



STRATEGIC REFLECTIONS

# Indo-Pacific Outlook 2025



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# INTRODUCTION

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

The Indo-Pacific stands at a critical juncture. Intensifying rivalries, rapid military modernization, and accelerating technological competition have placed the region at the centre of a transforming international order. While Europe grapples with Russia's war in Ukraine and the United States unsettles multilateral institutions, it is in the Indo-Pacific that the future shape of the global order—particularly in its economic and technological dimensions—is being defined.

For Canada, this reality underscores the need to better understand the specific dynamics shaping the region. At such a time, it is more important than ever to hear directly from experts who can provide grounded perspectives on issues of critical importance. Their analyses identify concrete challenges and opportunities, offering insights into what Canada can do to strengthen its engagement with the Indo-Pacific, as well as how it can refine and build upon the policies and relationships that it has already initiated.

This Indo-Pacific Outlook offers such a strategic reflection. In addition to two framing essays from the Asia Pacific Foundation of Canada's Vice-President, Research & Strategy, Vina Nadjibulla and Distinguished Fellow Bart Édes, the Outlook brings together eight contributions from our [2025 Indo-Pacific Research Fellows](#), who provide timely analyses of fast-moving developments in security, economics, and technology across the region. As part of the Asia Pacific Foundation of Canada's Indo-Pacific Initiative—funded by the Government of Canada—this fellowship program seeks to deepen partnerships and engagement between Canada and Indo-Pacific countries, enhance Canadian knowledge of the region, build trust, and strengthen regional networks.

Together, these ten essays highlight the opportunities and challenges that Canada must consider as it reassesses its Indo-Pacific Strategy (IPS). They reflect a diversity of perspectives, drawing attention to areas where Canadian engagement is welcomed, where it can be strengthened, and where caution and adaptation are required. The essays also provide practical recommendations that can help inform Canada's evolving approach to the Indo-Pacific.

In the opening paper, Vina Nadjibulla offers a strategic assessment and forward-looking policy analysis of Canada's IPS at its three-year mark. She highlights where the strategy has achieved progress and provides a blueprint for how Canada can translate its increased presence in the region into real influence.

Nanae Baldauff makes the case for an elevated Canada–Japan defence partnership in the second paper. She examines the growing security cooperation between the two countries and argues that deepening relationships—such as signing a Reciprocal Access Agreement for military forces or launching joint industrial projects—would solidify an already mature and trusted defence relationship.

The third paper explores the Philippines' shifting defence posture in light of China's coercive activities and assesses how Canada can bolster regional security. Don Gill highlights Canada's emerging role as a key partner to the Philippines, growing with recent programs and defence engagements, as well as through the deepening of its security collaboration with Japan and Taiwan.

In the fourth contribution, Suon Choi examines how aligning Canada's and South Korea's Indo-Pacific strategies can strengthen bilateral and regional security. She argues that deeper coordination—through the Comprehensive Strategic Partnership, joint military exercises, and multilateral engagement—would allow both middle powers to enhance deterrence, uphold the rules-based order, and advance a model of collaborative defence cooperation in the Indo-Pacific.

The fifth essay turns to Canada's international development assistance policy in the Indo-Pacific region. Bart Édes explains why Canada must sustain and modernize its aid policy, arguing that it is a core instrument of its foreign policy, economic prosperity, and geopolitical influence.

In the sixth paper, Tuvshinzaya Gantulga explores Canada's relations with Mongolia. He highlights Mongolia's democratic resilience, resource wealth, and strategic location between Russia and China to make the case for revitalized cooperation between the two countries in key sectors such as mining, clean energy, infrastructure, and education.

In the seventh paper, Aries A. Arugay examines the political and governance challenges facing President Ferdinand Marcos Jr. as he enters the second half of his term. He analyzes Marcos's declining popularity and anti-corruption campaign—questioning whether it represents genuine reform or political theatre—and argues that civil society and international partners like Canada can help promote stronger governance to sustain the Philippines' democracy and steady its foreign policy.

The eighth paper, by Yujen Kuo, investigates how China's grey-zone tactics increasingly target undersea cables essential to Taiwan's economy and national resilience. Kuo analyzes Taiwan's heightened vulnerability, recent measures taken to strengthen cable protection, and the need for international cooperation to counter these asymmetric threats.

The ninth contribution, by Kumari Mansi, assesses how India might respond to a potential crisis in the Taiwan Strait amid intensifying China-U.S. rivalry. Mansi argues that while New Delhi is unlikely to intervene militarily, its diplomatic positioning and support for Taiwan will depend on the state of its relations with both Beijing and Washington.

Finally, Farlina Said examines how the ASEAN region's rapid digital transformation brings both economic promise and heightened cybersecurity risks. She identifies shared challenges that Canada and ASEAN can jointly address—ranging from AI governance to quantum security—to help build a resilient and secure digital ecosystem in the Indo-Pacific.

Together, these contributions provide an informed, nuanced, and regionally grounded perspective on the evolving strategic landscape in the Indo-Pacific. They offer valuable insights into how Canada can better contend with the region's shifting dynamics and deepen its engagement by strengthening partnerships, building trust, and pursuing an approach that is both principled and pragmatic.

An aerial photograph of Singapore, showing the Marina Bay Sands hotel, the Singapore Flyer, and the surrounding greenery and water. The image is partially obscured by a blue semi-transparent box containing the title and author information.

# Canada's Indo-Pacific Strategy at Three: Presence, Partnerships, and the Next Turn

Vina Nadjibulla, Vice-President, Research & Strategy, Asia Pacific Foundation of Canada

Canada's Indo-Pacific Strategy (IPS) has passed the crucial three-year mark. On balance, the record thus far has been positive: Canada is more present, more visible, and more plugged into regional networks than at any time in recent memory. New offices have opened, ministerial and prime-ministerial travel has become routine, Team Canada trade missions are drawing large delegations, and the Canadian Armed Forces now operates in the region at a sustained tempo.

These are real shifts, and they will pay dividends for Canada's economic resilience and security in the world's most pivotal region. At the same time, however, the IPS has run up against familiar Canadian constraints — conceptual, institutional, and resourcing — that limit its impact. Three years on, the task is to make sure that we are

translating our presence in the Indo-Pacific into tangible benefits. We do that by moving from a long list of activities to a sharper set of aims, priorities, and partnerships that serve Canada's national interests in an increasingly fraught strategic environment.

The world of 2025 looks very different from when Canada launched the strategy in 2022. We are living through accelerated great-power competition, sharper economic fragmentation, and intensified grey-zone pressures in cyberspace, maritime domains, and supply chains. The COVID-19 pandemic hangover has given way to geopolitical shocks — from wars in Europe and the Middle East to shifting alignments in Asia — all of which we must account for as we assess the IPS and ensure it is fit for purpose now.

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### **What has Worked: Presence, Profile, Participation**

**FIRST, THE IPS HAS UNDENIABLY INCREASED CANADA'S FOOTPRINT. THIS INCLUDES:**

- Trade and financing platforms. Export Development Canada opened new offices in Jakarta, Seoul, Tokyo, Ho Chi Minh City, Manila, and Bangkok, augmenting the services it provides for Canadian firms in critical markets and complementing existing points of presence across the region.
- Sectoral footholds. Canada's first Indo-Pacific Agriculture and Agri-Food Office officially opened in Manila in February 2024. BlackBerry's Cybersecurity Center of Excellence in Malaysia, which opened in March 2024, is a concrete example of aligning Canadian capability with partner demand for cyber resilience and skills development — an IPS priority that resonates widely across all of Southeast Asia's digitalizing economies.
- Regional representation. Ottawa has also appointed an Indo-Pacific Trade Representative and, by year two of the IPS, expanded diplomatic staffing, including a regional cyber attaché network and additional defence advisers.

Second, Canada's political-level engagement has grown. In 2023 and 2024, multiple prime ministerial and ministerial trips signalled greater senior-level attention — something our partners noticed. Team Canada trade missions — large, multi-sector delegations designed to accelerate commercial

activity — launched in Singapore in early 2023, followed by Japan later that year, and with subsequent missions across Southeast Asia. These missions amplify Canadian presence and lead to real results for Canadian firms.

Diplomatically, this engagement helped Canada and ASEAN elevate their ties to a Strategic Partnership in September 2023 — an umbrella under which we can foster even more targeted sectoral co-operation.

Third, there has been an amplification of our security presence. Under Operation HORIZON, Canada now deploys three Royal Canadian Navy warships annually to the Indo-Pacific, participates in multilateral exercises, and synchronizes with partners on maritime security — a tangible signal of the seriousness of our commitment.

Finally, the C\$2.3-billion IPS funding envelope has enabled early wins on practical issues. One example is the deployment of Canada's Dark Vessel Detection (DVD) program in support of Philippine maritime enforcement — near-real-time satellite tracking that helps authorities counter illegal, unreported, and unregulated fishing and improve maritime domain awareness. This is the kind of niche contribution that partners both need and remember.

Together, these elements — new outposts, senior visits and missions, sustained naval presence, and funding for tools that help solve partners' problems — have raised Canada's profile and increased its regional participation. They also build on the perception of Canada as a constructive, values-aware, and partnership-oriented actor.

### **Where Impact Lags: Moving from 'a Strategy' to Strategy**

Notwithstanding these real gains, the IPS has struggled to provide strategic clarity. The document is important, useful, and comprehensive but it does not directly answer the core questions that any strategy should answer: what, exactly, is Canada trying to achieve in the Indo-Pacific — and how will we leverage our resources and partnerships to get there? The five objectives are all valid and mutually reinforcing but the linkages between the ends and the means still need clarification and definition.

## SPECIFICALLY, THREE STRUCTURAL CHALLENGES STAND OUT:

1. Ends and prioritization. The IPS bundles together nearly everything Ottawa wants to do in the Indo-Pacific. That made sense for an inaugural, whole-of-government effort. But three years on, Canada needs a tighter, more focused articulation of the national-interest outcomes it is hoping to achieve (e.g. X per cent of non-U.S. export growth from Indo-Pacific markets; Y maritime security capacity delivered with partner A/B/C; Z number of strategic sectors that are de-risked through closer co-operation with allies' value-chains), with explicit trade-offs and sequencing. Without prioritization, we run the risk that activity becomes an end in itself.
2. India and China chapters. The IPS's treatment of India was already somewhat thin, and the diplomatic crisis post-September 2023 rendered it largely moot. That gap matters because any serious Indo-Pacific policy must account for India's scale, growth, and geopolitical weight, albeit with eyes wide open about constraints and friction points. On China, the IPS rightly highlighted deterrence, de-risking, and the need to constrain harmful PRC behaviours. But that framing proved ill-suited for parts of Southeast Asia, where partners are wary of polarizing narratives even as they hedge against risk; they welcome Canadian capacity but prefer that it be delivered through affirmative agendas (e.g. infrastructure, climate, skills, and digital) rather than "China-centric" language. Our messaging needs to be partner-centric and focused on problem-solving, while acknowledging core security concerns.
3. Whole-of-foreign-policy alignment. In the absence of an updated foreign policy that defines Canadian national interests and risk tolerance, and what levels of resources we will devote to different theatres, regional strategies will be partial. The IPS must be integrated with Canada's Arctic posture and our Euro-Atlantic engagement. Only then will it reflect the real linkages among North Pacific, North Atlantic, and circumpolar security and supply-chain dynamics.

Context matters here. In a major foreign-policy address in New York City on September 23 of this year, Canadian Prime Minister Mark Carney underscored that the three main assumptions that shaped Canadian statecraft for decades — a rules-based order that broadly worked for us, collective security through NATO plus the U.S., and oceans as protective moats — can no longer be taken for granted.

In short, Canada now feels "less secure and more alone." The required response is more statecraft capacity, diversified partnerships, and greater investments in diplomacy and defence. The IPS is a natural instrument for acting on that diagnosis, but only if we sharpen its focus.

## Revision, Not Reinvention: Three Shifts for the Next Phase

1. Make economic resilience the organizing logic. Canada's core Indo-Pacific economic objective should be diversification with depth: that is, not just more markets, but more resilient market positions in strategic sectors (e.g. agri-food, critical minerals and clean tech manufacturing, life sciences, and digital).

### CONCRETELY, THIS MEANS THAT WE:

- Treat the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) as a platform to build scale and sophistication in priority markets (e.g. Japan, Vietnam, and Singapore) and create deliberate linkages between the CPTPP and the Canada-EU Comprehensive Economic and Trade Agreement (e.g. dual-market supply chains with Europe in batteries, small modular reactors, hydrogen, and agri-food), so firms can arbitrage standards and logistics across both agreements.
- Use our newly established footholds — an Agri-Food Office in Manila, Export Development Canada's offices in Jakarta and Seoul, and Canada's Indo-Pacific Trade Representative — for multi-year campaigns to lower specific barriers (e.g. sanitary/phytosanitary, procurement access, data localization), with measurable targets for every sector.

- Expand Team Canada missions but equip them with vehicles that support follow-through: in-market account-manager teams and pooled legal/compliance support for small and medium enterprises, for example. Ottawa's own updates show these missions can be catalytic; the issue is continuity of engagement and converting preliminary gains into more lasting results.

## 2. Anchor our engagement in strategic partnerships — not just presence.

Canada should identify a short list of anchor partners where interests, trust, and political will are strong and where we can make distinctive contributions. This might include Australia, Japan, New Zealand, the Philippines, South Korea, and Taiwan with issue-specific coalitions (e.g. maritime security with the Philippines, Taiwan and Japan; semiconductor and battery value-chains with South Korea, Taiwan, and Japan; cyber capacity with Singapore and Malaysia). These “clubs” should be designed for action, not just dialogue. The ASEAN-Canada Strategic Partnership should be leveraged as the diplomatic frame, with delivery of results happening through focused and highly ambitious plurilateral groupings with willing member states.

## 3. Deliver hard, smartly scoped security value.

Sustaining Operation HORIZON's three-ship cadence is important, but Canada's comparative advantage is in specialized capabilities in which it punches above its weight: maritime domain awareness, dark-vessel detection, cyber-forensics and attribution, training in explosive ordnance disposal, among others. We should institutionalize these as standing offers to our partners, including Indonesia, Japan, the Philippines, South Korea, Taiwan, and selected Pacific Island states, and tie these offerings to joint exercises and information-sharing protocols.

## Mindset and muscle: Build Canadians' Asia competence and strengthen civic ties across the Pacific

Policy only travels at the speed of people. Asia competence — language, regulatory fluency, sector expertise — needs to become a more ingrained Canadian habit. That means:

- Expanding in-market postings and rotational opportunities, not just for diplomats, but also for regulators, procurement officers, and technical standards experts.
- Backing civil-society connectivity with initiatives such as researcher exchanges, sister-city partnerships, media collaborations, and other programs to deepen trust and understanding at levels that complement the government-to-government level.
- Investing in talent pipelines so Canadians gain an understanding of the political economy of Asia from the inside — and so partners see Canada as a long-term, reliable participant, not an occasional visitor.

## Reframing development and climate chapters to fit today's reality

The IPS chapters on development and the environment can be reframed — without abandoning principles — to better support Canada's economic and security goals. To do this, we must:

- Align our overseas development assistance tools with our geo-economic objectives. Canada doesn't have the luxury of offering purely untied, multilateral aid if it wants to shape outcomes in a more transactional era. This does not mean politicizing aid or sacrificing quality; it does mean, however, prioritizing bilateral and co-financed programs (as opposed to mostly multilateral programs) that advance shared objectives such as resilient infrastructure, energy transition, and food systems, as well as opening up space for Canadian expertise and standards. Ottawa is already leaning into this with targeted green-infrastructure initiatives and sector partnerships; the next step is scale and focus.

- Connect climate action to economic opportunities. Use climate finance projects (e.g. transmission upgrades, distributed renewables, port decarbonization) where Canadian technology and services can compete — especially in Indonesia, the Philippines, and Vietnam. EDC's emerging partnerships are a good starting point.
- Sharpen our soft-power tools. Programs such as Dark Vessel Detection show how Canadian technology can quietly deliver public goods at sea while also reinforcing the rules. Package these with training, legal assistance, and data-sharing to build long-term capacity.

## Implementation: Turn activity into advantage

TO CONVERT MOMENTUM INTO DURABLE ADVANTAGE, THE FOLLOWING COULD BE CONSIDERED:

Name the outcomes. Publish a short list of five outcome targets for 2026–30 (e.g. non-U.S. export growth from Indo-Pacific markets; share of Canadian procurement won by Indo-Pacific partners in allied supply chains; maritime security effects delivered; students retained as skilled workers; number of joint standards initiatives concluded). Tie each to a lead department and a budget line.

Choose anchors and design 'minilateral' platforms. For each anchor partner (Australia, Japan, New Zealand, Philippines, and South Korea), draft three-year compacts with six to eight deliverables each, focused, for example, on security, trade, and talent. Make these deliverables public and modest in number and track progress on a quarterly basis.

Be specific about resourcing. Review and reset baseline IPS funding in light of demand signals. The original C\$2.3

billion over five years was a meaningful down payment; the next phase may require a mix of re-prioritization and new appropriations to scale what works (e.g. cyber, maritime domain awareness, and project preparation facilities).

Link theatres. Build practical North Pacific–Nordic and CPTPP–CETA bridges, aligning shipping, energy, trade and data routes.

Measure conversion, not just attendance. For trade missions and senior visits, publish conversion metrics (e.g. deals closed, regulatory barriers removed, pilots launched) within six months of each trip.

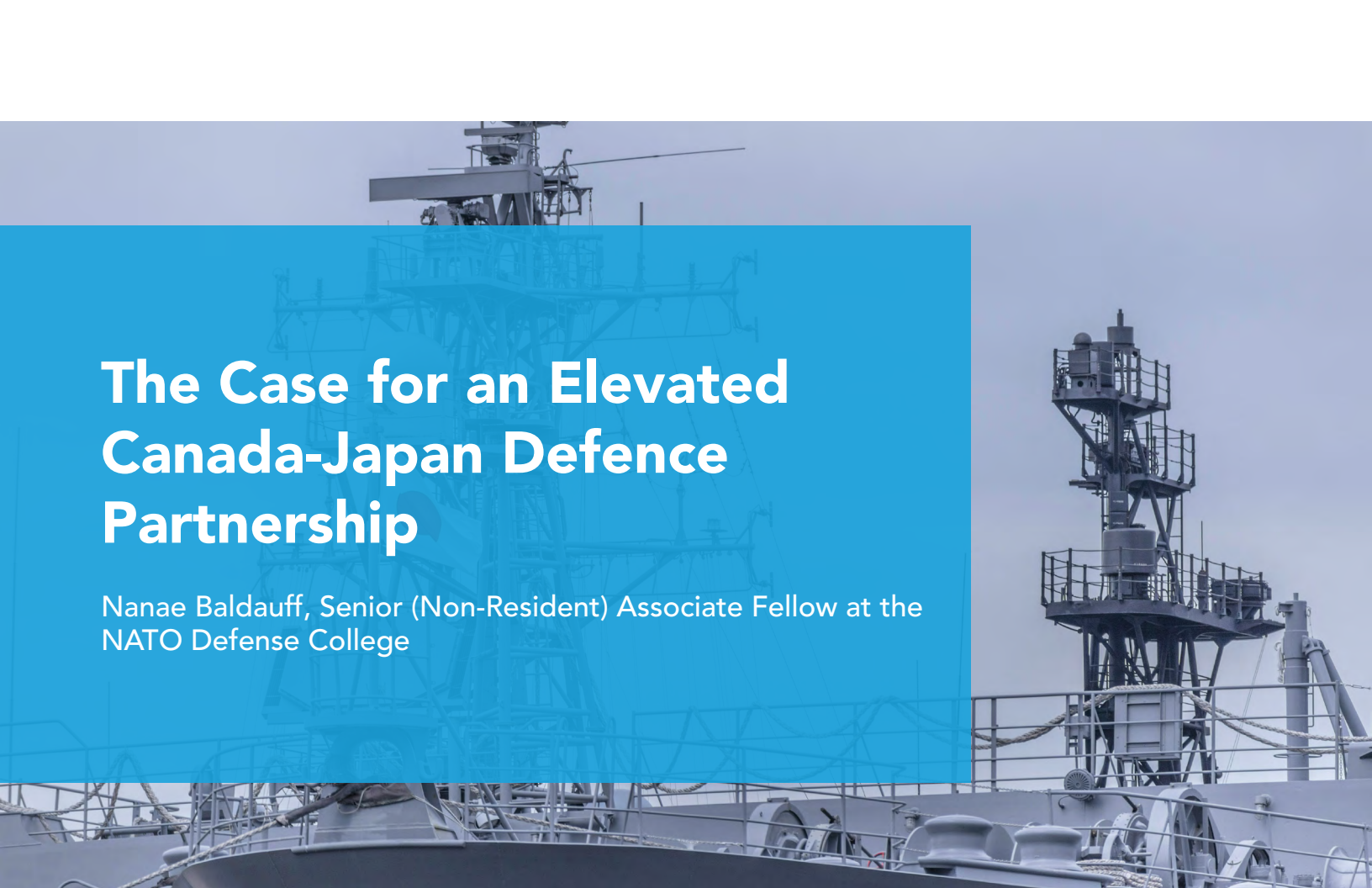
## Conclusion: The Next Turn

Three years in, Canada has expanded its presence in the Indo-Pacific — and that is no small feat.

But presence is a means, not an end. The world has shifted under our feet; assumptions that once underpinned Canadian foreign policy are now contested. In this environment, a revised and reprioritized IPS — nested within a clear national foreign policy, geared to economic resilience and hard-edged partnership, and powered by real Asia competence — can help Canada convert its activity into real advantage.

The goal for the next three years is simple to articulate but hard to do: become a consequential partner in the Indo-Pacific, one that shows up, solves problems, and helps shape outcomes that matter for Canadians' security and prosperity at home.

*Canada's Indo-Pacific Strategy (2022) included funding over five years for the establishment of an APF Canada office in the region and for new programs and initiatives in support of the IPS.*



# The Case for an Elevated Canada-Japan Defence Partnership

Nanae Baldauff, Senior (Non-Resident) Associate Fellow at the NATO Defense College

Canada and Japan have significantly increased joint military activities in recent years, including participating in joint exercises, high- and working-level meetings, and military and civilian personnel exchanges; sharing and receiving defence advice and expertise; conducting naval ship visits; and engaging in arms sales. While Canada's defence ties with Japan have deepened, they do not grab headlines like the most recent visit to Japan of the aircraft carrier [\*HMS Prince of Wales\*](#) or [Australia's selection of a Japanese warship](#) for its next frigate class.

The threat perceptions that Canada and Japan share are strikingly similar—arguably even more so than those Japan shares with the United Kingdom or Australia. Canada and Japan both face two equally challenging fronts, one economic and the other security-related. On the economic front, Canada and Japan must face the United States and China—the first and second largest trading partners for both Canada and Japan, excluding the European Union – with their mercantilist economic

policies involving tariffs and coercion. On the security and defence front, Canada and Japan both face China and Russia, which are increasingly coordinating their military activities in the wider Pacific. These challenges affect both Ottawa and Tokyo not only in terms of traditional defence but also in domains such as cyber, space, and the electromagnetic spectrum. This essay examines the security and defence dimension of Canada–Japan relations, focusing on five key areas—interoperability; logistics and operations; information-sharing and trust; defence industry; and technology engagement—in order to identify where collaboration is growing and where it could develop further.

## Interoperability

Canada has become a regular and committed participant in joint military exercises in the Indo-Pacific. As a priority partner for Canada in the Indo-Pacific, Japan serves as a strategic partner for Canada's regional military presence.

While the United States remains Japan's only formal security ally, Canada joins close partners, such as the UK and Australia, in efforts to enhance their interoperability with Japan. The August 2025 visit to Tokyo by the UK Carrier Strike Group, led by HMS *Prince of Wales*, was very much a multinational effort, including HMCS *Ville de Québec*.

Canada regularly participates in the Japan–US Keen Sword exercise, focused on readiness and interoperability. This long-standing bilateral exercise has evolved to become one of the most high-end, cross-domain-focused, war-fighting drills. Held east of Okinawa, the 2024 exercise tested combined joint all-domain command-and-control capabilities; Canada participated in the maritime dimension of the exercise. Canada also joined Exercise Pacific Vanguard in 2022 and again in 2024. This US-led maritime exercise, held near Guam, centred on anti-air warfare, maritime operations, and advanced manoeuvring, alongside Australia, Japan, and South Korea. Canada has also taken part in Pacific Dragon since 2022—a biannual multinational air-and-missile defense exercise held around Hawaii. The 2024 iteration included Australia, Italy, Japan, the Netherlands, South Korea, and the US, with a focus on ballistic-missile threat detection and tracking.

These exercises foster mutual understanding, align defence priorities, and identify shared threats. Both Canada and Japan are seeking advanced radar technology to respond to the growing hypersonic missile challenge from China. Japan is acquiring two Aegis System Equipped Vessels, while Canada is developing River-class destroyers. Notably, both countries—along with Spain—have selected [Lockheed Martin's SPY-7 radar](#), a shared space and missile-tracking platform that will further enhance interoperability between their respective integrated air and missile defence architectures. In addition to this platform, Canada and Japan are both part of the Lockheed Martin

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F-35 Joint Strike Fighter program. Moreover, Japan is one of the three F-35 Final Assembly and Checkout facilities, covering the North Asia region. The more advanced the platforms become, the need to train and exercise together increases. Close partners need to understand how the other deploys, maintains, and commands them. Through these shared platforms, Canada and Japan will be able to share information and operate effectively as a joint or combined team, thereby improving interoperability.

## Logistics and Operations

Canada and Japan signed an Acquisition and Cross-Servicing Agreement (ACSA) in 2018 to enable exchange of support—including food, fuel, transportation, ammunition, and equipment—for joint exercises, peacekeeping operations, and disaster relief. As the first institutionalized defence-cooperation framework between the two countries, ACSA marked a key step in formalizing bilateral military ties.

The next milestone is a Reciprocal Access Agreement (RAA). This agreement streamlines policy, legal, and administrative procedures for visiting armed forces, facilitating smoother joint activities. While ACSA stemmed from the NATO context, in which the militaries of NATO member states need to be interoperable, RAA is Japan-specific. Japan has signed RAAs with Australia, the Philippines, and the UK; negotiations are ongoing with France. As Canada and Japan prepare to undertake more complex and sophisticated military exercises on each other's territory, an RAA would provide a critical logistical and operational framework, accelerating the pace of bilateral cooperation.

In March 2025, Japan established a permanent joint headquarters to unify the command of its Ground, Maritime, and Air Self-Defense Forces. The new Joint Operations Command (JJOC) fundamentally strengthens command and control and is supported by comprehensive situational awareness, including space-based intelligence. However, [there is still much to be decided](#) in terms of how Japan and the US will coordinate seamlessly for contingencies in the region such as Taiwan and major disasters. Here Japan can look to NORAD—a binational US–Canada command tasked with the missions of aerospace warning, aerospace control, and maritime

warning for North America—as a model. As NORAD is deployed constantly, it offers valuable lessons on operational logistics and integrated command frameworks. In recent months, NORAD has detected Chinese bombers over Alaska, as they conducted a joint air strategic patrol with Russia. Since 2019, Japan has also had to respond to persistent joint flights of Chinese and Russian bombers in the airspace around Japan. Areas of operation covered by Canada and Japan are converging.

## Information-Sharing and Trust

On July 8, 2025, Canada and Japan signed the long-awaited Agreement on the Security of Information, making Canada the final G7 country to establish such an arrangement with Japan. This agreement governs the protection and handling of classified military information between the two states and their respective private sectors. It also enables secure, two-way defence and security-related procurement, allowing security-cleared companies to access classified information and bid on sensitive procurements in their respective markets.

When it comes to the handling of sensitive information, Japan has been criticized as a laggard. Nonetheless, Japan is generally regarded as a trusted partner—in fact, it is [the most trusted country among the Southeast Asian elites](#). [Concerns still remain](#), however, as Japan lacks comprehensive anti-espionage legislation. That said, in May 2024, Japan finally adopted a security clearance system—becoming the last G7 member to do so. This progress in counter-intelligence is [driven by three factors](#): the need to protect sensitive information for economic security, to maintain the competitiveness of Japanese businesses, and to prevent technology theft, particularly by China. As Japan strengthens its institutional capacity in this area, Canada gains a partner whose commitment to information protection is serious—reinforcing trust at the core of their defence relationship. Embodying this trust, Japan Air Self-Defense Force (JASDF) is deploying F15 fighter jets, along with four other aircraft and 180 personnel—code-named Atlantic Eagles—to Canada, Germany, the UK, and the US. As JASDF fighter jets have never flown to Europe or Canada, this marks a historic

milestone, and was made possible with [the approval given by](#) Canada, the UK, and Germany for Japanese fighter jets to fly over their airspace.

## Defence Industry

Following the signing of the Agreement on the Security of Information, Canada and Japan immediately began negotiations for an Equipment and Technology Transfer Agreement. While the two do not yet have a joint project, such as the Global Combat Air Programme (which industrially and strategically links Japan with Italy and the UK), Canadian firms see Japan as a potentially profitable market.

For instance, the JASDF sends pilots to Italy's International Flight Training School (IFTS) for advanced-level fighter training. Located in Sardinia, the IFTS is a partnership between the Italian Air Force and Leonardo, with CAE—a Canadian leader in flight simulation—providing integrated training systems. A former JASDF pilot now works for CAE's Tokyo office, reflecting this growing relationship. Although CAE does not yet hold a JASDF training contract, [there is growing interest from Japan](#) for integrated learning environments.

On the maritime side, the Japan Maritime Self-Defense Force purchased synthetic aperture sonars from [Kraken Robotics](#), a Canadian firm at the forefront of subsea intelligence via 3D-imaging sensors, power solutions, and robotic systems. Japan's 2022 National Defense Strategy lists unmanned defence capabilities as one of the country's seven priorities, and Kraken's Miniature Synthetic Aperture Sonar (MINSAS) systems will contribute to Japan's achievement of underwater superiority. These off-the-shelf purchases could evolve into joint research and development opportunities, as both countries seek more advanced and autonomous systems. In defense industry, Canada views Japan as a more capable competitor, as Tokyo is set to become a larger arms provider with its recent successful bid to manufacture Australia's next frigate. In hindsight, Japan should have bid for Canada's next generation of submarines.

## Technology Engagement

Finally, the two countries have made progress in terms of technology cooperation. In September 2023, Canada and Japan signed a Memorandum of Cooperation on Industrial Science and Technology. Areas of cooperation include advanced manufacturing, AI, clean technology and clean energy/carbon-reduction technologies, life sciences, quantum, and semiconductors—many of which are dual-use in nature. One of the concrete areas where Ottawa and Tokyo have begun cooperating is next-generation nuclear technology. The most recent [Canada–Japan Nuclear Forum in Tokyo](#) included a B2B program fostering greater business collaboration between the two nuclear sectors, as well as a visit by the Canadian delegation to Fukushima Prefecture to learn first-hand the path to a cold shutdown and the ongoing decommissioning efforts.

Although Japan is not a member of AUKUS—a tripartite security partnership among Australia, the UK, and US to support Australia’s nuclear-powered submarine program—[consultations are ongoing](#) for Japan to join the AUKUS Pillar II, which focuses on cutting-edge defence technologies. In July 2025, Japan joined the AUKUS partners for the first time [to test advanced underwater communications technologies](#). Japan was also the first state among the Indo-Pacific Four partners to agree with NATO to [cooperate in space security](#). The European Union and Japan agreed to develop communications-satellite constellations in order to [cut their reliance on SpaceX and establish more sovereign space capabilities](#). The Quad—the security partnership among Australia, India, Japan, and the US—has been implementing the [Indo-Pacific Partnership for Maritime Domain Awareness](#), which includes the space-based collection and sharing of

radio frequency data, analytical training, and capacity building. Canada’s MDA Space and its Dark Vessel Detection technology could be part of this initiative, which is set to geographically expand across the Indian Ocean region. These minilateral frameworks are all potential areas where Canada could play a role, especially now that Canada has a National Space Council to coordinate various space activities, both domestically and internationally. Canada can look to Japan, which clearly has [a whole-of-government approach](#) to security in space that integrates military, economic, and diplomatic dimensions, with a focus on [both commercial and defence objectives](#).

## Conclusion

As Tokyo accelerates its [defence buildup](#) and Ottawa moves toward [meeting its 2 percent defence spending target by year’s end](#), the Canada–Japan defence partnership is entering a new, more integrated phase—characterized by incremental defence-cooperation agreements, shared threat perceptions, common platforms, and mutual trust. While Canada–Japan defence ties have indeed deepened, they have the potential to grow even further. The next step in terms of institutionalization is to conclude an RAA and an Equipment and Technology Transfer Cooperation Agreement. Ottawa and Tokyo should aim to identify a joint industrial project, as both countries recognize the need for greater sovereign capacity to manufacture defence assets. Moreover, opportunities must be sought for further cooperation in the space and cyber domains by learning from Canada’s experience in NORAD, and Japan’s alliance with the US and membership in the Quad. In the face of profound security threats and uncertainties, Canada and Japan must move faster—because cooperation is not an option but a must.

# Canada's Role in Supporting the Philippines' External Defence Posture

Don McLain Gill, Department of International Studies, De La Salle University



During his remarks at the annual Seoul Defence Dialogue on September 9, the Philippines Secretary of National Defence Gilberto Teodoro [called](#) for like-minded states to push back against attempts by revisionist powers to pursue their narrow self-interests in violation of international law. Teodoro [noted that](#) Beijing's unilateral and expansionist activities, which serve as acute challenges to the Philippines' efforts to safeguard its sovereignty and sovereign rights. Moreover, the Southeast Asian country's defence chief pointed to distorted Chinese narratives that advance China's desire to strip the Philippines of its agency. This was reminiscent of Teodoro's statement at the 2025 Shangri-La Dialogue in Singapore, which [emphasized](#) that the Philippine position on the West Philippine Sea "is not a function of Sino-American strategic rivalry," but rather is in reaction to "the overreach of the Chinese Communist Party" in ways that have no bearing in international law.

Since 2022, China has stepped up its coercive activities within the Philippines' lawful Exclusive Economic Zone (EEZ). The latest of these incidents include the [irresponsible](#) manoeuvres by the China Coast Guard (CCG) and People's Liberation Army Navy (PLAN) close to the Scarborough Shoal on August 11, the dangerously close [approach](#) of a Chinese fighter jet to a Philippine Coast Guard (PCG) aircraft during the latter's Maritime Domain Awareness flight over the Scarborough Shoal on August 13, and the [increase](#) in CCG presence around the Second Thomas Shoal within the Philippine EEZ. Additionally, China has [unilaterally declared](#) the Scarborough Shoal as a "national nature reserve." Such an illegal assertion aims to further China's goal of occupation over key features within the Philippines' lawful EEZ.

Amid these concerns, Manila has endeavoured to expand its growing defence network to preserve the rules-based order in the West Philippine Sea and the greater Western

Pacific. In this regard, Canada has emerged as an important and trusted security partner of the Philippines.

### Teodoro's Vision as Defence Chief

As the national defence secretary of the Ferdinand Marcos Jr. administration, Teodoro has been primarily responsible for [implementing](#) the 2024 Comprehensive Archipelagic Defence Concept (CADC), which aims to reorient the defence capabilities of the Armed Forces of the Philippines (AFP) toward the security of the Philippines' EEZ, in order to uphold the inalienable right of every Filipino to reap the rewards of the Southeast Asian country's resource-rich maritime zones. The CADC marks an important and full-hearted effort by the Marcos Jr. administration to prioritize the territorial defence of the archipelago, after decades of attention given to internal counter-insurgency operations. This framework also serves as a much-needed wake-up call for the AFP to develop its maritime and air defence capabilities. In January 2024, AFP Chief of Staff General Romeo Brawner [noted](#) that Horizon 3, the third stage of the 18-year Revised AFP Modernization Program, will focus on the archipelagic-defence concept. This has resulted in the Philippine military's plans to acquire more maritime-security-oriented assets, like ships, aircraft, and radars, while also prioritizing the upgrading of military facilities across the West Philippine Sea.

Moreover, the national defence secretary has [demonstrated](#) his forward-looking vision in recognizing the interdependent security dynamics of the Western Pacific, meaning that what takes place in the East China Sea and the Taiwan Strait would have direct ramifications for the security interests of the Philippines. Evidently, along with China's bolder military posturing around Taiwan, South Korea and Japan have also been witnessing an [increase](#) in their East Asian neighbour's provocative and unilateral actions in the East China Sea and Yellow Sea. Accordingly, Japan recently proposed a one-theatre concept for its military operations — an idea Teodoro suggested was a practical framework by which the AFP could further integrate with Japanese forces and other like-minded Indo-Pacific partners in future operations.

Furthermore, in line with supporting the administration's rules-based approach to securing the Philippines' lawful maritime zones, Teodoro has [undertaken](#) a critical

evaluation of the country's existing and upcoming defence partnerships. While the past few years have witnessed a considerable increase in defence engagements and collaborative military activities, there is a need to scrutinize their operational, rather than symbolic, value.

Accordingly, the Philippines has embarked on a proactive calibration of its defence ties to reflect its long-term security objectives. Along with deepening strategic collaborations with fellow Indo-Pacific powers, the Philippines has also operationalized functional partnerships with Western states that share the same interests in a free, open, and rules-based regional maritime order. Among them, Canada has emerged as a crucial security partner.

### The Philippines–Canada Security Partnership Is a Natural Fit

Canada's Indo-Pacific Strategy [notes](#) that "China is an increasingly disruptive global power," and it aims to push back against China's unilateralism in the South China Sea through security partnerships with like-minded countries. In October 2023, Ottawa and Manila [signed](#) an agreement that provided the Philippines access to Canada's Dark Vessel Detection (DVD) program. Since then, the PCG and the AFP have improved their Maritime Domain Awareness operations against the intrusive patrols and illegal activities carried out by the CCG and the Chinese maritime militia in the Southeast Asian country's lawful Exclusive Economic Zone. Moreover, along with improving [cybersecurity cooperation](#) and [enhancing interoperability collaborations](#) at sea at both bilateral and multilateral levels, Canada and the Philippines [concluded](#) a Visiting Forces Agreement (VFA), allowing for more seamless military-to-military coordination and rapid-response operations.

To supplement its growing partnership with the Philippines, Canada has notably cultivated security ties with other states located in the critical first island chain: Taiwan and Japan. On August 12, former Canadian representative in Taiwan Jim Nickel and Taiwan's envoy to Canada, Harry Tseng, [signed](#) a DVD access agreement similar to the one Canada signed with the Philippines, to help address the proliferation of illegal, unreported, and unregulated fishing. Taiwan is at the intersection of traditional and non-traditional security threats in the

maritime domain. While a looming Chinese invasion remains of critical concern for the island state's long-term survival, it is equally plagued by illegal fishing activities, mainly carried out by Chinese vessels that are [heavily escorted](#) by the CCG. While Taiwan has taken [significant steps](#) to curb domestically driven illegal fishing practices, it requires international help to deal with an expansionist power that has no respect for international law and the sanctity of sovereignty and sovereign rights.

Along with the [expansion](#) of blockade exercises carried out by the PLAN around Taiwan in the past three years, Chinese fishing vessels have congruently [proliferated](#) in waters claimed by Taipei, causing significant damage to the marine ecosystem and Taiwan's fisheries industry. Given the stark asymmetry in capabilities between Taipei and Beijing and the perils of geography, Taiwan has been seeking collaborations with partners that share its vision of a rules-based maritime order in the Indo-Pacific. Consequently, despite not making waves in international media, the DVD agreement between Canada and Taiwan strongly indicates Ottawa's determination to continue its opposition to unilateral actions that threaten the status quo in the region, especially in the Taiwan Strait. Canada has also consistently conducted joint naval transits with the United States through the Taiwan Strait (in [2021](#), [2022](#), [2023](#), and [2024](#)). More importantly, Ottawa has been skilfully balancing its adherence to the One China policy, while expanding cooperation with Taipei on vital issues.

Canada has also explored ways to strengthen its security cooperation with Japan. On July 8, Japanese foreign minister Takeshi Iwaya and Canadian foreign minister Anita Anand [signed](#) the Security of Information Agreement to allow exchanges of national-security-related information and eventually facilitate two-way defence procurements. To take advantage of this development,

Ottawa and Tokyo must also look to sign a VFA and fast-track the provisions for bilateral defence-equipment and technology-transfer agreements.

Doing so would greatly complement the expansion of Canada's security ties with the Philippines and the latter's robust defence partnership with Japan. Moreover, maintaining active diplomatic linkages with Taiwan, especially in areas of non-traditional security, would support the resilience of the first island chain in the face of an increasingly aggressive China. In this context, any

effort to improve the capabilities of the states in the first island chain would be of direct benefit to the Philippines' security interests, as reflected in Manila's support for the one-theatre strategic concept in the Western Pacific.

### The Challenges that Loom

A strong-willed defence establishment in the Philippines, however, runs counter to Beijing's unilateral ambitions. Consequently, through its [vast](#) network of disinformation and malign information operations in the Southeast Asian country, China will seek not only to discredit but also to undermine the political will of the current administration and to drive a wedge between the Philippines and its security partners. Therefore, to ensure the Philippines' contemporary focus on archipelagic defence continues, the present administration must prioritize

the empowerment of the defence establishment and institutionalize existing collaborative efforts with like-minded security partners, such as Canada. While Philippine foreign policy has often been assumed to shift based on presidential directives, history has [shown](#) that the country's defence establishment has served to check the power of even the most radical of leaders who wish to undermine Philippine national-security interests.

**// To ensure the Philippines' contemporary focus on archipelagic defence continues, the present administration must prioritize the empowerment of the defence establishment and institutionalize existing collaborative efforts with like-minded security partners, such as Canada."**



# Connecting South Korea's and Canada's Indo-Pacific Strategies Through Defence and Security Cooperation

Suon Choi, Korea Institute for Defense Analyses

In late 2022, Canada and the Republic of Korea (ROK or South Korea) each released Indo-Pacific strategies articulating their visions. [Canada's Indo-Pacific Strategy](#) underscores the region's political and economic importance to Canada and commits to deepening engagement with regional partners. A month later, South Korea unveiled its own [Indo-Pacific Strategy](#) to foster a “free, peaceful, and prosperous Indo-Pacific,” emphasizing cooperation with like-minded countries to address regional challenges. Notably, [South Korea's strategy](#) explicitly identifies Canada as a Comprehensive Strategic Partner (CSP) and expresses intent to enhance cooperation with Canada. [Canada's strategy](#) likewise highlights South Korea as a key democratic partner with shared strategic interests. This report presents the benefits of linking South Korea's and Canada's Indo-Pacific strategies with a focus on defence and security cooperation. It reviews major developments and alignment opportunities since the strategies were launched and presents recommendations for strengthening bilateral defence and security collaboration.

## Converging Indo-Pacific Strategies

Both Canada and South Korea view their Indo-Pacific strategies as blueprints for securing national interests in an era of shifting geopolitics. [Canada's Indo-Pacific Strategy](#) lays out a ten-year framework and affirms that as a Pacific state—with a 25,000 km Pacific coastline—Canada's security and prosperity are inextricably tied to the Indo-Pacific. It stresses multilateralism, deepening partnerships with regional democracies, and the protection of international norms. Significantly, Canada's strategy names South Korea as a “[strong democratic partner](#)” and commits to support Seoul's efforts toward “a denuclearized, peaceful, and prosperous Korean Peninsula,” building on Canada's long-standing defence ties (e.g., involvement in the United Nations Command in Korea).

[South Korea's Indo-Pacific Strategy](#) similarly centres on upholding freedom, the rule of law, and human rights, while pursuing an “inclusive” regional order that allows diverse states to prosper together. It outlines a vision of South

Korea as a “Global Pivotal State” that contributes to regional peace and security by expanding networks with partners beyond Northeast Asia. In practice, this means Seoul seeks closer cooperation with countries like Canada on issues ranging from critical technologies to maritime security.

The two strategies are natural complements, seeking to reinforce the rules-based international order and calling for collaboration on shared challenges. They therefore provide a strong ideological basis for South Korea and Canada to join efforts. Crucially, this mutual recognition in official strategy documents signifies high-level political alignment. By formally plugging South Korea into Canada’s Indo-Pacific plan and vice versa, both governments have set the stage for more synchronized policies. Crucially, these strategies should be connected to move from abstract principles to coordinated action: aligning diplomatic initiatives, military activities, and security policies so that Canadian and South Korean efforts reinforce each other in the Indo-Pacific.

Since the release of their Indo-Pacific strategies in 2022 and the parallel upgrade of bilateral relations to a Comprehensive Strategic Partnership, South Korea and Canada have made significant strides in aligning their defence and security cooperation. In September 2022, on the sixtieth anniversary of their diplomatic ties, South Korea and Canada elevated their relationship to a Comprehensive Strategic Partnership. The [CSP is structured around five pillars](#): 1) defending the rules-based international system, democracy, and human rights; 2) strengthening security and defence partnerships (including peacekeeping and maritime security); 3) enhancing economic prosperity and security (with a focus on supply chains and critical minerals); 4) addressing climate change and energy security; and 5) deepening partnerships in health and culture. Notably, security and defence cooperation is a central pillar of the CSP. The elevation of the Canada–South Korea relationship to a CSP signalled a high-level political commitment to closer coordination and created a formal umbrella under which both countries could link their Indo-Pacific initiatives.

A major milestone was the release of a joint Canada–ROK CSP Action Plan in July 2024, which explicitly “[joins together the CSP with our Indo-Pacific strategies to](#)

[build toward a stronger friendship](#).” This detailed Action Plan expands on each CSP pillar, effectively aligns both countries’ strategic objectives, and sets a road map for implementation. In the security and defence domain (Pillar 2 of the CSP), the Action Plan includes initiatives such as: negotiating “toward an agreement on the protection of classified military/defence information,” launching a “High-Level Economic Security Dialogue (2+2) to frame a security- and defence-industry partnership; exploring cooperation on joint defence capacity-building for regional partners and on airborne anti-submarine warfare development; coordinating efforts on Women, Peace and Security; enhancing bilateral and multilateral maritime-security efforts; developing greater cybersecurity cooperation; and increasing cooperation through NATO.

In November 2024, South Korea and Canada held their inaugural Foreign and Defence (2+2) Ministerial Meeting (“the Ministerial”) in Ottawa—a [direct outcome of CSP planning](#). This high-level format allowed the countries to discuss strategic issues in an integrated way, affirming their resolve to “[deepen cooperation to reinforce global stability in the face of interconnected challenges in the Indo-Pacific and beyond](#).” Separately, there are established military-to-military talks, such as annual Defence Policy Talks and the Military Cooperation Committee, which have been invigorated by the new agreements.

A very practical sign of deepening security cooperation between South Korea and Canada is their increased joint participation in regional security operations. Canada has augmented its military presence in the Indo-Pacific as part of its strategy—launching Operation HORIZON [to ensure a persistent deployment in the region and bolster cooperation with allies](#). Under this mandate, the Canadian Armed Forces have [actively worked with the ROK Armed Forces to enforce UN sanctions on North Korea](#) through Operation NEON, a multinational effort to monitor and deter illicit North Korean maritime smuggling. In 2023, Canadian and South Korean naval units conducted trilateral exercises with the United States in the Yellow Sea, practicing tactical manoeuvres and helicopter operations as a [show of combined readiness against North Korean threats](#). Canada also participated in ROK–US Ulchi Freedom Shield exercises and other regional drills, [reflecting its commitment to peninsular security](#). Both

Canadian and South Korean navies regularly join the US-led RIMPAC exercise and Exercise Pacific Vanguard with the US and Japan.

In the trans-Atlantic sphere, South Korea has deepened engagement with NATO—joining the [NATO Cooperative Cyber Defence Centre of Excellence](#) and regularly attending NATO summits as one of the Indo-Pacific partner nations. Canada, as a founding member of NATO, has [welcomed South Korea's greater role in Euro-Atlantic security dialogues](#). The two countries have agreed to increase cooperation through NATO and other multilateral institutions, recognizing the interlinkage of European and Indo-Pacific security. In forums like the United Nations, G20, ASEAN Regional Forum, and the Seoul Defense Dialogue, South Korea and Canada have presented a united voice on issues such as North Korean nuclear proliferation and the importance of a rules-based maritime order.

## Benefits of Linking Strategies: Defence and Security Focus

Enhancing coordination between Canada's and South Korea's Indo-Pacific approaches is especially critical in the defence and security realm, where both countries face fast-evolving threats. The Indo-Pacific has become the world's most consequential geopolitical arena, and Seoul and Ottawa [confront many of the same threats](#), despite the vast ocean between them. Closer strategic cooperation offers several key benefits.

By acting in concert, South Korea and Canada can contribute to peace in the Indo-Pacific region. North Korea's nuclear weapons and missiles, now able to reach North America, have turned the Korean security problem into a [direct threat to Canada](#). For South Korea, having Canada more engaged in security [bolsters strategic resilience by adding a valuable partner beyond the US alliance network](#). For Canada, supporting South Korea helps contain a source of global instability and protects North America as well. In short, joint collaboration on complementary Indo-Pacific strategies enhances collective security against common threats.

Each country brings complementary strengths that, if combined, create a more robust defence capability. [Canada offers abundant natural resources, Arctic expertise, and wide diplomatic influence](#), while South Korea provides advanced technology, proven military capabilities, and strong regional networks. Canada's expertise in operating in extreme maritime conditions, particularly in the Arctic, along with its strengths in aerospace and cyber domains, [complements with South Korea's leadership in sectors such as shipbuilding, semiconductors, and missile systems](#). Closer strategic coordination would allow both countries to maximize these complementarities—for instance, integrating South Korean sensors and satellites with Canada's space-based surveillance for sea lane monitoring, or combining Canadian advances in AI and materials science with South Korea's electronics capabilities for defence innovation. Such synergy would yield greater capabilities than either state could achieve alone, enhancing their ability to respond to Indo-Pacific security challenges.

Strong ROK–Canada security cooperation contributes to a broader coalition of like-minded middle powers upholding the regional order. It can stand as a [model of middle-power collaboration](#), capable of shaping the Indo-Pacific in ways that go beyond the conventional hub-and-spoke alliance framework. This is particularly important amid US–China strategic competition and uncertainties about great-power behaviour. Linking ROK's and Canada's strategies strengthens the liberal order regardless of great-power vicissitudes. Together, South Korea and Canada can more credibly promote principles like freedom of navigation and oppose economic coercion, enhancing their strategic autonomy from a single patron.

When aligned, South Korea and Canada can significantly shape regional security discussions in forums like the G7, NATO, APEC, ASEAN Regional Forum, and the UN. The year 2025 presents an immediate opportunity: Canada hosted the G7 Summit and South Korea will host the APEC summit this fall. By speaking in harmony on issues like Indo-Pacific security, maritime law, or cyber norms, the two countries carry more diplomatic weight. Aligning strategies thus improves their ability to set agendas and build international coalitions in support of regional stability.

## Policy Recommendations for Enhanced Defence and Security Cooperation

### INSTITUTIONALIZE THE “2+2” MINISTERIAL MEETING ON A REGULAR SCHEDULE.

Following the successful inaugural Ministerial in 2024, establish it as an annual or biennial dialogue. Regular 2+2 meetings will maintain high-level political momentum and ensure synchronized policy across foreign and defence domains. The next meeting could, for example, review the implementation of the Action Plan’s Pillar 2 items and endorse new joint initiatives for the coming year.

### EXPAND JOINT MILITARY EXERCISES AND TRAINING EXCHANGES.

Move beyond the current episodic exercises to more frequent bilateral training engagements; for example, an annual ROK–Canada naval exercise outside of multilateral frameworks. This could be a modest anti-submarine warfare drill or a search-and-rescue exercise to start, potentially held in conjunction with each navy’s port visits.

### INCREASE PERSONNEL EXCHANGES.

Invite South Korean officers to participate in Canada’s Operation HORIZON deployments and Canadian officers to join ROK exercises. These exchanges build familiarity, which pays off during crises.

### LEVERAGE 2025 SUMMIT DIPLOMACY FOR SECURITY INITIATIVES.

Coordinate closely in the APEC summit hosted by South Korea and use that platform to elevate discussions on Indo-Pacific security; for instance, issuing a joint statement or holding a side-event on AI or cyber security norms. South Korea can invite Canada into key APEC discussions on supply-chain security and arrange a bilateral defence ministers’ meeting on the margins of the APEC meetings. These summits offer opportunities to announce or showcase new initiatives to demonstrate the strength of the partnership.

In conclusion, South Korea and Canada can ensure their defence and security cooperation not only keeps pace with, but indeed stays ahead of, the evolving challenges in the Indo-Pacific. The benefits of such a course are manifold: stronger deterrence against common threats, greater influence in regional affairs, and the creation of a model of middle-power strategic collaboration that contributes to global peace and security. Their partnership, rooted in shared values and now sharpened by shared strategy, is poised to be a linchpin of Indo-Pacific security cooperation for years to come.

**“ Their partnership, rooted in shared values and now sharpened by shared strategy, is poised to be a linchpin of Indo-Pacific security cooperation for years to come.”**



# What's Next for Canadian Development Assistance in the Indo-Pacific?

Bart Édes, Distinguished Fellow at the Asia Pacific Foundation of Canada and Professor of Practice at McGill University's Institute for the Study of International Development

Canada's approach to international development is intrinsically linked to its broader foreign policy, rooted in the belief that global stability and prosperity enhance the safety and economic well-being of Canadians at home. This approach is codified in [Canada's Feminist International Assistance Policy \(FIAP\)](#), which seeks to eradicate poverty and build a more peaceful, inclusive, and prosperous world.

At the core of the FIAP is the principle that promoting gender equality and empowering women and girls is the single most effective way to achieve this overarching goal. Indeed, women's rights, including sexual and reproductive rights, are positioned as central to Canada's foreign policy. The FIAP is structured around six interconnected action areas: Gender Equality and the Empowerment of Women and Girls (the core area); Human Dignity (including health, nutrition, and humanitarian action); Growth that Works for Everyone; Environment and Climate Action; Inclusive Governance; and Peace and Security. With FIAP as a foundation, Canada has made

commitments to promote inclusive development in the Indo-Pacific region.

## The Indo-Pacific: A Generational Priority

Canada has identified the Indo-Pacific region as key to shaping its future over the next half-century. The region is rapidly becoming the global centre of economic dynamism and a major strategic challenge. Economically, the Indo-Pacific [encompasses](#) 40 economies, more than four billion people, and C\$47.2 trillion in activity. By 2040, the region is [projected](#) to account for more than half of the global economy.

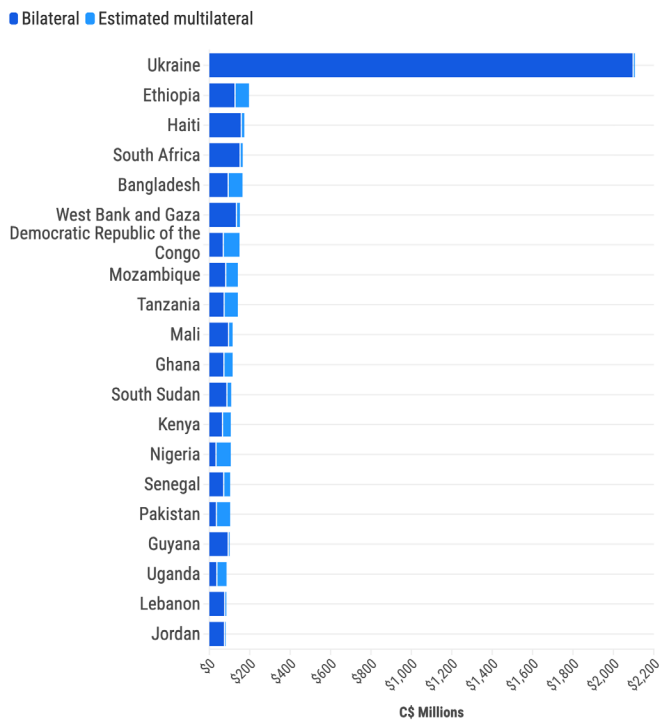
Canada boasts a 25,000-kilometre Pacific coastline and has welcomed large numbers of immigrants from the Indo-Pacific. The region's strategic importance is amplified by challenges such as deepening great power competition, rising inter-state tensions, climate change, and biodiversity loss. Canada's engagement, formalized in the [2022 Indo-Pacific Strategy](#) (IPS), is a whole-of-society

response aimed at seizing opportunities while defending Canadian values.

Where the Money Goes

In the fiscal year 2023–24, the Government of Canada disbursed C\$11.1 billion in international assistance, of which C\$9 billion was [considered](#) official development assistance (ODA). The following [bar graph](#) shows the 20 leading recipient countries of Canadian international development assistance (in C\$), just two of which are in Southeast or South Asia:

Top 20 recipients of Canadian international assistance, 2023–24



Source: Global Affairs Canada

The IPS is supported by new investments of nearly C\$2.3 billion over five years. Development commitments focus on advancing the Sustainable Development Goals (SDGs) while upholding the FIAP. Key focus areas within the Indo-Pacific align with the FIAP pillars:

- 1. Climate Action and Green Future: Canada is committed to building a sustainable and green future by sharing expertise in clean technology, oceans management, and climate finance. Further, it will prioritize the Indo-Pacific

in the Powering Past Coal Alliance, supporting partners’ transition from coal to clean energy.

- 2. Peace, Resilience, and Security: Canada addresses security challenges, including countering illegal, unreported, and unregulated fishing through programs such as the Dark Vessel Detection program. Canada intends to keep building de-mining capacity in countries like Laos and Cambodia.
- 3. Investing in People: In the ASEAN region, Canada is deepening co-operation with several countries, including Indonesia, the Philippines, and Vietnam. For example, Canada funds the Canada-ASEAN Scholarships and Educational Exchanges for Development Program to strengthen educational ties.

Last year, Canada contributed C\$10 million to help launch Phase 3 of the Canada-ASEAN collaboration on the Mitigation of Biological Threats (MBT) Program. This brought total collaboration funding over 10 years to C\$36.6 million. This program has strengthened the health-security capacities of member states to prevent, detect, and respond to biological threats, minimizing economic loss and social impacts. In addition, Canada [announced](#) more than C\$28 million in funding to the Philippines to support nature-based solutions to climate change and biodiversity loss and increased health-care services.

Further, in June 2024 Canada announced its intention to provide up to C\$350 million in concessional financing and up to C\$10 million in technical assistance to the Asian Development Bank to establish the Canadian Climate and Nature Fund for the Private Sector in Asia (CANPA). CANPA [aims to stimulate](#) private sector investment in climate and nature-based solutions that advance gender equality across the Indo-Pacific region, especially in developing countries and small island developing states.

Canadian-funded projects have generated significant results, particularly in environmental resilience, governance, and energy transition. For example, the three phases of Canada’s Climate Fund for the Private Sector in Asia (including CANPA) have catalyzed private investment in climate change mitigation and adaptation. Earlier funds supported the Monsoon Wind Power Project (Laos–Vietnam), the first cross-border wind project in Asia.

In Cambodia, Canadian funding supported the construction of a 10.5-megawatt solar power plant in Bavet, the country's first utility-scale solar photovoltaic project. Development programming in Vietnam is supporting the economic inclusion of vulnerable communities, including ethnic minorities and marginalized women, through vocational training and access to finance. Further, a [Canada-led project](#) within the Asia-Pacific Economic Cooperation forum is helping to empower micro, small, and medium-sized enterprises by emphasizing their critical role in international standards development and encouraging participation in international trade.

### Canada's Development Aims, Regional Objectives are Mutually Supportive

In an era of shifting global power dynamics, the purpose and value of development assistance have come under intense scrutiny. Yet budgetary support for low- and middle-income countries is not a charitable act — it is a strategic investment and valuable instrument for advancing Canada's national interests. By providing development assistance to this dynamic and complex region, Canada not only fulfills a humanitarian duty but actively secures its own future prosperity and security.

The IPS responds to the region's rising global influence. The strategy is a comprehensive framework built on five interconnected objectives, two of which — promoting peace, resilience, and security (Pillar One) and expanding trade, investment, and supply chain resilience (Pillar Two) — are directly supported by strategic development assistance.

For Pillar One, foreign aid is a powerful tool for promoting stability. Development projects that build local capacity to address threats such as climate change, food insecurity, and public health crises are a form of preventive security. They foster resilience within communities, reducing the likelihood of conflict and humanitarian crises that could destabilize the region and impact global security. For instance, funding for programs that strengthen health systems can mitigate the spread of infectious diseases, protecting not only the local population but also Canadians at home, as the recent pandemic demonstrated.

Similarly, development assistance underpins Pillar Two by creating a more predictable and stable environment for Canadian businesses. By fostering economic growth and strengthening governance, aid helps to build reliable partnerships and open new markets. Aid also helps to diversify Canada's supply chains, reducing the country's economic overreliance on a small number of trading partners and insulating its economy from geopolitical shocks. This interconnected approach ensures that development assistance is not separate from Canada's economic interests but is, in fact, an essential catalyst for them.

### Maintaining Canada's Commitment to Development

While the direct benefits to recipient countries are clear, providing development assistance also yields positive returns for Canada. It allows Canada to build strategic partnerships beyond its traditional trade relationships, fostering diplomatic and economic clout. As other traditional donors retreat from the global stage, Canada's sustained and visible engagement creates goodwill and strengthens diplomatic ties. This soft power helps Canada project influence, gain a seat at the table on important regional issues, and position itself as a reliable and trusted partner.

Were Canada to follow other donors and cut development assistance at this time, it would reduce its growing global clout, devalue a useful tool for advancing IPS goals, and undermine its commitment to global goals. Through its development assistance program, Canada reinforces its reputation as a leader in humanitarian efforts and peacekeeping, a brand that is a core part of its national identity. This reputation can translate into a competitive advantage in a region of growing geopolitical importance, facilitating future trade agreements and economic co-operation.

Canadians should care about international development because their future is inextricably linked to the world's future. In an increasingly interconnected global system, challenges such as climate change, infectious diseases, and economic instability do not respect national borders. A crisis in the Indo-Pacific can quickly become a global one, affecting Canadians' health, economic stability, and security.

Furthermore, public opinion surveys consistently show strong support for international assistance. Most Canadians believe that working with other countries to solve global problems is in Canada's best interest. Providing aid is seen as a moral duty and a way to help create a more stable and prosperous world for all.

## A Time for Leadership

The global context makes Canada's role more critical. Major donors, including the U.S., France, Germany, and the U.K., have cut ODA. The effective closure of USAID and other aid cuts have created a massive void with humanitarian, economic, and geopolitical consequences. This retreat could create space for authoritarian powers to fill. Such actors may use aid to expand influence and impose rules at odds with Canadian values of democracy, human rights, and the rule of law.

Canada cannot fill the gap alone but can lead by maintaining its development commitment, convening donors, and co-ordinating action. Upholding its role supports vulnerable communities, strengthens Canada's strategic position, and preserves its reputation as a trusted global partner. Development is thus both principled and pragmatic, advancing peace and prosperity for the Indo-Pacific and Canada alike.

Canada's development assistance programs support the IPS's advances by promoting sustainable, inclusive growth, and resilience. Investments in climate, digital innovation, health, and gender equality improve security and opportunity, while fostering rules-based governance. Partnerships expand trade, people-to-people ties, and stability. Aligning aid with local priorities and multilateral initiatives builds trust and influence across the Indo-Pacific.

Development assistance also boosts trade, investment, and supply chain resilience by supporting infrastructure development, digital connectivity, and skills. Targeted aid enhances regulatory alignment, sustainable resource use, and climate-smart agriculture. By fostering inclusive growth, empowering women, and building institutions, Canada creates stable markets. Working with regional bodies and multilateral development banks, aid catalyzes private investment, deepens integration, and builds trusted partnerships — reinforcing Canada's role as a reliable Indo-Pacific partner.

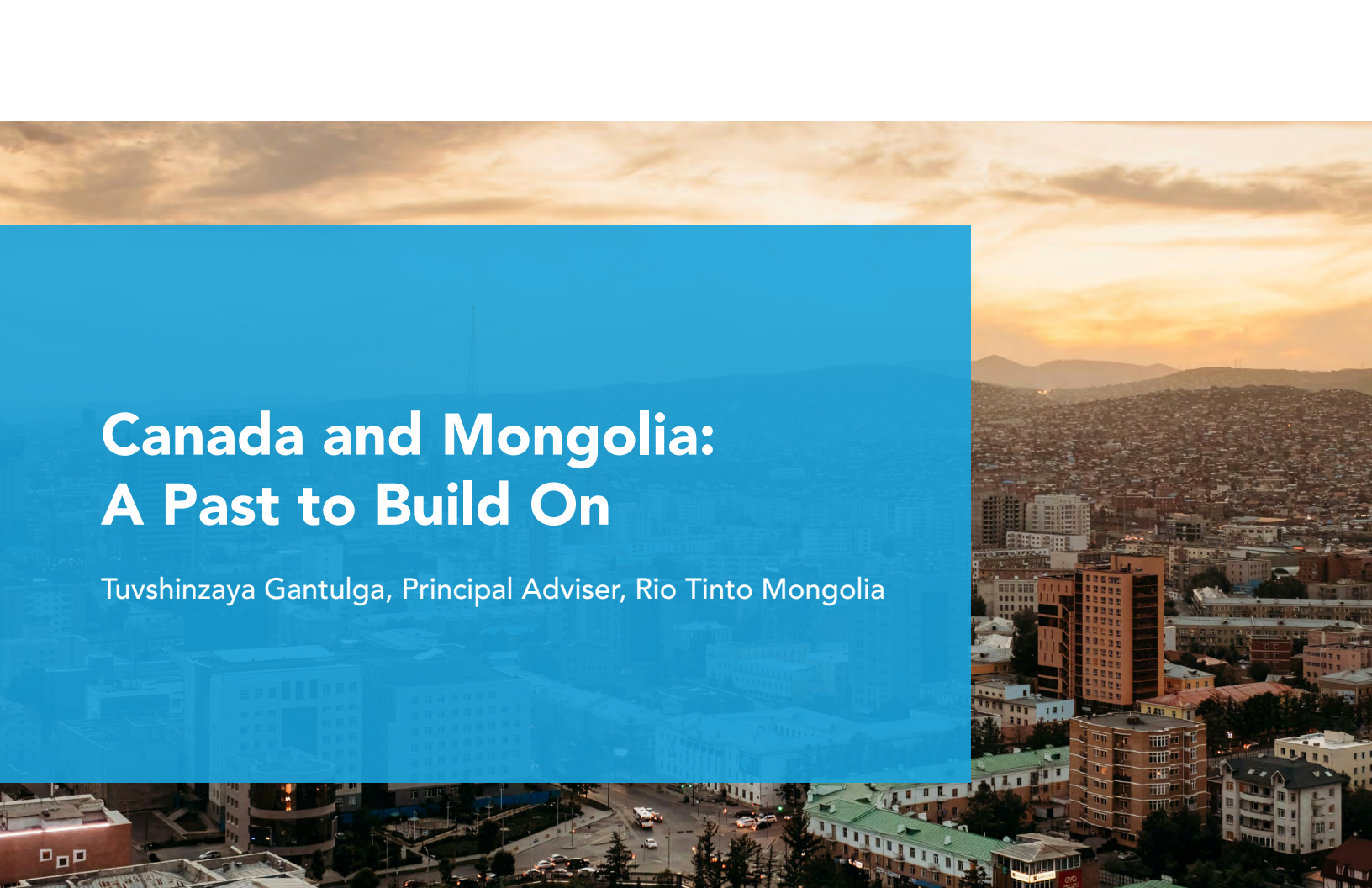
If Canada follows other donors in cutting aid, it risks losing influence and credibility, weakening partnerships with the Global South, and leaving space for rivals. Such cuts could also undermine climate, health, and gender priorities central to Canada's global identity and reduce opportunities for Canadian businesses, researchers, and civil society.

Canada can learn from Australia's evolving Indo-Pacific approach, which emphasizes locally led development and recognizes diverse, sometimes competing, change pathways. Its integration of climate and gender targets, stronger civil society engagement, and humanitarian readiness align aid with partner priorities while advancing foreign policy goals. Canada can sharpen its engagement by embedding learning, elevating local voices, and balancing global values with regional sensitivities.

Given the upheaval in international development, Canada must adapt. Support for developing countries must be consistently viewed more broadly than grant-based programs, which retain a vital role, but have their limitations. Canada's support for developing countries should increasingly focus on nurturing local ownership and capacity. This means helping low- and middle-income countries to more effectively mobilize domestic resources, including through improved tax administration, contributing to international efforts to reduce crushing debt burdens, and improving access by developing countries to international capital markets.

By acting to reduce remittance fees, leverage private capital through government guarantees, engage philanthropy, and step up engagement with the multilateral development banks, Canada can boost its positive impact in the Indo-Pacific. Canada needs to align foreign aid with national interests while sustaining humanitarian commitments to strengthen both its position and influence in the region.

Now is the moment for Canada to assert leadership as others withdraw. A robust, strategic development assistance program in the Indo-Pacific will promote inclusive growth, tackle climate change, and forge economic partnerships — building resilience and security for a more stable and prosperous future for the region and Canada.



# Canada and Mongolia: A Past to Build On

Tuvshinzaya Gantulga, Principal Adviser, Rio Tinto Mongolia

## A Relationship Once Stronger

Canada was once at the centre of Mongolia's modern development story. The multibillion-dollar investment by Toronto-listed Turquoise Hill Resources ([TRQ](#)) in the Oyu Tolgoi copper and gold mine made Canada Mongolia's largest foreign investor for much of the 2010s. Canada's footprint in Mongolia during this period was prominent, with policy-makers in Ulaanbaatar often citing Canada as a key "third neighbour" partner—beyond Russia and China.

The relationship, however, has roots that go deeper than Oyu Tolgoi. Canada was one of the first Western democracies to [establish](#) diplomatic relations with Mongolia in 1973, during Mongolia's socialist period. Canadian assistance programs supported Mongolia's democratic transition from the early 1990s, including electoral training, parliamentary exchanges, and educational scholarships.

Mongolian troops served alongside Canadian forces in Iraq and Afghanistan, and in multinational peacekeeping missions. Educational connections also grew in the 2010s, with many Mongolian students pursuing degrees at Canadian universities. Among them is Mongolia's current mining minister, who graduated in 2016 with a master's degree in Mining Governance and Policy from the University of British Columbia, and who has highlighted Canada as an example of how a resource-based economy can drive national development.

The period of strong engagement between Mongolia and Canada during the massive investment in the Oyu Tolgoi mine receded in 2022, when Anglo-Australian Rio Tinto bought out the remaining 49 percent of TRQ shares that were held by minority shareholders and delisted the company from the Toronto Stock Exchange. The buyout was motivated by a desire to simplify the ownership and

governance structure of Oyu Tolgoi, but as a result, Canada lost a key direct economic link to Mongolia. Through TRQ's Canadian listing, Canada had secured a foothold in the region in one of the world's most significant copper projects—a metal central to the future economy. Since then, new large-scale Canadian investment has not materialized and the stock of Canadian foreign direct investment (FDI) in Mongolia has fallen sharply, from a peak of C\$10 billion in 2019 to just C\$516 million in 2024.

This paper argues that while another Oyu Tolgoi-sized deal is unlikely, conditions are ripe for renewed collaboration between Canada and Mongolia in both the security and economic realms. Strategic alignment with Canada's Indo-Pacific Strategy, trade and investment opportunities, and the resilience of Mongolia's democracy all point to the possibility of a new chapter in Canada–Mongolia ties.

## Current State of Trade and Investment

### THE POST-TRQ FOREIGN DIRECT INVESTMENT LANDSCAPE

The buyout of TRQ left a gap. Canadian direct investment, once concentrated almost entirely in the Oyu Tolgoi project, has dwindled. Statistics Canada [data](#) underscores this. The book value of Canadian FDI peaked during the TRQ era at levels [greater](#) than Canadian investment in France, a G7 ally. However, the steep decline after 2022 reflects not a rejection of Mongolia but rather the fact that Canada's economic engagement occurred mostly through a single firm.

This decline does not mean complete disengagement. Canada [retains](#) nearly C\$1 billion in financing exposure to Mongolia through Export Development Canada's support for Oyu Tolgoi, and several Canadian mining firms still operate in the country. The Bayan Khundii gold mine, one of the world's highest-grade open-pit gold mines, is a joint venture between Canada's [Erdene Resource Development Corporation](#) and [Mongolian Mining Corporation](#). Erdene's year-to-date returns on the Toronto Stock Exchange were [almost 200 percent](#), which makes it one of the exchange's best-performing stocks. Canadian companies continue to play a prominent role in Mongolia, particularly in mining services, where they provide technical expertise in geology, safety training, and environmental assessments.

Canadian-supported NGOs and development programs remain active in areas such as governance and education. [The Canada Fund for Local Initiatives](#), for example, has provided hundreds of small grants in underprivileged communities in Mongolia since 1997. But the scale of these contributions pales in comparison to what could be achieved.

In the absence of new Canadian inflows, mostly Chinese companies and investors are filling the space in ways that neither Ulaanbaatar nor Ottawa should see as strategically beneficial. Successful projects like the Bayan Khundii gold mine—[expected](#) to generate around C\$200 million in annual free cash flow—demonstrate what is possible, but such projects are rare. Chinese state-owned enterprises and investors have expanded their role in sectors ranging from infrastructure to energy. That shift benefits neither Mongolia, which seeks economic diversification away from its current reliance on China, nor Canada, which risks losing ground in a strategically important partner country. Without proper a roadmap, the bilateral investment relationship remains fragile.

### TRADE FLOWS: STABLE BUT SMALL

Bilateral [trade volumes](#) remain modest. In 2024, Canadian exports to Mongolia totalled roughly C\$26 million, consisting mainly of agricultural equipment, mining machinery, and food products. Imports from Mongolia—primarily textiles, cashmere, and food items—stood at about C\$2.2 million. The numbers are stable but unremarkable. Compared to Canada's trade with other comparable Asian economies, Canadian trade with Mongolia ranks low. For example, Canadian exports to Vietnam exceeded C\$1.3 billion in 2023, and exports to the Philippines topped C\$1.1 billion.

Mongolia's landlocked geography, high transport costs, and reliance on Russian and Chinese transit corridors limit the scale of direct trade. Mongolia's market is small, but its importance lies in its strategic position rather than its scale. It offers Canada a reliable partner in a strategically sensitive region, a chance to support a fellow democracy, and a foothold in Northeast and Central Asia.

## BUSINESS ENVIRONMENT: CHALLENGES AND ADVANTAGES

Canadian firms have experienced both opportunity and risk in Mongolia. [Khan Resources](#)' arbitration saga over uranium exploration and mining rights remains a cautionary tale. After Mongolia revoked its uranium licenses in 2009, Khan Resources launched international arbitration and, in 2015, won a US\$100 million award, which Mongolia ultimately settled in 2016. This dispute left a lasting degree of distrust among foreign investors concerned about political risk in Mongolia. At the same time, Oyu Tolgoi's 2009 Investment Agreement, which has not been fundamentally renegotiated, demonstrates Mongolia's underlying respect for the rule of law. Mongolia has kept its promise to provide a stable business environment to investors even amid political turbulence.

Mongolia's fiscal stability, infrastructure ambitions, and renewables export goals all hinge on continued external financing. This makes Mongolia an attractive, if sometimes difficult, market for Canadian investors who bring credibility, high ESG standards, and long-term patience.

## Why Canada and Mongolia Should Do More

### STRATEGIC AND ECONOMIC RATIONALE

For Canada, pursuing a closer relationship with Mongolia aligns with several of its core strategic priorities. Ottawa's 2022 Indo-Pacific Strategy emphasized the need to diversify its investment partnerships beyond China, and Mongolia is a natural candidate. It is a resource-rich, strategically located country at the crossroads of Russia and China. Mongolia also stands out as the only [functioning democracy](#) between South Korea and Poland, making its stability and resilience important for Canada's broader commitment to democracy, sovereignty, and the rule of law.

The economic rationale for a strong bilateral relationship is equally strong. Global demand for copper is surging as the energy transition accelerates, and Mongolia holds vast untapped reserves of copper, coal, rare earths, and uranium. Yet only around 5 percent of its territory has been actively explored for minerals, suggesting enormous potential. Canada, with its mining expertise and need for secure and diversified supplies of critical minerals, is

well positioned to play a role in Mongolia's next phase of economic development.

Mongolia's long-standing third neighbour policy, which seeks to balance the influence of China and Russia by deepening ties with advanced democracies, also offers Canada a natural entry point. Canada has already demonstrated its credibility as an FDI inflow channel into Mongolia through its participation in the Oyu Tolgoi project, and it can build on that experience to advance both countries' interests.

This alignment was underscored in November 2023, when then-foreign minister Mélanie Joly hosted her Mongolian counterpart, Battsetseg Batmunkh, in Ottawa for the first such ministerial visit in twenty-five years. At the meeting, the bilateral relationship was [elevated](#) to a Comprehensive Partnership, formalizing Canada's role as one of Mongolia's key third neighbours. Momentum [continued](#) with the second Canada–Mongolia Consultative Meeting in Ottawa in 2024, when both sides reaffirmed the Comprehensive Partnership and advanced discussions on investment, governance reforms, and regional cooperation.

There is also a broader diplomatic logic. Canada today faces the challenge of aligning closely with its Western allies while demonstrating a [foreign policy](#) that is not simply an extension of Washington's. Throughout its Indo-Pacific Strategy, Canada maintains its commitment to international law and democratic values. Mongolia offers precisely that kind of platform. Supporting a democracy in a difficult neighbourhood allows Canada to act on its values while pursuing its own strategic self-interest, showing that its Indo-Pacific engagement can be both principled and independent.

### GEOPOLITICAL CHALLENGES AND OPPORTUNITIES

The urgency of deeper engagement is heightened by global dynamics. Russia's invasion of Ukraine has reinforced Mongolia's need to diversify its foreign partnerships, given its reliance on Russian transit routes and energy imports. China's growing assertiveness in Asia makes it even more important for Mongolia to maintain space for independent diplomacy. For Canada, these shifts are reminders that it must coordinate with small countries like Mongolia to defend the rules-based order.

Given its presidency of the G7 this year and membership in leading multilateral institutions, Canada can also work with Mongolia through multilateral forums. For example, Mongolia has contributed to United Nations peacekeeping operations and participates actively in the ASEAN Regional Forum and the Organization for Security and Co-operation in Europe (OSCE), in addition to cooperating with NATO as a global partner. Canadian support for Mongolia's role in peacekeeping, democratic governance, and regional dialogue would highlight the alignment of both countries' traditions of constructive internationalism.

## ECONOMIC AND BUSINESS OPPORTUNITIES

Beyond mining, there are several other areas where Canada and Mongolia could deepen cooperation. One clear opportunity lies in the clean-technology sector. Canadian firms are recognized leaders in environmental remediation, mine safety, and the clean-energy transition. Mongolia's efforts to reduce air pollution in Ulaanbaatar and expand renewable-energy projects in the Gobi Desert create natural demand for this expertise.

Infrastructure and finance form other areas of potential collaboration. Canada's pension funds and financial institutions are well positioned to support Mongolia's infrastructure push, including railways, power grids, and digital connectivity. Innovative financial instruments, such as the Green Bond Framework and blended finance, which combines public and private capital, could help channel long-term capital into projects that advance both sustainability and economic growth.

Agriculture and food security also stand out as areas of opportunity. Mongolia is seeking to modernize its agriculture sector, and Canada can provide valuable know-how in such fields as grain storage, livestock genetics, and food-processing technology. This cooperation could improve food resilience in Mongolia, while opening new markets for Canadian firms.

Finally, education and people-to-people links remain vital. Expanding scholarships, vocational training, and collaborative research will not only strengthen Mongolia's human capital but also build long-term goodwill. For Canadian companies, such ties open doors across sectors

and create the kind of durable relationships that underpin sustainable economic partnerships.

Catalyste+, a Canadian economic-development organization, has been active in Mongolia since 2016, delivering programs that strengthen public institutions and enhance digital services. These initiatives have improved the lives of thousands of Mongolians, many of whom are now more familiar with Canada's approach to inclusive and accountable government and therefore more likely to engage positively with Canadian entities in the future.

## A Case for Renewal

The Oyu Tolgoi era proved that Canada can make a tangible difference in Mongolia. While that chapter has closed, the story continues.

Re-engaging with Mongolia would be a natural extension of Canada's Indo-Pacific Strategy and its broader commitment to supporting democratic partners. By deepening ties with Mongolia, Canada can promote its values, diversify its economic partnerships, and strengthen its role in a region where middle powers can make a meaningful impact.

**“Re-engaging with Mongolia would be a natural extension of Canada's Indo-Pacific Strategy and its broader commitment to supporting democratic partners.”**

A renewed partnership between Canada and Mongolia would need to rest on several pillars. The first is reinvestment in strategic sectors. By targeting mining services, clean energy, and infrastructure finance, Canadian firms can help diversify Mongolia's economy, while also generating returns at home. The second pillar is policy alignment and dialogue. Establishing a regular high-level bilateral economic dialogue, supported by both governments and private-sector actors, would allow the two countries to identify opportunities, reduce risks such as investor disputes, and maintain momentum. Regular track 1.5 engagements, such as the annual Ulaanbaatar

Dialogue on Northeast Asian Security and [Mongolia–Canada Regional Security Dialogue](#), have proven that Mongolia and Canada can maintain successful and fruitful dialogues in the political and diplomatic sphere.

People-to-people ties are the third pillar. Expanding scholarships, vocational training, and research exchanges would strengthen Mongolia's human capital, while laying the foundation for long-term cooperation. A final pillar is multilateral cooperation. Canada can build on Mongolia's active role in international security by supporting its contributions to UN peacekeeping and NATO partnerships. This support would not only advance the two countries' shared security interests but also enhance Mongolia's visibility in global forums where Canada itself seeks to have a stronger voice.

A reinvigorated Canada–Mongolia relationship that is built on these four pillars would also advance Canadian values. Canadian re-engagement would demonstrate Canada's support for one of Asia's few fully functioning democracies and would help to preserve a system of governance that is

rare in the region. Doing so would affirm Canada's identity as a country that backs partners who share its democratic principles, while also strengthening the credibility of its global values-based diplomacy.

Engagement with Mongolia would also carry a wider strategic message. It would demonstrate that Canada's Indo-Pacific approach is more than rhetoric, showing allies and partners that Ottawa can act independently to reinforce democratic resilience in Asia. Such a step would highlight Canada's ability to pursue a foreign policy that balances shared Western commitments with its own strategic self-interest.

Canada once played a decisive role in shaping Mongolia's development path. It can do so again by blending economic opportunity with strategic foresight and democratic solidarity. Such a partnership would serve both states well in the years to come.



# Marcos Jr. at the Midpoint: Can He Secure a Legacy for the Philippines?

Aries A. Arugay, Department of Political Science, University of  
Philippines Diliman

President Ferdinand “Bongbong” Marcos Jr. has less than three years in office to meet the great expectations of his people for a New Philippines (*Bagong Pilipinas*). This vision of a peaceful and prosperous republic was so attractive to the electorate in 2022 that he (together with Vice-President Sara Duterte), successfully [secured](#) an unprecedented electoral majority, unseen in the country’s political history. Promising economic development, political stability, and an independent foreign policy, the formerly disgraced Marcos dynasty was [restored](#) to the zenith of Philippine politics—a feat considered to be one of the greatest political comebacks in history.

The clock is ticking for the Marcos Jr. administration to accomplish its agenda for the country, given the impending end of its term in 2028. In his fourth [State of the Nation Address](#) (SONA), delivered at the opening of the Twentieth Philippine Congress in July, the president enumerated

his government’s many achievements. However, public sentiments reveal a different appreciation of Marcos Jr.’s governance, as indicated by his [declining](#) approval ratings on the handling of the country’s many political and socio-economic issues.

This essay first identifies the issues faced by the Marcos Jr. administration as it enters the latter half of its tenure. The second part of the essay analyzes how the midterm election results influenced the president’s agenda and future actions. In particular, it pays attention to the government’s current anti-corruption drive in the wake of questionable past infrastructure projects. Finally, this essay concludes by examining the implications of the ongoing domestic political environment on the ability of the Philippines under Marcos Jr. to pursue its own foreign policy goals, as well as to contribute to promoting mutually shared interests with middle powers such as Canada.

## Domestic and International Issues Faced by Marcos Jr.

Domestically, Marcos Jr. remains politically embattled with the [unravelling](#) of his alliance with the Dutertes, the other formidable power bloc in Philippine politics. The dissolution of their dynastic partnership, starting in 2024, instigated a new cycle of pernicious polarization, putting stress on the country's already-frail democratic institutions. This includes the ongoing [impeachment](#) process against Vice-President Duterte for the alleged mishandling of public funds and for directly threatening the life of Marcos Jr. and his family. Added to this was the historic [arrest](#) of former president Rodrigo Duterte by the International Criminal Court and his subsequent detainment in The Hague while awaiting trial for alleged crimes against humanity committed during his violent war on drugs.

Global disruptions generated by the superpower rivalry between the United States and China and the foreign-policy adventures of the Trump 2.0 administration have also put the Philippines in a more precarious position. Marcos Jr. has [revitalized](#) the country's relationship with the US, [exposed](#) aggressive behaviour by China in the West Philippine Sea, and cultivated strategic ties with a host of middle powers, including [Canada](#). However, the geopolitical and geo-economic uncertainty generated by Trump's [transactional](#) foreign and trade policy, the multiple wars and security flashpoints around the world, and the assertiveness of some revisionist states to reshape the rules-based international order have effectively constrained the strategic options of small states like the Philippines to protect their national interests.

## Voter's Remorse: The 2025 Midterm Elections

More than 68 million Filipinos went to the polls on May 12, 2025, for the country's [midterm elections](#). Voters selected candidates for half of the twenty-four members of the nationally elected Senate, district and party-list members of the House of Representatives, and local government officials. President Marcos Jr. was not on the ballot, as he was given a single six-year term without re-election until 2028. However, this ballot exercise

has previously served as an informal referendum on the government's performance. It has also served as a barometer of the president's consolidation of power in the legislature and across the various regions of the country.

The midterm election results revealed overt dissatisfaction with the incumbent president, as his coalition of senatorial candidates was able to get only five of the twelve seats in contention, despite Marcos's vigorous campaigning. Clearly, the electorate used the ballot box to punish the senatorial candidates affiliated with the president as a way to express their dissatisfaction with the government. Two important pre-election trends explain the dismal performance of the administration-supported slate. The first is the dire socio-economic conditions faced by the average Filipino. According to an April 2025 [survey](#), only 20 percent of Filipinos believed that their quality of life improved over the past year, compared to 32 percent who believed that they were worse off than before. Moreover, an overwhelming 79 percent [disapproved](#) of the government's performance in addressing economic inflation. Second, Marcos Jr.'s approval ratings have dramatically [decreased](#) since the start of his term to their lowest point to date at 25 percent. This makes him one of the most unpopular presidents since democracy was restored in the Philippines in 1986.

## Marcos Jr.'s Anti-Corruption Pivot?

The highlight of President Marcos Jr.'s SONA this year was his recognition of the humbling results of the midterm elections. Unlike his previous addresses to the nation that were full of confidence, Marcos Jr. appeared to be sober yet committed to fulfill the promises he made three years ago. The best-received portion of his speech was his [expression](#) of moral outrage over the dubious and poorly constructed flood-control infrastructure projects that caused massive flooding not only in Metro Manila but in various parts of the country. The projects' failure was compounded by the combination of torrential rains and storms generated not only by the regular monsoons but also by climate change. Millions of Filipinos were [affected](#) by massive flooding, leading to the loss of lives, as well as property.

Unlike his predecessor, emotional outbursts are not part of Marcos's political temperament. But with his expression of moral outrage, he started the government's campaign to review these public projects and investigate the allegations of corruption that once again have emerged in the Philippines. Throughout the country's history, corruption has been a constant feature of its political landscape, including instigating a popular revolt that ousted President Ferdinand Marcos Sr. in 1986. The country's legal and institutional framework is [poorly enforced](#), leading to a political culture of impunity and the absence of any deterrence against corruption. The Philippines' lingering accountability deficit has even been attributed to the [return](#) of the Marcoses to power, after being ousted in the 1986 People Power Revolution.

Many have expressed skepticism as to whether Marcos Jr. can make a dent in exacting accountability and curbing corruption in the Philippines, and have labelled his crusade as performative and even [hypocritical](#). Due to the revelations of whistleblowers in the investigations launched by both houses of the Philippine Congress, those who are allegedly involved are composed of officials from the Department of Public Works and Highways, elected politicians in the House of Representatives and the Senate, and private construction firms. Some of the politicians are allies and even relatives of the president. Previous anti-corruption drives in the country's history were [selective](#) in nature: fierce against the government's enemies but blind toward members of its political coalition.

Though the ICI has already embarked on an investigation, the probe of the Senate remains active. It remains to be seen whether this latter inquiry will make significant headway, as some of the implicated senators are themselves conducting these hearings. Thus far, the probes have revealed that billions of pesos were spent on flood-control projects that were substandard or totally non-existent, yet paid for by the government. They have also [revealed](#) that private contractors have amassed scandalous wealth, as evidenced by their lavish lifestyles and luxurious properties displayed across social media.

The Filipino public expressed their contempt for and outrage over this corruption scandal on September 21, 2025, through public protests nationwide. One

protest rally attended by tens of thousands of Filipinos was called the Trillion Peso March—since the alleged corruption amounted to one trillion pesos (approximately C\$23.9 billion)—and was staged on the same highway as the 1986 People Power Revolution. Largely peaceful and mostly attended by Filipino youth, the protests demanded public accountability, the enforcement of sanctions against public officials, and restitution in the form of recovering the ill-gotten wealth of implicated officials. The message of the protesters was also clear: this mobilization will be repeated if there is no genuine progress in the government's efforts to exact political accountability from those involved in this massive corruption.

Whether Marcos Jr. will make this anti-corruption drive a critical part of his legacy in his remaining years in office or it will just be a performative act that is fleeting and lacking in substance and depth remains to be seen. The odds seem to be against Marcos Jr. leaving a lasting legacy in this regard but this current accountability crusade should not necessarily be construed as simply his own personal campaign. Calling out corrupt politicians and raising the alarm about the misuse of public funds are actions that must also be led by other credible actors in the country, such as opposition politicians, independent media, and civil society.

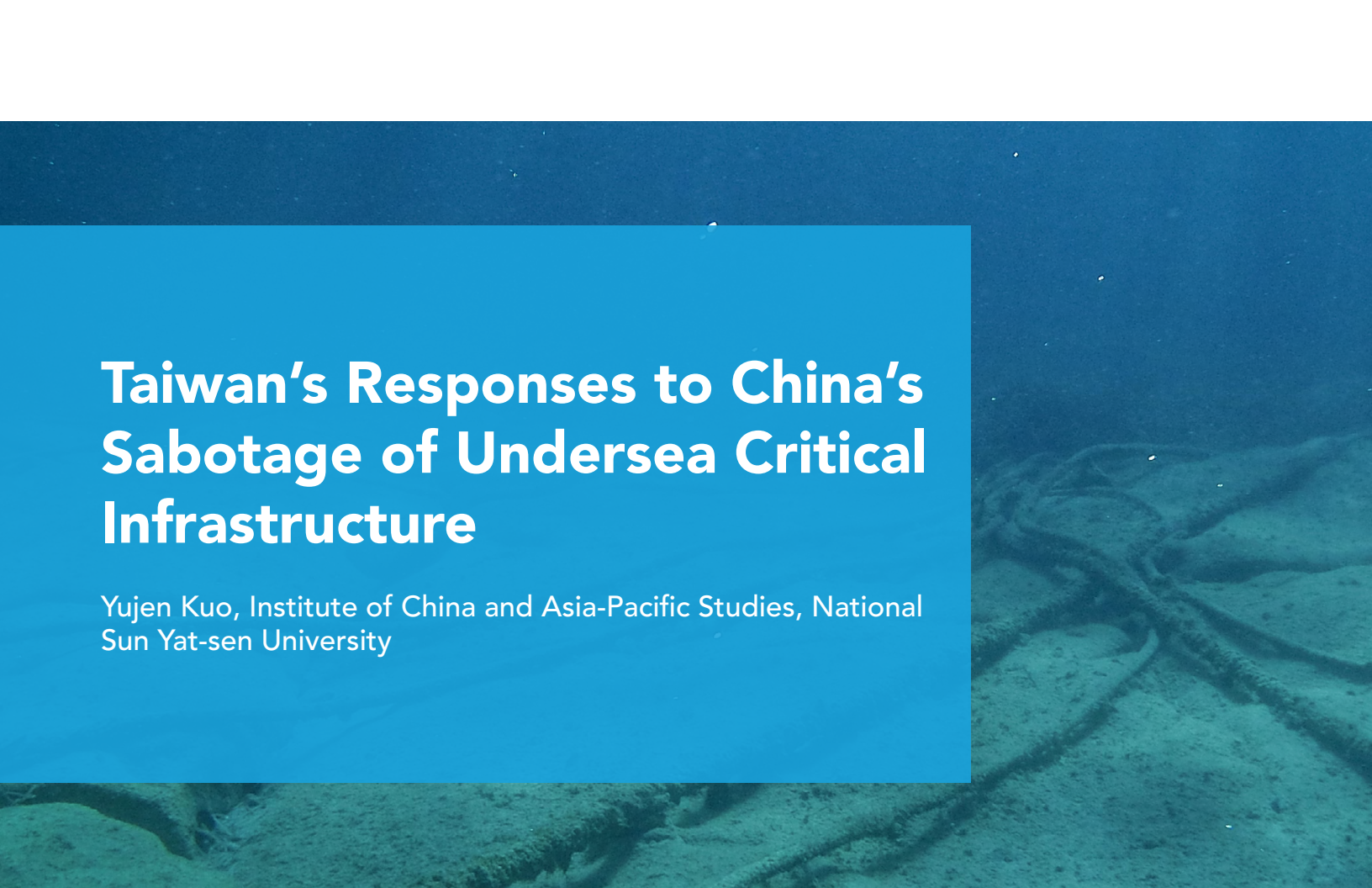
The best way to counter what is perceived by many as a performative and insincere campaign is to use this opportunity to build political momentum for good-governance reforms and to embark on information campaigns that could help voters make better leadership choices in the next general elections in 2028. The initiative of the coalition of progressive local officials called [Mayors for Good Governance](#) is a welcome development that should be supported by Filipino citizens, the private sector, and countries that share the agenda of fostering democratic resilience, institutional reform, and sustainable development, such as Canada.

**// Whether Marcos Jr. will make this anti-corruption drive a critical part of his legacy or it will just be a performative act remains to be seen."**

## Conclusion

Marcos Jr.'s term as president will end in 2028. Despite receiving a popular mandate that generated significant political capital, he has yet to fulfill campaign promises and deliver concrete results that benefit most of his Filipino constituents. Thus far, his presidency is marked by mediocre economic performance and political instability generated by his dynastic feud with the Dutertes. While the Philippine economy remains one of the fastest growing economies in Asia and like-minded states have renewed confidence in the country, Marcos Jr. still faces tremendous challenges in the next couple of years. For the Philippines' allies and strategic partners abroad, helping the Marcos Jr. administration to pursue mutual interests, such as strengthening institutions, enacting reforms for good governance, and enforcing the rule of law, are undoubtedly good policy choices.

A Philippines under Marcos Jr. that is less distracted with internal politicking and elite infighting will generate a stable environment that could generate policy predictability and continuity. Countries like Canada that have successfully fostered deeper and closer relations with the Philippines should extend assistance and offer cooperation not only in the traditional domains of security and defence, but also in political, economic, and social spheres. This engagement is the best way to mitigate uncertainty in the Philippines' foreign policy, as was seen in the previous Duterte administration. Supporting Marcos Jr.'s anti-corruption drive—as well as similar efforts and initiatives by other political institutions, independent media, civil society, and the private sector—is a way that Canada and other like-minded states can engage fruitfully with the Philippines.

An underwater photograph showing several thick, dark, serpentine cables or pipes resting on a sandy seabed. The water is a deep blue-green, and the lighting is somewhat dim, creating a somber and mysterious atmosphere. The cables are the central focus, winding across the frame from the foreground towards the background.

# Taiwan's Responses to China's Sabotage of Undersea Critical Infrastructure

Yujen Kuo, Institute of China and Asia-Pacific Studies, National Sun Yat-sen University

Grey-zone tactics are coercive actions that fall below the threshold of armed conflict, often exploiting ambiguity and asymmetry to achieve strategic goals, while avoiding open war.

In addition to significantly expanding its military capabilities, China increasingly employs grey-zone tactics in the maritime domain to alter the status quo. This dynamic extends under the sea, where China could leverage asymmetry in combat. Of particular concern are its developing capabilities and practices in seabed warfare—operations that specifically target the underwater infrastructure critical to its adversaries.

The exponential rise of internet data traffic, of which an estimated [99 percent relies on undersea cable infrastructure](#), has introduced a new layer of complexity and vulnerability to the maritime domain. The disruption of these vital underwater cables could have catastrophic consequences for the global political economy.

Furthermore, the impact of a takedown of a target state's connectivity would be multiplied if coupled with a conventional assault.

Yet, because these cables traverse multiple jurisdictions, establishing a comprehensive early warning system is challenging, and post-incident accountability is frequently entangled in complex jurisdictional disputes. The severe consequences of submarine cable disruption, combined with the difficulty in pursuing collective countermeasures, make underwater cables prime targets for asymmetric grey-zone attacks.

These incidents of sabotage are part of Beijing's broader maritime strategy. Over the past decade, China has systematically developed coercive tactics against neighbours including Japan, the Philippines, South Korea, and Taiwan. For Taiwan, subsea cables have a critical national-security dimension because they are essential for economic prosperity, digital connectivity, and national

resilience. This essay examines Taiwan's vulnerability to undersea cable attacks, reviews the measures it has taken to address this growing challenge, and suggests ways Taiwan and other countries can strengthen their resilience in the face of such threats.

## Taiwan's Unique Vulnerabilities to Undersea-Cable Attacks

Taiwan faces a disproportionately high rate of undersea-cable disruptions, significantly exceeding global averages. While natural disasters or accidents cause occasional outages worldwide, at 0.1 to 0.2 incidents per cable annually, the statistics for Taiwan are stark. Specifically, the Taiwan–Matsu submarine cables experience an average of 5.1 damages per year—[twenty-five to fifty times higher than the global average](#). For domestic submarine cables, Taiwan recorded thirty-six incidents of damage between 2019 and 2023, averaging seven failures annually, with a record high of [twelve incidents in 2023](#). Furthermore, Taiwan reported [five cable malfunctions](#) in the first five months of 2025. This elevated frequency of incidents damaging underwater cables highlights Taiwan's critical vulnerabilities, impacting its digital connectivity, economic stability, and overall national resilience.

### THE PATTERNS OF ATTACKS ON TAIWAN'S UNDERSEA CABLES

In 2021 and 2023, two submarine cables linking Taiwan's Matsu Islands were cut by Chinese-controlled vessels, causing multiday outages and raising concerns that they were deliberate tests of Taiwan's response. Since then, suspicious incidents have multiplied. In January 2025, a Chinese-operated freighter under a Cameroonian flag severed the Trans-Pacific Express cable, while the following month, a Togo-flagged vessel with a Chinese crew cut the Taiwan–Penghu No. 3 cable and was later prosecuted under Taiwan's Telecommunication Management Act (TMA).

These incidents share significant patterns: All ships had Chinese crews and *Shunxin 39* (the Cameroonian-flagged vessel mentioned above) is owned by a Hong Kong company with documented Chinese connections. All vessels carried flags of states blacklisted by the [1993 Tokyo Memorandum of Understanding on Port State Control](#)

[in the Asia-Pacific Region](#), which targets ships that fail to meet international standards. All had multiple sets of Automatic Identification System (AIS), which were often shut off to make them dark vessels. In addition, all often changed vessel names. For example, *Hongtai 58* was shown by AIS, but the ship also used the names *Hongtai 168* and *Shanmei 7*.

These incidents reveal three structural problems: First, the perpetrators often use a flag of convenience to conceal the ship's Chinese background, making accountability difficult. Second, repair operations of undersea cables are highly time-consuming, depending on weather conditions and the availability of international repair vessels. Third, Taiwan lacks independent cable-repair capabilities and rapid backup mechanisms, exposing strategic disadvantages.

Damage to these undersea cables could cripple the island's connectivity—a risk heightened by Taiwan's proximity to major maritime routes and sensitive geopolitical contests. An extended data interruption would seriously undermine Taiwan's high-tech economy and compromise defence readiness. The psychological impact could be the erosion of public confidence and societal destabilization.

## Taiwan's Strategy to Address Submarine Security Challenges

### DOMESTIC LAW AMENDMENT

After the 2023 Matsu incident, the Taiwanese congress passed an amendment to Article 72 of the TMA in June 2023, expanding the scope of punishable offenses to include the destruction of submarine cables and increasing the associated penalties.

However, different maritime zones involve complex legal and jurisdictional frameworks based on international conventions, such as the Convention for the Protection of Submarine Cables and the United Nations Convention on the Law of the Sea (UNCLOS), and relevant domestic laws. These international conventions indicate that if a foreign-flagged vessel damages a country's submarine cables outside of its territorial sea, the state does not have judicial jurisdiction.

Regarding cases where vessels involved in cable damage are registered in China, Article 75 of the Act Governing Relations Between the People of the Taiwan Area and the Mainland Area provides that if the perpetrator is a Taiwanese citizen, Taiwan maintains judicial jurisdiction regardless of the maritime zone of the incident. However, if the perpetrator is a Chinese national and the incident takes place on the high seas, there is currently no clear consensus on cross-strait jurisdictional practice.

TABLE 1. TAIWANESE AND INTERNATIONAL EFFORTS TO IMPROVE UNDERSEA CABLE RESILIENCE

|                    | INTERNATIONAL                                                                                                                                                                                             | TAIWAN                                                                                                                                 |
|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| <b>Institution</b> | Undersea Cable Protection Zone<br>International Agreement and Protocol<br>Consensus Building Mechanism                                                                                                    | Law Amendment<br>Government Coordination<br>New Law Enforcement Protocol<br>Incentives for Private Investment                          |
| <b>Physical</b>    | Information and Intelligence Sharing<br>Collective Monitoring and Early Warning<br>Collective Maritime Patrol<br>Joint Training Activities<br>Available Satellite System<br>International Repair Capacity | Integration of Coast Guard and Navy<br>Backup System incl. Satellite<br>Monitoring and Early Warning<br>Application of AI and Unmanned |

GOVERNMENT COORDINATION TO STRENGTHEN MONITORING

On January 6, 2025, Taiwan’s Ocean Affairs Council (OAC) convened the Coordination Meeting on the Investigation and Advancement of Measures for Submarine Cable Damage. It reached a consensus to develop protective mechanisms to respond to submarine-cable incidents, including standard responding and reporting procedures, as well as task allocations.

The Ministry of National Defense has cooperated with the Coast Guard Administration on Submarine Cables Protection and Standard Incident Response, aiming to enhance real-time monitoring of incidents. For example, military forces could be mobilized to help intercept vessels that are categorized as medium-to-high threat and that are resisting interception.

THE NEED TO INTEGRATE HIGH-TECH FOR MONITORING AND EARLY WARNING

Given the vastness of the maritime area and the limited availability of resources, smart technologies should be used to their fullest extent in monitoring, early warning, reporting, and collecting evidence on submarine-cable incidents. Through the deployment of early-warning radar systems, satellites, underwater-detection technologies, and unmanned aerial vehicles (UAVs), a comprehensive

three-dimensional sea and air surveillance system can be established. This would allow the authorities to rapidly assess the situation, issue timely warnings, assist in reporting, and collect evidence effectively. When a submarine cable is severed, an alert would be triggered immediately, making real-time interception and arrest technically feasible. Therefore, establishing standard operating procedures for reporting and evidence collection

among telecommunications providers, the Coast Guard, and prosecutorial offices is an urgent priority.

PUBLIC-PRIVATE PARTNERSHIPS TO DIVERSIFY BACKUP NETWORKS

In recent years, Taiwan has bolstered its undersea-cable infrastructure with a comprehensive strategy. The government is offering incentives to telecom operators to build more cables, creating crucial redundancy across its network. It has also implemented a multitiered, heterogeneous backup system, significantly expanding microwave-communication capabilities to provide alternative pathways. Additionally, a dedicated budget is allocated for the planning and construction of a new Taiwan–Matsu cable, reinforcing a vital link. Critically, all fourteen international and ten domestic submarine cables are now designated critical infrastructure, ensuring

heightened protection standards. These comprehensive measures aim to substantially reduce the risk of crippling disruptions, bolstering Taiwan's national connectivity and overall resilience against future threats.

In an extreme scenario in which all submarine cables are severed, satellite communication emerges as Taiwan's paramount backup. Chunghwa Telecom, Taiwan's largest provider, secured an exclusive agreement in 2023 with OneWeb to set up 700 user terminals and three overseas ground stations (in Japan, Thailand, and Guam) to create the only non-geosynchronous backup with long-term growth potential. Chunghwa Telecom also uses SES O3b mPOWER's second-generation Medium Earth Orbit (MEO) satellite systems to secure critical government, financial, medical, and corporate communications.

Alternative systems carry risks: Starlink is geopolitically sensitive due to Elon Musk's stance on China, and Amazon's Project Kuiper is not yet operational. To meet its 3 Tbps (terabits per second) backup target, Taiwan will need sixty to eighty ground stations, relying on a hybrid Low Earth Orbit (LEO)/MEO approach with multiple providers to ensure resilient wartime communications.

## International Efforts to Secure Undersea Critical Infrastructure

### UNDERSEA-CABLE PROTECTION ZONES

Even as the recognition of submarine cables as a global public good continues to rise, traditional legal frameworks are falling short in addressing their security. Therefore, in addition to imposing heavy penalties upon the perpetrators of incidents that cause damage to cables, many countries have also begun introducing legislation for prevention. One notable approach is the establishment of submarine-cable protection zones, where the government designates a corridor along the cable route and strengthens aerial and maritime patrols within the zone, while restricting activities in those waters to safeguard cable security. New Zealand's Submarine Cables and Pipelines Protection Act of 1996 designated ten submarine-cable protection zones, while

Australia's 1997 Telecommunications Act established three such zones. Australia's protection-zone model has been praised by the International Cable Protection Committee as one of the most comprehensive legal frameworks of its kind in the world.

### INTERNATIONAL AGREEMENT AND COLLECTIVE ACTIONS

Taiwan is actively aligning with global efforts to protect undersea cables. In late 2024, the seventy-ninth session of the United Nations General Assembly issued the "New York Principles," highlighting the critical role of submarine cables in global commerce and digital development. This statement affirmed a collective commitment to safeguarding and strengthening this vital infrastructure.

Taiwan can capitalize on this global momentum by promoting these principles internationally and sharing its extensive experience of frequent cable disruptions. Furthermore, Taiwan's neighbours that face similar grey-zone threats from China should engage in intelligence sharing and cooperation. This collaboration can lead to more successful tracking of suspicious vessels and facilitate necessary boarding inspections. Given the high frequency of grey-zone threats in the waters surrounding Taiwan, actively pursuing the establishment of, or participation in, international platforms for maritime intelligence sharing and cooperation against these threats is a viable future strategy.

Significantly, on July 9, 2025, the US Senate introduced the Taiwan Undersea Cable Resilience Initiative Act. The initiative aims to deploy real-time monitoring systems, develop rapid-response protocols, enhance maritime surveillance, and improve international cooperation against sabotage to bolster cable resilience near Taiwan. This US legislative effort, coupled with Taiwan's own proactive engagement and regional partnerships, marks a crucial step toward enhancing the security and resilience of vital undersea communication lifelines in the Indo-Pacific.

## Strengthening Undersea Resilience

The recurrence of maritime incidents involving the sabotage of submarine cables is not random but reflects a deliberate, multifaceted Chinese strategy aimed at maritime dominance. For Taiwan and other regional states, simply enhancing monitoring is insufficient. Countering Chinese actions also requires diplomatic coordination, diversified communication pathways, and swift repair capabilities.

As Indo-Pacific tensions escalate, policy-makers from around the world must acknowledge these grey-zone maritime activities as integral to China's broader strategic framework. The security of critical undersea infrastructure will be increasingly central to regional planning. This demands innovative defensive measures and robust international cooperation to ensure resilience against this evolving threat.

Global efforts to protect undersea cables and respond to sabotage remain nascent. The immediate priority is for navies and law enforcement to be fully aware of the threat and vigilant about activity near cables. Beyond that, like-minded countries must collaborate: exchanging intelligence, sharing best practices, and operating cooperatively. More multilateral sea patrols would help offset the insufficient numbers of ships, submarines, and aircraft that individual states can deploy to address these challenges.

Additionally, the command centres dispatching vessels and crews need better training on this new threat dynamic. This will require legal and regulatory reform. Governments also need to expand partnerships with the private sector: to grow repair fleets in anticipation of a sustained campaign against cables and to ensure sufficient bandwidth redundancies for critical information. As a high-tech society at the forefront of this threat, Taiwan has an opportunity to demonstrate leadership, not only to advance its own interests but to serve much of the world.

**“ Global efforts to protect undersea cables and respond to sabotage remain nascent. The immediate priority is for navies and law enforcement to be fully aware of the threat and vigilant about activity near cables.”**



# Assessing India's Response to a Taiwan Strait Conflict Scenario

Kumari Mansi, Centre for BRICS Studies, Amity University Haryana

Amid the evolving geopolitical churn, the security situation in the Taiwan Strait—a major flashpoint in the Indo-Pacific—demands sustained attention. Tensions across the Taiwan Strait are on the rise with China's continuous military drills, grey-zone tactics, and diplomatic manoeuvres to isolate the island state. These moves have [raised fears](#) that Beijing and Taipei could soon find themselves at war. Chinese air and naval activity around Taiwan have intensified in recent years, steadily eroding the traditional dividing line (the median line) between the two sides. In January 2025 alone, Chinese jets crossed the median line 248 times, up from 72 over the entire previous year. In April 2024, a Chinese fighter jet flew within forty miles of Taiwan's main island. During the Strait Thunder drills that same month, Chinese naval vessels entered Taiwan's twenty-four-nautical-mile contiguous zone for the first time. Since 2016, Taiwan has lost [ten diplomatic partners to China](#), a clear move by Beijing to cut Taiwan's diplomatic ties, with more countries expected to follow suit.

In this context of faltering peace and the global uncertainty surrounding United States President Trump's foreign and security policy, any strategic complacency toward Chinese assertiveness in the Taiwan Strait risks creating a fertile ground for Chinese dominance in a future conflict, like during the "[Lost Decade](#)." Reflecting the growing concern over this shift in the balance of power, the outgoing commander of the US Indo-Pacific Command, Admiral Phil Davidson, warned the Senate Armed Services Committee in March 2021 that [China could try to take control of Taiwan](#) by 2027, describing Beijing's rising aggression as evidence that the threat is increasingly imminent.

The growing plausibility of a Chinese military invasion of Taiwan necessitates an examination of potential global and regional responses to a Taiwan contingency. As India has emerged as a major player in the Indo-Pacific region, India's possible response to a Taiwan Strait crisis merits attention. Although Sino-Indian relations are moving toward a [reset](#), facilitated by current geopolitical

exigencies, any change in the status quo of the Taiwan Strait would nonetheless carry significant implications for India's national security. A unified China could dedicate all its resources to keep India embroiled in a protracted war along the Line of Actual Control (LAC), weaken India's position in the Indian Ocean region, and establish itself as the predominant power in Asia. Therefore, the question of India's prospective response to a crisis in the Taiwan Strait warrants careful and systematic examination.

## India's Taiwan Policy: A Brief Overview

India and Taiwan established non-diplomatic relations in 1995. The nature of the relationship between India and Taiwan has been largely [transactional](#): India looks at Taiwan as a source of Mandarin-language instruction and intelligence on China, whereas Taiwan targets India's huge market and diplomatic clout. There has been a considerable improvement in bilateral relations since 2014, under the pro-business government of Prime Minister Modi and former president Tsai. India's Act East Policy and Taiwan's New Southbound Policy seem to converge under the broader Indo-Pacific framework, as Taiwan comes under the ambit of India's extended neighbourhood and India figures as a vital partner for Taiwan in South Asia.

This relationship is visible in [trade, commerce, and investment relationships](#).

In 2022–23, India–Taiwan trade crossed the C\$14 billion mark for the first time, with Indian exports to Taiwan rising by 70 percent and imports to India from Taiwan up 54 percent over the previous year. By February 2024, about 200 Taiwanese firms had invested in India across key sectors (like electronics, information and communication technology (ICT), finance, and construction), alongside growing small and medium enterprises (SME) collaboration and the signing of a new migration and [mobility memorandum of understanding \(MoU\)](#), despite earlier hurdles and Chinese disinformation campaigns. Prime Minister Modi and President Lai [interacted on X](#) for the first time over Modi's third election

win, voicing hopes for stronger India–Taiwan ties in trade, technology, and other sectors to contribute to peace and prosperity in the Indo-Pacific—prompting sharp Chinese [protests](#) that cited the One China principle.

Beijing places the One China principle at the core of its diplomatic relations with other countries, including India. According to this [principle](#), “there is only one China in the world, Taiwan is a part of China and the government of the People's Republic of China (PRC) is the sole legal government representing the whole of China.” The One China policy, on the other hand, is a different form of the One China principle that informs the interpretation

of Taiwan's legal status by countries establishing diplomatic relations with the PRC. India has historically supported the One China principle and has followed the One China policy, which does not explicitly acknowledge India's recognition of the PRC's sovereignty over Taiwan. India's original stance was that its transfer of recognition to the PRC in 1949 does not require any further explanation. India, however, has not reiterated its One China policy in any official document since 2008, in light of China's insensitivities toward India's sovereignty and territorial integrity. In a strong message to China in 2014, India put forward its [One India Policy](#), emphasizing India's sovereignty over Arunachal Pradesh and Jammu and Kashmir. Then-external affairs minister Sushma Swaraj clearly indicated that “[for](#)

[India to agree to a one-China policy, China should reaffirm a one-India policy](#).”

India is an emerging resident power in the Indo-Pacific, and it has consistently maintained a “[studied silence](#)” on the Taiwan question. While External Affairs Minister S. Jaishankar has acknowledged India's considerable technological, economic, and commercial cooperation with Taiwan—alongside the upswing in the level of bilateral cooperation—he has reiterated that questions concerning India's position in the event of a Chinese blockade or invasion remains [hypothetical](#), and that India does not comment on hypothetical scenarios.

**“ A unified China could dedicate all its resources to keep India embroiled in a protracted war along the Line of Actual Control (LAC), weaken India's position in the Indian Ocean region, and establish itself as the predominant power in Asia.”**

This notable increase in engagement with Taiwan is shaped by the broader dynamics of India's bilateral relationships with both China and the United States. Consequently, the evolving interplay within this strategic triangle will be a critical determinant of India's prospective response to the situation in the Taiwan Strait.

## India, Taiwan, and the Hub-and-Spokes Model 2.0

The growing plausibility of a Chinese military invasion of Taiwan necessitates an examination of potential global and regional responses to a [Taiwan contingency](#). Key regional actors—namely Australia, Japan, and the Philippines—are significantly increasing their defence expenditures and deepening military cooperation. This evolving security architecture in the Indo-Pacific increasingly resembles a “[hub-and-spokes system 2.0](#)” (H&S 2.0), wherein security cooperation between the US and its allies and partners and among the members of this group is being enhanced to advance an integrated deterrence posture. The underlying objective is to establish a robust framework to counter revisionist powers such as China, thereby safeguarding a free and open Indo-Pacific. India is an important pillar of H&S 2.0. It has strengthened its military and defence ties with the US (the hub) by signing [four foundational agreements](#): Logistics Exchange Memorandum of Agreement (LEMOA), Communications Compatibility and Security Agreement (COMCASA), Basic Exchange and Cooperation Agreement for Geospatial Intelligence (BECA), and General Security of Military Information Agreement (GSOMIA). India has also emerged as a major defence/security partner of other Indo-Pacific states (spokes) via bi/tri/quadrilateral partnerships. Taiwan is a de facto part of this system given the Taiwan Relations Act and the Six Assurances, both cornerstones of US policy toward Taiwan.

## Evaluating Potential Responses to a Hypothetical Scenario

Though often overlooked, Taiwan remained an important element of India's diplomacy during the previous crises, the first Taiwan Strait Crisis of 1954–55 and second Taiwan Strait Crisis of 1958. According to Vijay Gokhale, India engaged diplomatically with the United Kingdom, the US, and the PRC to prevent conflict during previous Taiwan Strait crises—offering lessons for today, when a stronger

China compels India to build innovative, calibrated partnerships to counter Chinese influence without direct confrontation. In this context, the question arises as to how India might respond to a new crisis in the Taiwan Strait and what key factors would shape and influence India's response.

The shifting power balance between China and Taiwan—now tilted decisively in Beijing's favour—alongside the narrowing gap between US and Chinese capabilities increase the risk of military confrontation. Admiral Karambir Singh, former chief of the Naval Staff of India (2019–21), observes that the situation in the Taiwan Strait remains fluid, driven in part by an apparent shift in Washington's approach to global security. He argues that the US security umbrella, which was taken for granted in the past, is undergoing a shift. In this fluid context, India faces the challenge of safeguarding its national interests, preserving its strategic autonomy, and maintaining balanced relations with the major powers—the United States, China, and Russia. The key determinant of India's position in the event of a Taiwan Strait crisis will be the states of India–China and India–US relations at the time. Consequently, there are five possible ways in which India could respond to a potential Taiwan Strait crisis:

1. Diplomatic support for Taiwan: Despite the ongoing India–China rapprochement and attempts by the two countries to disengage along the LAC, India will be cautious. Rear Admiral Monty Khanna, a prominent voice on maritime security and Indo-Pacific strategy, underlines that heightened Chinese belligerence along the LAC could compel India to adopt a more proactive stance. In such a scenario, India could extend diplomatic support to Taiwan and might openly criticize Beijing's actions. Khanna further contends that the extent of Chinese assertiveness along the LAC and in the Indian Ocean region, as well as its collusion with Pakistan, will significantly shape India's calculus. While India is unlikely to seek a mediatory role, it may nonetheless attempt to persuade China to maintain the status quo and refrain from the use of force.
2. Swing state: India could function as a “swing state.” Should bilateral relations with China be strained, India is expected to align more closely with the United States.

However, given the current deterioration in US–India ties—exacerbated by Trump’s tariff measures—India might gravitate toward a position more sympathetic to China. Nonetheless, a future reset in India–US relations could see New Delhi tilt toward Washington, potentially assisting to prevent a shift in the balance of power in China’s favour, as a world dominated by China is not in India’s interest.

3. Direct involvement: Assuming that India–US relations return to normal, the US will expect India to get involved directly under the four foundational agreements and the [Master Ship Repair Agreement](#) (MSRA) signed between the two countries. Although the MSRA, together with LEMOA, have enhanced logistics cooperation between India and the United States across the Indo-Pacific region, it must be noted that these agreements are peacetime agreements. Rear Admiral Khurana avers that in this scenario, the US will expect India to support its war against China as a belligerent. Whether India will oblige the US by getting involved directly remains an open question. India could help the US to prosecute a war against China in a variety of ways, ranging from imposing a distant blockade against China in the Indian Ocean to undertaking a diversionary attack against China across the India–China land border.
4. Neutrality: It is nearly certain that New Delhi will not adopt the practice of “[qualified neutrality](#),” which the US and NATO have adopted in the Ukraine war by supplying all forms of overt military hardware and intelligence assistance to Ukraine. India does not consider this practice to be valid under the traditional law of neutrality. From a strictly legal perspective, a declaration of neutrality by India would entail adherence to the [obligations of neutral states](#) under international law, which mandates neutral states to prevent belligerents from violating a neutral state’s territory, airspace, or waters. Under such conditions, India would not theoretically be able to extend assistance under agreements such as LEMOA and MSRA.
5. Covert assistance: In practice, India’s neutral posture could include all covert (deniable) forms of assistance to Taiwan, such as sharing strategic intelligence, by

leveraging India’s geographic advantage of a contiguous land border with China; sharing a strategic targeting list against China; or facilitating the sabotage of Chinese space-based reconnaissance capabilities through non-kinetic means. It may also include cyber intrusions, the disruption of submarine cables at select locations that impact China, and enhanced underwater domain awareness against PLA Navy submarines. These activities can be conducted with plausible deniability at the national-strategic level, thereby enabling India to balance its legal commitments under neutrality with the imperatives of *realpolitik*, which make military-strategic collaboration with the US a compelling choice for India.

## Conclusion

In the event of an invasion of Taiwan, prevailing assessments suggest that India would extend diplomatic support to Taiwan and condemn Chinese aggression. Such a position would be consistent with India’s principle of opposing the use of force and its longstanding stance that “this is not an era of war.” The scope and intensity of India’s response, however, would be contingent upon multiple factors, like the circumstances precipitating the crisis, the trajectory of its escalation into armed conflict, and the responses of the United States and its allies in the Indo-Pacific.

Furthermore, India’s reaction would also be shaped by the prevailing state of its bilateral relations with both China and the US at the time of the crisis. While India’s direct military involvement or overt operational support appear improbable, the possibility of indirect or covert assistance through multilateral frameworks cannot be ruled out. Strategically, it is broadly recognized that the reunification of Taiwan with China would be inimical to India’s own interests, as it would embolden China to pursue military adventure in the Himalayas. In contrast, a protracted conflict in the Taiwan Strait could divert Chinese military and strategic resources, potentially creating opportunities for India to consolidate its own strategic position in South Asia.



# Digital Growth to Digital Risks: Opportunities for Canada–ASEAN Cyber Partnerships

Farlina Said, Institute of Strategic and International Studies

Digitalization is not only a technological evolution of convenience but also a catalyst for growth, especially if digital technologies reduce carbon emissions by 17 percent or create more jobs. AI, for instance, can improve energy-grid monitoring systems that enable efficient energy allocation, thus reducing operational costs. While job creation depends on various factors—such as talent capability, skill compatibility with emerging technologies, and the digital maturity of sectors—the promise of digital technologies to infuse C\$23 trillion into the global market positions their adoption, manufacturing, and deployment as a key development strategy for governments around the world.

Nowhere could this be truer than in the Indo-Pacific. Covering the landmass sandwiched between the Pacific and Indian oceans, Indo-Pacific states' digital policies, ranging from Made in China 2025 to the Digital India mission, promote the use of digital technologies as

a driver of economic growth and transformation. Digital transformation programs have reportedly lifted 800 million people out of poverty in India and contributed to adding 93 occupation classifications since 2019 in China. Meanwhile, ASEAN member states are exploring efficient e-government services and negotiating a regional Digital Economy Framework Agreement to double the value of the region's digital economy to C\$1.5 trillion by 2030. Southeast Asia's critical services, from energy grids to ports, are also exploring digital makeovers to increase productivity and efficiency.

Canada, too, is undergoing a similar transformation. Canada's 2023 Citizens First survey stated that 77 percent of Canadians have connected with government online. Canada's digital economy is expected to grow at a compound annual growth rate of around 9 percent through 2025, supported by e-commerce, AI, and digital payment solutions. Moreover, Canada's key framework for

engagement with Asia, the Indo-Pacific Strategy, discusses cyber and digital issues, including those at the core of security, economic, and governance competition in the region.

Given the geopolitical importance of new technology, states seek to stay competitive by pursuing digital development, building innovation hubs, and incorporating emerging technologies in industries. Yet, the pace of digital transformation can be hampered by negative experiences, including scams, data breaches, cyberbullying, and privacy violations. Digital adoption could be impacted by encounters with fraud or service disruptions caused by vulnerabilities in systems. An attack on Sony PlayStation networks in 2011 disrupted services for nearly a month, while NotPetya's expansion into Maersk systems led to attack-related costs estimated at US\$250 million. Vulnerabilities in networks can trigger attacks on third-party states or cripple critical infrastructure. Meanwhile, technologies such as AI could increase the volume of attacks or enhance the use of chatbots for socially engineered attacks. Building safer cyberspace relies on transnational partnerships, be it in information sharing, cybersecurity practices, or capacity building for responsible state behaviour. This is where Canada and ASEAN could synergize their efforts for resilient digital adoption and responsible governance of the cyber domain.

## Shared Challenges and Emerging Risks

Cybersecurity was traditionally regarded as an issue focused on the protection of information and information systems. Guided by principles such as people, process, technology, and risk assessments that include identifying the threat landscape, chief information security officers in the private sector or cybersecurity policy-makers should construct processes or policies that protect systems from unwanted breaches or diffuse responsibility between public and private stakeholders.

The scope of cybersecurity has changed over the years. In an age of digital anything and everything, cybersecurity discourse ranges from unwanted data breaches to misinformation. ASEAN's Cybersecurity Cooperation Strategy 2021–2025, for instance, highlighted IoT vulnerabilities, unauthorized data breaches, critical infrastructure attacks, and misinformation as concerns

in the cyber threat landscape. Canada's National Cyber Threat Assessment 2025–2026 also identified cybercrime as a persistent threat, while noting an increase in state-sponsored activities, including denying service, deleting or leaking data, and manipulating the industrial control systems for information campaigns. Southeast Asia's challenge with cybercrime extends beyond regional borders and intertwines with serious offences such as human trafficking and modern-day slavery. Touted as ground zero of the global scamming industry by the UN Office on Drugs and Crime, the ASEAN region's connectivity, coupled with weak enforcement and oversight measures, leaves its systems open to misuse.

The cybersecurity landscape is further impacted by digital transformations such as cloud migration, AI-enhanced attacks, or quantum. Attacks along the supply chain seek weaknesses in interconnected networks, whether it is a forgotten Windows 2000 update or an unprotected vendor. ASEAN's Cybersecurity Cooperation Strategy 2021–2025 highlighted this particular concern, especially the possibility of perpetrators launching attacks along the supply chain to reach other prime targets using regional information and communications technology (ICT) infrastructure. This issue is also raised in Canada's National Cyber Threat Assessment 2025–2026, suggesting state-sponsored activities could pre-position cyber tools for future sabotage.

AI is a catalyst for further digital adoption. However, AI also complicates cybersecurity. The ASEAN region has seen escalation in AI-driven cyber attacks, where businesses in member states such as Malaysia recorded a twofold rise in AI-enabled threats over the past year. Meanwhile, Canada's National Cyber Security Strategy highlighted the threats posed by generative and predictive AI tools to amplify criminal activity and by the development of AI systems that contravene Canadian values, such as those on safety. Additionally, Communications Security Establishment Canada, the national cryptologic agency, observed the misuse of AI during elections, with hostile foreign actors targeting 27 percent of the elections held worldwide between 2023 and 2024. The agency stated that of the 151 elections held in these years, 60 reported AI-generated synthetic disinformation campaigns, and there were 34 cases of AI-enabled social botnets.

Transitions to quantum-safe systems have emerged as an item on the cybersecurity agenda for both ASEAN and Canada. With more than 80 percent of internet users in the six largest ASEAN economies making digital payments regularly, the possibility of quantum hacking breaking cryptographic security has raised concerns about the region's digital dependence. Canada has embarked on post-quantum cryptography migration to protect data, especially for the Government of Canada's IT systems. Furthermore, Canada's National Quantum Strategy aims to strengthen research and secure a place in the quantum-encryption market, estimated to reach US\$4.7 billion by 2033. Canada is a world leader in quantum science, with an ecosystem nurtured over the past two decades. The possibility of knowledge transfer and collaboration between ASEAN member states and Canada could prepare Southeast Asia for a quantum future.

Yet, the cybersecurity landscape could be impacted by geopolitics. The use of digital tools to advance strategic gains—be it through misinformation, attacks on critical infrastructure, or uncrewed vehicles in conflicts such as the Ukraine–Russia war and the Israel–Palestine conflict—indicate the importance of cyber operations in the armed arena. However, discussions on the rules of engagement have not produced binding outcomes, whether through the UN Open-Ended Working Group on Security of and in the Use of Information and Communications Technologies or other efforts, such as the Responsible Artificial Intelligence in the Military Domain Summit. Meanwhile, interconnected ICT infrastructure has served as leverage during political tensions. For instance, in the recent Thai–Cambodia border clashes, Thailand ordered Thai operators to stop providing mobile and broadband connection to Cambodia.

## Opportunities for Cooperation

Shared challenges in the cybersecurity landscape are opportunities for cooperation for Canada and ASEAN. Canada and Southeast Asian countries already have cybersecurity ties. The Canadian tech company, BlackBerry, opened a Cybersecurity Center of Excellence in Malaysia and offers training for ASEAN member states. Cyber has also featured in ASEAN–Canada dialogue, specifically regarding the online protection of children, capacity

building for criminal justice authorities, and the development of trusted digital ecosystems. Currently, Canada is in the process of becoming a dialogue partner in the ASEAN Digital Ministers' Meeting, which could enhance trade and investment opportunities, while shaping safety goals for emerging technologies. Canada's Women in International Security and Cyberspace Fellowship has also provided opportunities for women from developing countries, including from ASEAN member states, to participate in international cyber forums, such as those held at the UN.

Cooperation could include improving the use of AI for cybersecurity, building quantum and secure communications, addressing cybercrime, harmonizing standards for digital transformation, and strengthening the international commitment to responsible state behaviour.

First, Canada and ASEAN could find common interest in using AI to address malicious cyber activity. Canada's use of AI for cybersecurity and threat detection could offer insights for a region grappling with various malicious cyber activities. Canada's Cyber Attribution Data Centre could be a useful example on the usage of AI and data analytics for cybersecurity, especially where ASEAN's information-sharing data pool may be fragmented. Canada's Cyber Attribution Data Centre analyzes data from a variety of sources, which could assist in monitoring trends and producing reports in concise formats. Additionally, Canada's structural developments primed for threat hunting could be a useful reference for an ASEAN region that could be moving beyond capacity building to threat mitigation.

Second, Canada's leadership in quantum science could advance ASEAN's aim to explore strategies for quantum-safe migration. In a region where various domestic priorities compete for financial resources, charting efficient and accurate quantum-safe migration is necessary for optimal resource utilization. Certain vendors or infrastructure operators would independently migrate to quantum-safe systems. Meanwhile, ASEAN governments would have to map the critical data and cryptography technology in their systems. Avoiding duplication requires a roadmap or a plan. Additionally, as quantum

also includes computing and sensory technologies, a partnership to explore the potential of these technologies, even outside the scope of cybersecurity, could be useful in the age of AI.

Third, faced with a complex cybercrime-cybersecurity nexus, Canada and ASEAN could strengthen approaches to address elements of online crime, especially scams, which feature a diverse range of methods, tools, and actors. Criminal networks are resilient to takedowns and operate where laws are weak or do not exist. Addressing the multifaceted threat requires capacity building by enforcers, platform operators, business owners, policy-makers, and end users. International collaboration would increase the efficacy of these efforts, especially for information sharing and the compliance of platforms.

A fourth opportunity for cooperation is to develop standards in the age of digital transformation. Exchanges could focus on harmonizing standards for IoT, Smart Cities, cloud computing, and 5G, or exchanges on best practices for engaging with communities and industry on cybersecurity could increase.

Lastly, a stable cyberspace in the ASEAN region is only possible if there is a semblance of rules. ASEAN bases its understanding of responsible state behaviour on the eleven norms of responsible state behaviour adopted by the United Nations in 2015. However, as geopolitics shift threat trajectories and cybersecurity practices, there may be a need to strengthen approaches that enhance the commitment to protect systems. ASEAN has attempted to articulate these potential paths with a Checklist for the Implementation of Norms of Responsible State Behaviour in Cyberspace, which details practical recommendations and capacity-building suggestions. Canada could help increase ASEAN's capacity to fulfill the checklist. Likewise, devising a strategy to engage the international community on the topic could scale responsible state behaviour efforts.

## Challenges to ASEAN Synergy in Cybersecurity Partnerships

It has been noted by various studies that cybersecurity efforts in Southeast Asia may be affected by the varying

levels of governance maturity across the region. While ASEAN member states have made progress in constructing laws to protect critical infrastructure and data (which will advance further when Cambodia and Laos finalize laws to protect critical infrastructure and Cambodia legislates on data protection), ASEAN's response during a cybersecurity incident can be confounded by a lack of clarity in roles, technological aptitude, and responsibility—which, in turn, impacts the efficacy of the laws enacted. An example is scams, where responsibility can lie with a number of agencies in ASEAN member states, especially in line with laws that govern ICT misuse, commercial crime, or online safety on digital platforms. To enhance synergy, Canada could engage with a number of states and regional bodies, while understanding mandate limitations.

The region has a number of reference documents for capacity building, including the ASEAN Cybersecurity Cooperation Strategy 2021–2025, the incoming ASEAN Cybersecurity Cooperation Strategy 2026–2030, and the ASEAN Checklist for the Implementation of the Norms of Responsible State Behaviour in Cyberspace. Currently, Canada is tackling two of the region's capacity challenges—talent and threat intelligence—with Blackberry's Cyber Security Center of Excellence. However, scaling these efforts may require institutionalizing links with local universities and developing partnerships with various government bodies. Additionally, strengthening the recently established ASEAN Regional Computer Emergency Response Team as a hub for information sharing and incident response could increase the region's capacity to respond to cybersecurity challenges.

The ASEAN region and Canada are facing common digital futures. With rapidly developing technologies and intertwined digital spaces, cybersecurity threats could defy borders to pose attacks of greater consequence along networks. This makes ASEAN and Canada allies for a safer digital future.

