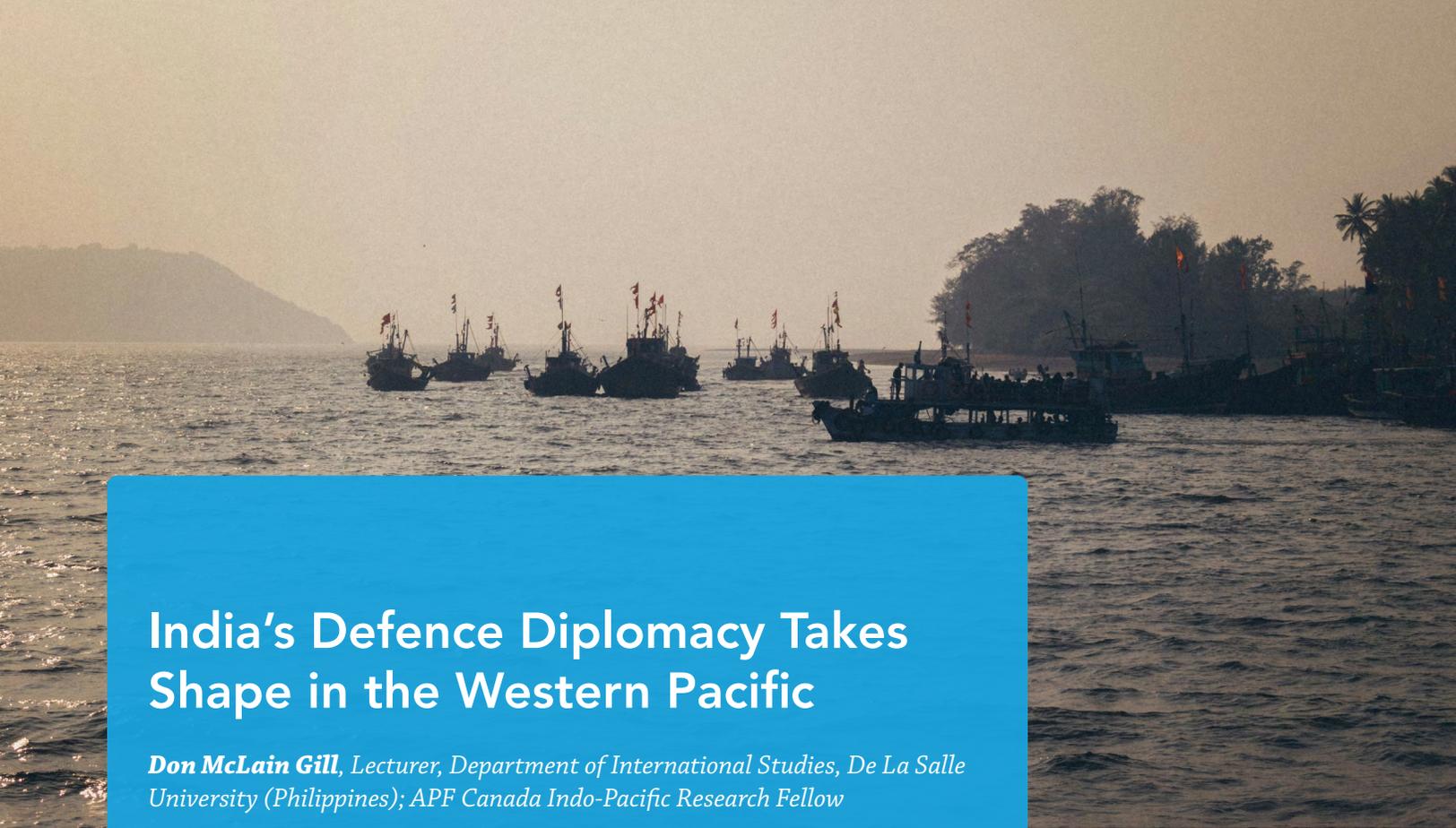
4. Disaster relief and evacuation

Canada has a direct national interest in contingency planning because thousands of Canadian citizens reside in Taiwan. In the event of a Taiwan Strait crisis, Canada would rely heavily on Japan to co-ordinate evacuation operations, airlift support, and humanitarian corridors. Developing pre-established mechanisms with Taiwan and Japan ensures the safety of Canadian nationals and enhances Canada's regional crisis-management capabilities.

Conclusion

Despite the lack of formal diplomatic ties between them, Taiwan and Japan's security co-operation offers a discreet but powerful model that is reshaping the Indo-Pacific's security architecture. Both sides have enhanced their collaboration on maritime security, cybersecurity, space technology, MDA, HADR, supply-chain resilience, intelligence exchanges, and strategic dialogues. This model shows that war avoidance is not only about military alliances: building strategic resilience through multilayered co-operation makes coercion costly and conflict unpredictable for aggressors.

For Canada, the Taiwan-Japan experience offers valuable insights. Through coast guard co-operation, technology alliances, and minilateral frameworks, Canada can support Taiwan's security in ways that reinforce the rules-based international order and strengthen democratic resilience. Recognizing Taiwan's strategic significance and pursuing practical co-operation grounded in shared values will allow Canada to become a credible stakeholder in Indo-Pacific security, contributing to peace and stability in one of the world's most consequential regions.



India's Defence Diplomacy Takes Shape in the Western Pacific

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November 2025 was a busy month for Indian defence diplomacy in the Western Pacific Ocean, marked by a series of bilateral and multilateral maritime exercises. These activities coincided with the Lowy Institute's unveiling of the [Asia Power Index 2025](#) — an annual report analyzing the fluctuations and transitions in Asia's power hierarchy.

Among the interesting findings in the report was the elevation of India's status to a major power from a middle power, placing the country in third place after the United States and China — both of which were classified as superpowers.

While the report [highlighted](#) that India's overall status has improved, its defence diplomacy requires further development. Although India is traditionally an Indian Ocean power, its bid for major-power status in the Indo-Pacific depends considerably on the depth, consistency, and scope of its security co-operation in the Western

Pacific. In this regard, in late 2025, New Delhi sought to leverage its growth in material capabilities to advance a more effective foreign policy in the Western Pacific subregion of the Indo-Pacific.

The 'Quad' still matters

Between October and November 2025, the Indian Navy took part in a series of bilateral and multilateral maritime security co-operation activities with its three 'Quad' partners — Japan, the U.S., and Australia.

The Indian Navy and the Japan Maritime Self-Defense Force (JMSDF) [undertook](#) the sea phase of the annual Japan-India Maritime Exercise 2025 (JAIMEX-25) from October 16-18. The exercise, which took place off Yokosuka, Japan, featured various operations, including advanced anti-submarine warfare and missile defence exercises, as well as confidence-building measures, such as cross-deck visits, joint operational planning, and the sharing of best practices.

From November 10–18, the Indian Navy joined the U.S. Navy, the JMSDF, and the Royal Australian Navy for the 2025 iteration of the Malabar naval exercise off Guam.

Initially a bilateral naval exercise between India and the U.S., Malabar has evolved into the primary opportunity for naval collaboration among all four Quad countries. Although political headwinds between U.S. President Donald Trump and Indian Prime Minister Narendra Modi over tariffs led to the postponement of the 2025 Quad summit to be held in India, this year's Malabar exercise showed that, despite temporary political discord, all four countries are [mature enough](#) to maintain their focus on the most crucial, but less openly talked about purpose of the four-way arrangement — to deter and challenge China's military adventurism in the Indo-Pacific.

Accordingly, the 2025 Malabar exercise involved several sophisticated operations aimed at enhancing interoperability and joint preparedness amid the structural challenges faced by the region, particularly China's operationalization of its [two-ocean strategy](#), which has enabled it to extend its naval reach well beyond the Western Pacific. In this regard, the location for the exercise was ideal, given that Guam is a potential target in China's military designs for the Pacific. India's participation in the exercise represents New Delhi's recognition of the significance of this critical space for Indo-Pacific peace and stability.

Immediately after Malabar, India and Australia [kicked off](#) their annual Australia–India Maritime Exercise (AUSINDEX) exercise in the Pacific. While these exercises are annual, the persistence and willingness to continue these co-operative activities amid growing insecurities in the region point to a unified understanding among the Quad countries of the need to pool their efforts and maximize their capabilities to preserve the established order of the Indo-Pacific. India may also be looking to expand its annual [Cope air force exercise](#) with the U.S. to eventually include Japan and Australia.

Defence diplomacy in Southeast Asia

In addition to the productive engagements India had within the Quad framework, various defence

collaborations took place simultaneously in Southeast Asia. From November 11–27, the Indian and Vietnamese armies [conducted](#) their annual VINBAX exercise in the Southeast Asian country. This year's iteration focused on building upon the strategic trust that both militaries have cultivated over the past three decades. In this regard, activities ranged from tabletop exercises to comprehensive, in-the-field professional activities aimed at improving interoperability and planning for various non-traditional security challenges. It is worth noting that India is the only country to have conducted such a bilateral exercise with Vietnam.

In the maritime domain, the Indian and Philippine navies conducted a co-operative maritime activity in the West Philippine Sea on November 26. This was the second exercise between the two countries in three months. Moreover, this was the fifth Indian Navy ship to visit the country within the same period. The increase in frequency of collaborative activities in the maritime domain highlights India's willingness to commit more resources to upholding its recently [elevated](#) strategic partnership with the Philippines, announced in August 2025.

From November 23–29, the Indian Navy's Kora-class corvette INS *Karmuk* [participated](#) in the fifth iteration of SITMEX 2025 alongside the Republic of Singapore Navy and the Royal Thai Navy. The sea phase of the exercise took place along its international maritime boundary line and involved complex manoeuvres and co-ordinated tactical drills between the three navies. The launching of SITMEX in 2019 was catalyzed by India's defence diplomacy in the Indo-Pacific. In fact, in a 2018 speech at the Shangri-La Dialogue, Modi [hinted](#) at an inaugural trilateral exercise between India, Singapore, and another Southeast Asian country.

SITMEX is another testament to India's desire to translate its growing material capabilities into a foreign policy that fosters functional security collaborations with partners on both sides of the Indo-Pacific. Accordingly, this year's iteration, hosted by Singapore, also involved sophisticated activities involving manoeuvring, navigation, and gunnery drills.

Along with these developments, Indonesian Defence Minister Sjafrie Sjamsoeddin met his Indian counterpart, Rajnath Singh, in Delhi on November 27 to explore ways to broaden the bilateral comprehensive strategic partnership in the realm of security collaboration. Here, both leaders [supported](#) the plan of launching a Joint Defence Industrial Co-operation Committee (JDICC) to serve as the primary dialogue mechanism to enhance co-operation between the two countries' defence industries.

As India seeks to increase its role as a security contributor in Southeast Asia, it needs to do more than solely rely on naval drills and arms sales — despite their importance. India needs to tailor its collaborations to the overarching defence objectives of regional states and become more integrated in its neighbours' modernization roadmaps. Therefore, more focus on research and development, technology sharing, and repair and maintenance activities must be prioritized.

One opportunity in this regard is Indonesia's [plans to acquire](#) France's Scorpène-class submarines. India's extensive experience in submarine development and supply-chain management, particularly for the Scorpène submarines, could make it an important partner in repair and maintenance. Additionally, if Indonesia [goes ahead](#) with its plan to acquire the BrahMos supersonic missile system from India, there will be more opportunities for the latter to integrate itself further into Indonesia's defence modernization plans.

No time for complacency

India's recent security engagements are positive examples of its defence diplomacy efforts in the Western Pacific.

These activities also provide some reassurance regarding New Delhi's willingness to utilize its resources to enhance its defence posture in both oceans of the Indo-Pacific. New Delhi recognizes that to significantly improve its standing in the Western Pacific, it needs to continue working with key partners.

However, expectations should be prudent regarding how far India is likely to involve itself militarily in the subregion, especially when push comes to shove. India can integrate itself into the defence modernization plans of its Southeast Asian neighbours by prioritizing co-operation in areas in which it has significant experience, such as logistics support, repair and maintenance, and strategic infrastructure development.

In this regard, a more active India in the Pacific would provide more security options to regional states and contribute towards a free

**“
... a more active India in the Pacific would provide more security options to regional states and contribute towards a free and open Indo-Pacific.”**

and open Indo-Pacific. The challenge, therefore, for New Delhi is to ensure continuity in its policy for the Western Pacific, as this sub-region has traditionally not been accorded the same degree of importance by India as the Indian Ocean. With inter-state tensions increasing in the Indo-Pacific, India will need to demonstrate its commitment to pursuing its interests in both sides of the region.



South Korea–Canada Co-operation Through the Canadian Patrol Submarine Project

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Canada is pursuing the acquisition of up to 12 conventionally powered submarines through the Canadian Patrol Submarine Project (CPSP) to replace the Royal Canadian Navy’s aging *Victoria*-class fleet and to strengthen long-range patrol and Arctic security. In August 2025, the Government of Canada [identified South Korea’s Hanwha Ocean and Germany’s ThyssenKrupp Marine Systems \(TKMS\)](#) as two qualified suppliers for the CPSP, moving the competition into a formal bid phase. This creates a concrete choice between two mature industrial ecosystems and two different pathways to delivering a modern undersea capability that can operate across Canada’s three-ocean geography — the Arctic, Atlantic, and Pacific.

This essay focuses on what Canada could gain specifically from Hanwha Ocean’s submarine program. It does so in two parts. The first section consolidates the most decision-relevant strengths of Hanwha Ocean for Canada’s operational and scheduling requirements, and through-

life support. The second section examines the regional and partnership implications of Canada selecting a South Korean firm, emphasizing how a Canada–South Korea undersea agreement could deepen interoperability between close partners, provide practical building blocks for collaboration in AUKUS Pillar II-relevant technology areas, and expand joint training and exercises.

1. Hanwha Ocean’s strengths: A de-risked platform, with Arctic-relevant adaptability and a Canada-centred sustainment model

A PROVEN, IN-SERVICE BASELINE REDUCES SCHEDULING AND TECHNICAL RISKS

Canada’s most pressing constraint is time. Any protracted design process or first-of-class learning curve would increase the risk of an undersea capability gap in the 2030s, as the *Victoria* class reaches its end of life. Hanwha Ocean’s core advantage is that it can anchor a Canadian variant in a large conventional

submarine design that is already in operational service and supported by an active production and upgrade roadmap. For Canada, an in-service baseline, which focuses on the current, operating state of a system, matters as much as headline performance: it implies validated safety cases, established test and evaluation processes, mature combat-system integration experience, and demonstrated maintainability under real operating conditions. It also creates a more credible foundation for negotiating delivery schedules because key engineering unknowns have already been discovered and solved by another advanced navy.

A de-risked baseline does not mean a frozen design. Rather, it provides an engineering starting point that can be adapted to the CPSP's mandatory requirements with a clearer understanding of cost and scheduling implications. For example, integrating Canada-specific communications suites, under-ice navigation aids, and mission payloads can be sequenced as spiral upgrades once the first hulls enter service, provided the design retains sufficient margins in power, cooling, weight, and space. This "start mature, adapt with margin" logic is particularly relevant for long-lived submarines, where capability growth over decades is the norm.

RANGE, ENDURANCE, AND PAYLOAD GROWTH ALIGN WITH CANADA'S THREE-OCEAN MISSION

A key driver of the CPSP is Canada's need for a long-range, blue-water conventional submarine that can transit and patrol in distant waters while also contributing to domestic surveillance and deterrence. Any platform selected must plausibly operate in the Atlantic and Pacific, with the option to deploy in the Arctic when conditions permit. A KSS-III-derived design is attractive in this context because it was conceived for long-endurance operations and for hosting advanced sensors and weapons in a larger hull than Canada's existing coastal submarines. In practical terms, a larger conventional submarine offers more energy storage and habitability for extended patrols, greater internal volume for spares and maintenance, and more space for additional mission systems.

For high-latitude operations, what matters is not only ice-related engineering but also the ability to

carry and integrate specialized sensors, navigation systems, and unmanned systems that improve situational awareness in places where surface and air coverage can be intermittent. A CPSP submarine that can host deployable unmanned underwater vehicles for seabed mapping, infrastructure monitoring, and intelligence, surveillance, and reconnaissance tasks would provide Canada with options beyond traditional anti-submarine warfare. Importantly, a larger design also provides the margins needed to integrate such payloads without forcing trade-offs that reduce endurance or survivability.

ARCTIC-RELEVANT ADAPTABILITY: DESIGN MARGINS, MISSION PACKAGES, AND JOINT R&D

Canada faces difficulties patrolling the Arctic due to information and presence challenges. Submarines are among the few assets that can provide persistent, covert awareness in contested or uncertain environments, but operating in the Far North introduces unique constraints: limited infrastructure, harsh weather, sparse communications coverage, and the complexities of under-ice navigation and emergency procedures. A partnership with Hanwha Ocean can be valuable here because it can be structured around joint design and testing focused on Arctic-relevant modifications and mission packages, rather than simply being a "buy and import" transaction.

This partnership could include [collaborative testing of high-latitude navigation and communications concepts](#) and the integration of specialized sonar and environmental sensors. Even if Canada does not seek routine under-ice operations on day one, it can invest early in the enabling technologies and training pipelines that could make such operations feasible later. In this sense, the CPSP can be used to create an Arctic-capable undersea innovation program, where platform procurement and R&D reinforce each other.

INTEROPERABILITY AND TRAINING ADVANTAGES WITH AN INDO-PACIFIC PARTNER

[Canada and South Korea already operate together in multilateral naval environments](#), including major exercises in the Pacific. If Canada fields a submarine

lineage closely related to one used by the Republic of Korea Navy, it would open a practical pathway to deeper bilateral co-operation at the tactical and operational levels. The most immediate benefits would come from shared training and lessons learned in crew pipelines, maintenance doctrine, and operational procedures. Over time, a common platform family can also enable joint experimentation on undersea tactics, where operator trust and procedural alignment are often as important as technology.

INDUSTRIAL SCALE AND A CANADA-CENTRED SUSTAINMENT PROPOSITION

The CPSP is not only a platform decision, it is a [long-term industrial and sustainment decision](#). The majority of costs and jobs in a submarine program accrue over decades of maintenance, modernization, and supply-chain management. For Canada, the strategic question is whether the chosen supplier can credibly support a domestic sustainment ecosystem that preserves sovereign control over readiness, reduces downtime, and builds industrial skills that can be leveraged across the wider naval portfolio.

Hanwha Ocean's comparative advantages lie in the scale of South Korea's shipbuilding and defence-manufacturing base and the company's demonstrated ability to produce complex vessels at an industrial tempo. If structured well, a Hanwha Ocean-led partnership can place Canada at the centre of through-life support: establishing Canadian depots and engineering support and transferring know-how for maintenance and modernization activities that must occur in-country. This "South Korean-built plus Canada-sustained" model fits Canada's interest in keeping long-term readiness work onshore, while still benefiting from a supplier that has access to mature design authority and high-volume production experience.

2. Regional and partnership implications

Selecting a South Korean firm for the CPSP would have consequences beyond bilateral procurement. The most significant strategic upside is that it would create a durable, high-end defence-industrial linkage between an [Arctic-based, NATO member state](#) and

a fellow [Indo-Pacific security actor](#). That linkage can increase connectivity across regions in ways that are operationally meaningful — particularly in undersea domains where advanced capabilities are scarce, and learning is cumulative.

PRACTICAL PATHWAYS TO CO-OPERATION ON AUKUS PILLAR II-RELEVANT TECHNOLOGY

AUKUS Pillar II is [widely understood](#) as an umbrella for co-operation in advanced capabilities, including autonomous systems, undersea warfare enablers, cyber warfare, artificial intelligence, and resilient sensing and communications. Canada has been [exploring](#) how it might participate in Pillar II-relevant initiatives with close partners. A Canada–South Korea submarine partnership can support this agenda by building capabilities in concrete technical and operational projects that align with Pillar II priorities.

For example, CPSP submarines could become test beds for integrating and operating unmanned underwater vehicles and for experimenting with human-machine teaming in undersea surveillance missions. They could also support joint work on data fusion for maritime domain awareness, where inputs from submarines, surface ships, aircraft, and space-based sensors are combined while protecting sensitive sources and methods. In parallel, the program could catalyze co-operation on cyber-resilient ship systems, including hardening interfaces between commercial software, shipboard networks, and defence-grade mission systems. The key point is that Pillar II connectivity is more credible when it is anchored in a real fleet program that generates recurring engineering tasks, training cycles, and operational lessons.

ENHANCED JOINT EXERCISES AND OPERATIONAL LEARNING ACROSS THE INDO-PACIFIC AND THE ARCTIC

A [submarine partnership](#) is a long-term relationship, not a one-time acquisition. If Canada selects Hanwha Ocean, one of the most immediate and scalable regional effects would be the connection between procurement from a private company and expanded joint exercises with the South Korean military. This can

occur at multiple levels: staff-level planning, combined anti-submarine warfare training, and co-ordinated maritime domain awareness activities that link the Pacific and, where feasible, the Arctic approaches.

Canada can pursue a deliberate program of combined activity that includes (a) regular bilateral or multilateral anti-submarine warfare exercises involving Canadian submarines and South Korean surface and air assets; (b) co-ordinated participation in major regional exercises in which Canada already partakes, and; (c) table-top and command-post exercises focused on cross-domain co-ordination, including cyber-incident response in maritime operations. Such activities produce two valuable outputs: operational readiness and a shared doctrine. They also help Canada build the institutional muscle to operate at a larger scale with Indo-Pacific partners.

In the longer term, as Canada's Arctic capabilities develop, the same partnership could [support](#) joint research and concept development on high-latitude undersea operations: navigation, communications in denied environments, emergency procedures, and infrastructure protection. Even if actual combined operations in the High Arctic remain limited, shared experimentation can accelerate learning and reduce the barriers to expanding the range of future operations.

STANDARDS, DATA GOVERNANCE, AND PROTECTING SENSITIVE INFORMATION WHILE ENABLING COLLABORATION

Deep technological co-operation requires rules for how data is shared, stored, and protected. This is particularly true for undersea capabilities, where acoustic signatures, tactics, and sensor performance data are highly sensitive. If Canada and South Korea pursue closer co-operation through the CPSP, they should treat standards and data governance as early design requirements rather than afterthoughts.

One approach is to define layered data-sharing frameworks: enabling routine operational co-

ordination and joint training without exposing the most sensitive national data. Another is to build interoperability through standardized interfaces and mission data formats compatible with allied systems, while allowing each state to retain sovereign control of its most sensitive datasets. A cyber-resilience lens is essential here because the intersection of commercial and defence systems — for example, software supply chains, contractor access, and shipyard digital infrastructure — can create vulnerabilities that adversaries may seek to exploit. Embedding security-by-design practices into the CPSP industrial ecosystem would therefore have benefits that extend beyond submarines to the broader defence-industrial base.

Conclusion

The selection between Hanwha Ocean and TKMS forces Canada to make a choice not only about a platform, but also about a long-term industrial partner. The strongest case for Hanwha Ocean rests on capability and execution: an in-service baseline that can reduce the scheduling risk, a design philosophy aligned with Canada's long-range, three-ocean requirements, the ability to allow for payload growth relevant to Arctic surveillance and infrastructure protection, and an industrial scale that can support a Canada-centred sustainment ecosystem.

If Canada selects Hanwha Ocean, the benefits could extend beyond bilateral procurement into practical regional and partnership benefits. The CPSP could become a durable foundation for AUKUS Pillar II-relevant co-operation in areas such as undersea autonomy, data fusion for maritime domain awareness, and cyber-resilient maritime systems. It could also enable an expanded tempo of joint exercises and concept development that improves readiness and builds a shared doctrine. The strategic value of such a partnership would ultimately be measured not by narratives, but by whether it delivers the submarines on time, keeps them ready at high availability, and generates repeatable patterns of advanced co-operation that strengthen security across the Indo-Pacific and Canada's northern approaches.



The Philippines' ASEAN Chairship: Between Expectations and Realities

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As the Philippines assumes the chair of the Association of Southeast Asian Nations (ASEAN) in 2026, it faces a more turbulent global environment due to heightened great-power competition and a more volatile regional setting, characterized by multiple conflicts and flashpoints. Apart from these external pressure points, the administration of Philippine President Ferdinand Marcos Jr. is also beset by a plethora of domestic political and economic challenges. The central question is whether the Philippine government can compartmentalize deepening domestic [political turmoil](#) and a [major corruption scandal](#) to lead ASEAN with credibility and purpose.

The stakes extend beyond the Indo-Pacific. ASEAN's concrete actions over the next few years will signal whether small and middle powers matter in an increasingly fractured international order. While the Philippines under Marcos Jr. may propose an ambitious agenda as ASEAN chair, its performance will ultimately be shaped by the interplay of external developments, which are largely beyond its control,

and its ability to prevent domestic political issues from undermining its regional leadership.

A chairship under strain

There are huge demands facing Manila as it takes the helm of ASEAN. The last time it chaired the regional organization was in 2017, when ASEAN celebrated its 50th anniversary. This time, however, ASEAN's internal cohesion is under strain from multiple unresolved conflicts and crises within the region itself.

First, the post-coup situation in Myanmar has morphed from a domestic political breakdown into a complex, multi-actor armed conflict with regional humanitarian repercussions. Despite ASEAN's attempt to pressure the junta to return to the five-point roadmap it agreed to after the 2021 coup, the recalcitrance of the ruling junta has further undermined ASEAN's image as a stable community of states.

Second, recurring bilateral disputes, such as border tensions between Cambodia and Thailand, have exposed the limits of ASEAN's orthodox approaches, such as behind-the-scenes diplomacy and informal mechanisms. At the root of its challenges to manage conflicts is ASEAN's

long-standing commitment to non-interference and consensus-based decision-making, which can inhibit timely and decisive responses to acute crises.

// **At the root of its challenges to manage conflicts is ASEAN's long-standing commitment to non-interference and consensus-based decision-making..."**

In parallel, regional flashpoints, such as the South China Sea (SCS), have pushed ASEAN to articulate a common position on the long-promised regional code of conduct, despite its members' divergent relationships with China.

The second contextual factor shaping ASEAN's strategic environment is the heightened rivalry between the United States and China. Both superpowers place importance on Southeast Asia as an arena for their competition. Washington's alliance-building and 'minilateral' initiatives, from strengthened treaty alliances to new flexible coalitions on technology and critical infrastructure, intersect with Beijing's own diplomatic campaigns, economic statecraft, and security outreach. Both great powers invoke ASEAN's "centrality" in their official narratives, yet their actual policies often bypass or undermine regional mechanisms, leaving ASEAN more visible but less empowered. The Philippines, as chair, will have to navigate this environment without allowing ASEAN's processes to become mere staging grounds for great-power flexing. Under U.S. President Donald Trump's second administration, the U.S. seems to be behaving as an illiberal revisionist power like China, no longer even paying lip service to the pillars of the rules-based international order (RBIO), such as multilateralism, international law, and non-reliance on military force. This has far-reaching repercussions for ASEAN as a regional body mostly comprised of small to medium-sized states.

The third dynamic is the Philippines' polarized and turbulent domestic politics. The once-heralded alliance between the political dynasties of the Marcoses and Duterte has fractured, with the two camps engaging in mutual accusations of [betrayal](#), corruption, and authoritarian tendencies. This rift between the two families became more pronounced with the unfolding of the flood-control [corruption scandal](#), in which billions of pesos in flood-infrastructure projects were misused or misallocated, incriminating legislators, local officials, and figures close to the administration. The scandal has triggered public protests, legislative investigations, and a wave of commentaries questioning the integrity of the Marcos Jr. government. To date, the president's popularity is at its [lowest point](#), a troubling development given that Marcos Jr. is the only post-martial-law president to have garnered a majority electoral mandate in the country's history.

The convergence of external and domestic challenges leaves Manila facing a stark choice between a substantive chairship and a merely performative "procedural" one, defined by routine agenda management. However, even if the Philippines seeks to meaningfully contribute to addressing the numerous challenges facing ASEAN, it will still have to define its approach. Will the Philippines assume a minimal, risk-averse role or adopt a more ambitious and normative posture, one that will entail risks to both its regional reputation as well as its domestic political standing?

The limits of pushing Philippine interests in the South China Sea issue

Many analysts argue that the Philippines should take advantage of the ASEAN chairship to finally bring closure to the protracted negotiations over a code of conduct (CoC) in the South China Sea. Though this argument is largely intuitive given the leadership role of being chair, it does not align with how ASEAN works as a regional body, particularly given its consensus-based decision-making and institutional norms. Traditionally, chairing ASEAN entails balancing the interests of the 11-member intergovernmental organization rather than using the position to unilaterally advance the chair's national interests to the detriment of collective interests.

The Marcos Jr. government decided to have the [theme](#) of “Navigating Our Future, Together,” for its chairship and will focus on

three points: (1) peace and security anchors; (2) prosperity corridors, and; (3) people empowerment. These priorities indicate that the Philippines will treat the SCS issue as only one of the many agenda items for its chairship year, as it strives to build new points of consensus among the other 10 members of ASEAN on other issues.

To this point, the CoC process has become increasingly cumbersome, as ASEAN member-states and China negotiate the minutiae of the document, uncertain about how binding it will be to the parties as well as external actors. Since the signing of the ASEAN Declaration on the Conduct of Parties in the South China Sea in 2002, there have also been major regional power shifts and changes in the relations between ASEAN states and China. With no direct stake in the SCS, the non-claimant ASEAN member-states tend to view the issue primarily through the lens of regional stability and economic relations with China, rather than sovereignty or maritime rights. This view creates headwinds against claimants’ interests in asserting their sovereignty in the SCS in the negotiations to finalize the CoC, such that the end result may not be a significant improvement on the status quo. Given the importance attributed by Filipino domestic political opinion to the SCS issue, it would be a [political disaster](#) for the Marcos Jr. government if the CoC process concludes under its chairship without the legal document promoting and protecting the Philippines’ interests.

Rather than push for the conclusion of the CoC, the Philippines can use its position as ASEAN chair to manage the SCS issue by initiating innovative mechanisms, particularly building new points of consensus among ASEAN member-states, especially the claimant countries. Manila can articulate an “ASEAN plus the United Nations Convention on the Law of the Sea (UNCLOS)” narrative

// The Marcos Jr. government decided to have the theme of “Navigating Our Future, Together,” for its chairship..”

that explicitly anchors regional arrangements in global maritime norms, emphasizing that a meaningful CoC should reinforce, not dilute, existing treaty obligations and jurisprudence. This would allow ASEAN to position itself as a defender and adapter of global rules, rather than a passive recipient of great-power bargains. The Philippines can also push for issue-specific clusters within the CoC framework — on maritime safety, environmental protection, and fisheries management — where consensus may be easier to build and where practical co-operation can yield tangible benefits for coastal communities. This perspective would broaden the SCS issue from contested waters to a complex socio-ecological space, where the livelihoods of fisherfolk, coastal communities, and Indigenous populations are taken into account. By foregrounding human security, climate impacts, and sustainable development, the Philippines can broaden the coalition of actors within ASEAN that see value in a stronger, [more operational CoC](#). This does not resolve core sovereignty disputes, but it helps construct a layer of functional cooperation that can mitigate risks while deeper political disagreements persist.

Managing crises: Myanmar and Thailand–Cambodia tensions

Rather than focus on its own national agenda, the Philippines seems to be putting its energies into other important regional issues, such as the Myanmar civil war and the Thailand–

Cambodia conflict. In keeping with the theme of its chairship, the Marcos Jr. government appointed its own foreign secretary as [special envoy](#) to Myanmar. This indicates the seriousness of purpose on the part of the Philippines to prioritize the Myanmar issue as it takes the helm of ASEAN this year, given that the regional

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organization had some success in mediating intra-regional conflicts in the past.

This focus suggests that the Philippines can present itself as a more neutral arbiter between the ruling junta and the beleaguered opposition, given that it has no direct domestic stake in Myanmar. However, challenges to making progress seem to lie within ASEAN itself, as the issue has deeply [divided](#) ASEAN members. Some, such as Indonesia, Malaysia, and Singapore, have pushed for stronger measures to achieve conflict resolution, including restrictions on high-level representation of the junta in ASEAN summits and more explicit engagement with opposition and civil-society actors. Others have favoured a more accommodating approach, citing non-interference and the need to preserve channels of communication with the junta. Against this backdrop, Manila's room to manoeuvre is constrained.

However, the Philippines can still make meaningful contributions by recalibrating ASEAN's expectations and sequencing. Instead of framing success solely in terms of a comprehensive political settlement — an unrealistic goal within the one-year timeframe of its chairship — the Philippines can promote a phased agenda centred on humanitarian access, the protection of civilians, and support for inclusive dialogue formats that bring in a broader range of Myanmar's stakeholders, including ethnic minorities, civil society organizations, and women's groups.

The Philippines' approach, however, apparently has not had a good start. The recent visit of the Philippine foreign secretary to Myanmar's junta was heavily [criticized](#), as it was perceived to have given a legitimate platform to the junta despite serious questions about the credibility of the country's recent elections. Without corresponding engagement with other stakeholders in Myanmar, notably jailed opposition politicians and groups within civil society, Manila risks undermining one of the themes of its own chairship — people's empowerment.

Similarly, the Thailand–Cambodia conflict provides its own set of challenges, particularly around contested border areas and associated nationalist narratives. Here, ASEAN faces the problem of putting itself forward as the main

mechanism for managing the dispute, especially when external powers, such as the U.S. and China, are playing prominent roles. The regional body also must reconcile immediately halting the violence with the norm that it has doggedly upheld throughout its existence — non-interference in the domestic affairs of fellow member-states.

Like with the Myanmar issue, the Philippines has no direct stake in this territorial dispute. Thus, it can use its chairship to [strengthen](#) preventive-diplomacy instruments, such as a more regularized use of the chair's good offices, early-warning discussions among foreign ministers, and support for quiet third-party facilitation when requested by the parties. It can also leverage its good relations with middle powers, such as Australia, India, and Japan, so that the conflict will not be reduced to a theatre for the ongoing U.S.–China rivalry.

Domestic distractions and the chair's credibility

No ASEAN chair can fully insulate its regional leadership from domestic politics; this truth is quite stark in the case of the

Philippines. At present, the Marcos Jr. administration faces a dual crisis of governance: an internal elite conflict and the biggest corruption scandal in the democratic regime's history. This [conflict](#) not only plays out in rhetoric and social-media banter, but has entered formal institutions and processes, including legislative inquiries and threats of [impeachment](#) or criminal proceedings against key political figures, many of whom are close political allies of Marcos Jr.

These domestic troubles create clear risks for the Philippines' ASEAN chairship. First, there is the risk of diplomatic distraction, as political and bureaucratic energies are absorbed by crisis management, coalition building, and damage control rather than by sustained regional diplomacy. Second is the risk of eroded moral

“**No ASEAN chair can fully insulate its regional leadership from domestic politics; this truth is quite stark in the case of the Philippines.**”

authority: when the chair calls for adherence to the rule of law, transparency, or anti-corruption measures at the regional level, audiences — both foreign and domestic — may be skeptical given the unresolved allegations. Finally, there is a possibility of [policy inconsistency](#) if there is a cabinet shuffle or political retaliation, or if weakened interagency co-ordination disrupts the foreign-policy machinery that underpins ASEAN initiatives.

The Philippines is ASEAN's first and oldest democracy. It is unfortunate that it has not historically leveraged this title to steer the regional organization, which seems allergic to democratic norms and is satisfied with the veneer of principled action. As the Marcos Jr. administration plays host to the other 10 members of ASEAN, it could promote democratic norms of inclusion, transparency, accountability, and openness. Promoting these principles from the pulpit will reinforce the positive role model that ASEAN's newest member, Timor Leste — with its solid democratic credentials — offers other member-states.

As ASEAN chair, the Philippines can remind the organization that it needs to go beyond merely a talking shop of government leaders. The

country's 60 years of engagement and commitment to ASEAN shows that it can promote its own interests and values by displaying considerate empathy for its fellow small states and members of the Global South within ASEAN. Given its history of inclusive politics and civil-society dynamism, the Philippines can take the initial steps to fully embody the identity of ASEAN as a people-centred community, rather than merely an interstate organization. It might be a tall order for the Philippines, but such an approach might lend its government renewed credibility at home and, at the same time, presage a truly distinct and notable chairship.

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