



Global Intelligence Summary

REPORTING PERIOD: 01 SEP - 08 SEP 2023



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Week 38: 01 September – 08 September 2023

Executive Summary

- In the **West Bank**, Israeli Defence Forces have conducted raids on refugee camps in an attempt to disrupt militant operations.
- In **Niger**, France is considering withdrawing some of its forces amidst growing anti-French sentiment and protests outside of its military base in Niamey. A full withdrawal will almost certainly embolden extremist groups and lead to more attacks.
- In **Burkina Faso**, militants are continuing to exploit the security vacuum left by the French withdrawal, staging attacks on government forces and blockading several towns.
- In **Indonesia**, the Association of Southeast Asian Nations (ASEAN) has invited global powers in a bid to limit regional tensions.



Figure 1: Significant activity identified during the current reporting period (01 September – 08 September 2023)

AMER

- 1 US:** Greek shipping firm fined for smuggling Iranian oil
- 2 Mexico:** Ruling party nominates presidential candidate amid controversy.
- 3 Guatemala:** Seed Movement suspension rejected

EMEA

- 4 Syria:** Clashes between SDF and Turkish-backed groups.
- 5 Israel and the West Bank:** IDF raid Palestinian refugee camps
- 6 Niger:** France considering withdrawing forces from Niger
- 7 Burkina Faso:** Militants kill at least 53 members of the security forces
- 8 DRC:** Deadly attack on Chinese mining convoy

APAC

- 9 Hong Kong:** Record rainfall inundates city resulting in disruption
- 10 Thailand:** Thaksin's sentence commuted
- 11 Indonesia:** ASEAN summit in Jakarta focused on decreasing regional tensions



Americas (AMER)

Guatemala:

Seed Movement suspension rejected.

This reporting period has seen further developments in the ongoing political machinations around President-elect Arevalo's Seed Movement. The Supreme Electoral Tribunal has ruled that it is blocking the suspension of the Seed Movement which was ordered by the Electoral Registry less than two weeks ago. The Tribunal stated that they could not allow the suspension to stand as it was not decreed by an electoral body. The decision of the Tribunal will stand until the end of the electoral period, which will end of 31 October.

Assessment: The announcement from the Tribunal means that the Seed movement will remain a legal party in the country for the time being, however, this will only last until 31 October. As such, it is almost certain that come 1 November, attempts to suspend the Seed movement will once again begin to take place. Whilst this initial decision to unsuspend the Seed movement was made by the Electoral Tribunal, Seed have also been appealing their suspension through the country's court system. This has yielded little results so far, however. The suspension, although brief, has already had an impact on the transition, with seven Seed lawmakers, including Arevalo, forced to sit as independents in the country's Congress. This has barred them from leading any legislative committees or holding other positions of leadership in Guatemala's Congress. The ongoing saga over the legal status of the Seed movement is likely part of a concerted effort by the country's entrenched elites to keep Arevalo out of power. Arevalo's anti-corruption manifesto will likely target many of them who have long been the subject of corruption allegations and have historically attempted to dismantle the country's anti-corruption operations.

United States:

Greek shipping firm fined for smuggling Iranian oil.

The Greek Shipping firm, Empire Navigation, has pleaded guilty to smuggling one million barrels of sanctioned Iranian oil, agreeing to pay a USD 2.4 million dollar fine as a result. It also now faces a three-year probation period. The oil was being transferred in the tanker named Suez Rajan, which earlier in 2023 became the subject of wider United States – Iranian tensions after the US seized the vessel whilst it was en route to China. This seizure resulted in Iran retaliating by seizing the United States vessel called the Advantage Sweet, which was carrying Kuwaiti oil for Chevron at the time. Recent days have seen the oil, which was onboard the Suez Rajan, transferred onto other vessels in Houston, Texas, likely indicating that the United States government had formerly seized this cargo.

Assessment: The announcement that Empire Navigation have pleaded guilty marks the first acknowledgement by American prosecutors that the Suez Rajan was involved in sanction avoidance. Since the resumption of sanctions on Iran under President Trump, the United States and allied nations have resumed their efforts at trying to interdict sanctioned Iranian oil. Despite this, Iran's oil exports have steadily remained above one million barrels a day, with figures even reaching 1.5 million barrels a day in May and June. It is widely assumed that the main market for this oil is China, which is almost certainly buying it at a major discount. The news of the charge and the fact that the United States has now formerly taken possession of the cargo are almost certain to provoke an Iranian response. It is likely that Iran will increase its rhetoric against the United States and her allies, and it may also lead to heightened Iranian activity in the Persian Gulf. Iran will likely harass Western shipping and there is a realistic possibility that Iran may seek seize



a Western tanker in response. The steady build up in recent weeks of American naval assets in the region has almost certainly been done in an attempt to counter any such Iranian activity.

The news that it is a firm from Greece, a United States and NATO ally, and EU member, is less surprising than it first seems. This is because Greece has one of the largest merchant marine fleets in the world, and before the return of the sanctions, Greek firms were the largest transporters of Iranian oil, with 81 of the 217 tankers in the Greek merchant fleet engaged in this trade. Whilst the largest Greek firms will have ceased this trade with the return of sanctions, it is likely that some of the country's smaller companies, in particular those with little to no links to the United States, may well have continued to engage in this trade. Considering the potential revenue gains, it is probable that these firms would have been undeterred by the associated risks.

Mexico:

Ruling party nominates presidential candidate amid controversy.

On 6 September, Mexico's current ruling party, Morena, nominated former Mexico City Mayor Claudia Sheinbaum to be its candidate in next year's presidential election. Before the result was announced however, Sheinbaum's closest rival, former foreign minister Marcelo Ebrard, said the vote had been tainted by irregularities and must be redone. Sheinbaum ended with a vote share of 39 percent whilst Ebrard received around 25 percent. The following day, President Andres Manuel Lopez Obrador, backed the selection of Sheinbaum, dismissing objections about the process.

Assessment: The selection of Sheinbaum as Obrador's successor is not a surprise, with the former mayor looking like the strong favourite since the campaign began. With polls showing the Morena party being heavily favoured to win the June 2024 election, it is likely that Sheinbaum will become Mexico's first female president. Seen as Obrador's natural successor, this will likely see a continuation of several policies from Sheinbaum who will almost certainly look to profit from Obrador's still impressively high approval ratings. This result would therefore highly likely result in a peaceful transition of power. The accusations from Ebrard were not new, his campaign has argued for weeks that there were problems in the selection process and had stepped up complaints in recent days. There is a realistic possibility now that Ebrard stands as the centre-left Citizens' Movement (MC) candidate or as an independent. This eventuality is something that would undoubtedly worry Sheinbaum and Morena as it would reduce the likelihood of a decisive victory, given Ebrard's strong support in the middle-classes. However, with MC currently polling at four percent, and an independent candidacy unprecedented, a Morena and Sheinbaum victory remains likely in the June 2024 presidential election. It is estimated that around 20 per cent of Mexico is currently controlled by the cartels and there is some evidence to suggest that the Morena party has entered into "narco-pacts" with the cartels. Should Sheinbaum be elected, her stance on the cartels will almost certainly have a significant impact on the security situation within Mexico. If these pacts are real and Sheinbaum decides to renege on them, there is a realistic possibility of an increase in clashes between the cartels and Mexico's security forces.

AMER Forecast. In the United States, there is a realistic possibility of political volatility following President Joe Biden's decision to cancel the seven remaining oil and gas leases in Alaska's Arctic National Wildlife Refuge, overturning sales made under the Trump administration. Criticisms originate from both Republicans and Democrats, with oil and gas one of the few industries in the area that provide sustained revenues. In Mexico, the nationwide federal ban on abortion has been ended by a Supreme Court ruling. However, 20 of Mexico's 32 states still criminalise abortion and those laws were not affected by the Supreme Court ruling. It is likely that Mexico will experience protests and demonstrations in favour of overturning these state laws following the Supreme Court's ruling and that counter protests will also be staged by much of Mexico's staunchly Catholic population.



On 11 September, there will likely be disruption in both Chile and the United States. In Chile, it will be the 50th anniversary of Augusto Pinochet's coup, which will likely illicit protests and parades across the country, and in the United States, disruption should be expected through vigils and events commemorating the 9/11 attacks.

Much of the Caribbean and many southeastern US states remain at risk of tropical storms and hurricanes as this year's Atlantic hurricane season continues to progress at an above average rate. Tropical Storm Lee for example, is currently active in the Atlantic and is likely to become a hurricane before heading towards the region. It is highly likely that the fallout from the latest tropical cyclone in Rio Grande do Sul, Brazil, will worsen. The cyclone has reportedly already killed at least 31 people and the economic impact is anticipated to amount to tens of millions of dollars.



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Europe, Middle East & Africa (EMEA)

Israel and the West Bank:

Israeli Defence Forces conduct operations in West Bank refugee camps.

On 4 September, the Israel Defence Forces (IDF) conducted a targeted operation within the Jenin refugee camp, resulting in the apprehension of three Hamas militants. Notably, among those arrested was Abdallah Hassan Muhammad Zubah, a key figure responsible for orchestrating HAMAS rocket attacks into Israel from the West Bank. Zubah's capture is regarded as a significant achievement in Israel's counterterrorism efforts, given his pivotal role in planning and executing cross-border rocket attacks. Then on 5 September, the IDF initiated a raid in the Nur Shams refugee camp, near Tulkrum in the West Bank. The primary objective of this operation was to confiscate locally manufactured explosive devices that were reportedly being manufactured. During the operation, clashes ensued between IDF forces and militants affiliated with the Islamic Jihad. The confrontation resulted in the loss of one Islamic Jihad gunman's life.

Assessment: Over the past 18 months, Israel and the West Bank has experienced a significant upsurge in violence, characterised by an increased frequency of IDF raids into the West Bank. Several key factors are contributing to this, posing multifaceted security challenges. It is highly likely that militant factions like Hamas and Islamic Jihad are exploiting the current crisis in Israel and the overstretched security forces to conduct attacks into Israel. These attacks are also likely an attempt to increase their influence and to challenge the Palestinian National Authority (PA), which exercises partial civil control over the West Bank and has been deemed as detrimental to the Palestinian cause by militant groups for its security cooperation with Israel. Both militant groups are backed and funded by Iran, and it is highly likely that Iran is pushing for the groups to attack Israel. IDF responses to these attacks are likely having a strategic effect that is beneficial to Iran by hampering Israel's attempts at rapprochement with Arab states whose ordinary citizens are almost certainly outraged by the raids, especially when conducted in refugee camps. This was evidenced by the riots that occurred in Tripoli, Libya after the Libyan foreign minister was revealed to have secretly held a meeting with their Israeli counterpart. The refugee camps are doubtlessly being exploited by militant groups, with the PA reticent to enter the camps due to the potential of attacks or civil unrest. This has likely led to a situation where the camps are being used by militants to recruit, command operations, stage attacks and manufacture munitions. In the short term, there is a realistic possibility that Netanyahu's coalition government welcomes the raids as a necessary distraction from Israel's internal political crisis and as a route to procure vital intelligence. However, this strategy is unlikely to be feasible long term and will likely lead to Israel's growing isolation on the international stage and play into the hands of groups like Hamas and Islamic Jihad, especially if these groups coax the IDF into raiding refugee camps.

Syria:

Deadly clashes between Syrian Democratic Forces and Turkish-backed groups.

Throughout the reporting period there have been several instances of clashes between Turkish-backed armed groups and the United States-backed, and largely Kurdish, Syrian Democratic Forces (SDF) in northeast and eastern Syria. Reports indicate that the Ankara-backed rebel groups, which are known collectively as the Syrian National Army (SNA), had attempted to infiltrate Kurdish held territory. Many of the clashes were in the oil rich Deir Ezzor province, an



area partially controlled by the SDF after they spearheaded the offensive that ultimately defeated the Islamic State's (ISIS) self-declared caliphate in 2019. In response to the SNA's offensive, the SDF have conducted counter-offensives and advanced deeper into Deir Ezzor province. Reports indicate that dozens of fighters on both sides have been killed with fighting still ongoing.

Assessment:

Since 2016, Turkish forces have launched several offensives against Kurdish forces in northern Syria that have resulted in large parts of the Turkey facing Syrian border falling under Ankara's control. It is almost certain that Ankara views the Syrian Kurdish People's Protection Units (YPG/J), who make up the majority of the SDF, as an extension of the Kurdistan Workers Party (PKK), a group deemed to be a terrorist entity in Turkey. As a result, it is highly likely that Turkey will support any military activity that is likely to degrade or preoccupy the SDF. There is also a realistic possibility that Turkish-backed forces in the far north of Syria will increase their attacks on the SDF to further stretch Kurdish forces. However, Syrian government forces were deployed to the border regions to halt the Turkish offensive into Kurdish lands after a Russian brokered deal in 2019. Therefore, Ankara may be unwilling to back any military operations near the border for fear of escalation with the Syrian government and will instead support operations to the south in Deir Ezzor province.

In Deir Ezzor province, it is highly likely that the majority Arab population, despite many siding with the SDF against the Islamic State (ISIS), are not in favour of a permanent Kurdish presence, who control most of the province east of the Euphrates. There are almost certainly suspicions from the Arab tribes regarding the Kurdish presence due to the province being rich in oil. However, the province also borders Iraq and is a major facilitation route into Syria for fighters, weapons, and other illicit goods. It is likely that the SDF will be unwilling to concede ground here as ISIS is still active in the region. ISIS is estimated to have at least 3000 active members operating within Iraq and Syria and has maintained its attacks on both the Syrian government and the SDF. It is almost certain that the SDF will want to maintain control over the border to prevent an increase in ISIS activity. It is also probable that the SDF views the local Arab government as corrupt and ineffective and thus incapable of containing ISIS. However, should the fighting between the SDF and Turkish-backed groups continue and the local government is incapable of exercising control, it may create a favourable environment for ISIS to take advantage of.

Democratic Republic of the Congo (DRC):

Deadly attack on Chinese mining convoy.

During this reporting period, two Chinese mining officials, a local national, and a Ghanaian were killed in an attack on a Chinese mining convoy which was carrying gold from a site near the Kimbi river in the South Kivu province. Furthermore, three were left injured: a Chinese mining official, a local mine worker, and another soldier. The attackers were reportedly not from South Kivu but instead from the neighbouring region of Maniema. Reports indicate that the assailants then left the area with the gold that the convoy was transporting.

Assessment: The South Kivu province is renowned for being a significant part of the Democratic Republic of Congo's turbulent eastern regions. Across eastern DRC, more than 120 armed groups compete for land, resources, and power, and as a consequence deadly attacks are a regular occurrence in the region. More widely across Africa, Chinese mining and resource firms have been targeted in attacks, often as a result of tensions between local communities and the mining corporations. It is likely that Chinese firms have come to dominate the mining and mineral industries in the DRC, likely exploiting the volatile security situation which has caused Western companies to withdraw. It is highly likely that many local nationals feel that foreign firms are exploiting the country's natural resources and that this has led to a sharp increase in attacks on foreign nationals operating in the country. This sentiment was likely further aggravated in 2021, when six Chinese companies were suspended after the government of the DRC found they had been operating illegally. It is likely that this sentiment will be the catalyst for further attacks on

Chinese nationals operating in the DRC and the wider region. To compound the issue, it is almost certain that the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO) will be leaving the country after 25 years of peacekeeping, which will likely lead to a deterioration in the security situation and result in an increase in fighting between the DRC's multitude of armed groups. As the security situation worsens, it will likely create the conditions that will facilitate more attacks on foreign workers. The DRC remains integral to China's Africa strategy and has been described as the epicentre of Chinese investments, especially given its large cobalt reserves, the key mineral used in electric batteries. In order to protect its investments in the DRC, there is a realistic possibility that China will be forced to commit to more infrastructure projects in the country to placate both the government and local nationals.

Burkina Faso:

Militants kill at least 53 members of the security forces.

At least 53 members of the country's security forces have been killed fighting with militants in the country's north. Of those killed, 17 were from the country's regular armed forces whilst the remainder were volunteer forces. The attack took place in Yatenga province, where the army has been trying to recapture territory to allow those who were displaced more than two years ago to return home. At the time of writing, reports indicate that the fighting is continuing.

Assessment: This round of fighting has resulted in the highest death toll that the country has seen since its October 2022 coup. In 2022, the country suffered two coups, both of which were precipitated by the inability of the country's armed forces to successfully curtail insurgent activity and contain militant groups, some of which have overt ties to the Islamic State and Al Qaeda. It is almost certain that since the last coup, this ability to fight militant groups has been further degraded with the French military, who had been contributing to anti-insurgent programmes, being ordered to withdraw from the country. It is almost certain that the country's insecurity will continue to deteriorate over the coming weeks. It is already estimated that half the country is now outside of the control of the central government. Reports suggest that the militants are exercising so much control, they have been able to blockade several towns, and disrupt many of Burkina Faso's ground lines of communications. This has cut off around one million people from essential supplies such as food and medicine, impeding their freedom of movement and threatens the country with a severe humanitarian crisis. The areas which have fallen to the militants, form an encirclement around the country's capital, Ouagadougou. It is highly likely that militants and insurgents will seek to press forward to further reduce space around the capital and to place further pressure on the government. If they are successful at laying siege to the country's capital, then there is a chance the government could collapse. The rise in insecurity in Burkina Faso triggered by the country's coups likely presages that a similar situation will now unfold in Niger, where the recent military coup was justified on the grounds of the government's inability to effectively combat growing insurgent activity. It is likely that West African nations yet to succumb to coups will increase their efforts to revert the coup in Niger with diplomatic overtures and the threat of military intervention.

Niger:

France considering withdrawing forces from Niger.

Reports in Niger indicate that France may soon begin talks with the military junta about the possible withdrawal of French troops from the country. No details regarding the extent of the withdrawal have been released so far, but according to the French ambassador to Mali, the initial steps would only include a partial withdrawal. Throughout the reporting period, there have been large protests calling for the withdrawal within the capital, Niamey, and outside the French army base on the outskirts of Niamey. France has maintained its stance that it does not officially recognise the coup leaders' government and has resisted demands to end its diplomatic mission within the country.



Assessment: It is highly likely that anti-French sentiment has spiked during the last week after France refused to recall its ambassador in contravention of the junta's orders. France, who maintains a force of around 1500 soldiers in Niger, is likely unwilling to withdraw its entire forces after being previously expelled from Burkina Faso and Mali. It is likely that France is sanctioning a partial withdrawal to appease both the junta and protestors and will withdraw some of its more sophisticated equipment such as drones and aircraft in case these fall into the hands of the junta. A complete retrograde from Niger would almost certainly embolden jihadist militants in the region who have already increased attacks in neighbouring Burkina Faso and Mali. The United States also has a military presence in Niger with troops based in vicinity of Niamey. Reports indicate that the United States is considering moving some of its troops from the capital to the Agadez region in central Niger. It is likely that this move would increase the protection of United States personnel and equipment from the junta and any hostile crowds near Niamey and is a move that could be emulated by France.

EMEA Forecast. In Israel, the Supreme Court has postponed the hearing on the contentious judicial reforms until 19th September. This decision comes as the country's attorney general has expressed opposition to the reforms, leaving the government without legal representation in court. Expect widespread protests to persist across the country, with a likelihood of increased intensity around the scheduled hearing dates. Meanwhile, the Speaker of the Knesset has suggested that if the court rules against the reforms, the government may refuse to comply with the ruling, potentially leading to further constitutional turmoil. The president of Taiwan, Tsai Ing-Wen is scheduled to finish her visit to Eswatini on 9 September. Eswatini is the only African nation which still has diplomatic relations with Taiwan. This visit is to mark the state's 55th anniversary, and the visit is almost certain to see a number of agreements signed between the two states as Taiwan seeks to preserve this relationship. In Nigeria, whilst the country's election tribunal has upheld the victory of President Tinubu in the country's election, the country's main opposition parties, the People's Democratic Party and the Labour Party have announced their intentions to appeal this ruling. Whilst no legal challenge to election results in Nigeria has been successful, the continued appeals will only likely further stoke unrest and political volatility in the country. The EU is expected to deliver its State of the Union address on 13 September. This is likely to see more support for Ukraine announced, further investment in EU defence, and will likely touch on the ongoing conversation around EU enlargement timeframes. Meanwhile, in Georgia, the ruling party, Georgia Dream, has declared its intention to pursue the impeachment of President Zourabichvili. The president has increasingly diverged from Georgia Dream on issues such as the party's ties to Russia. While the impeachment is unlikely to succeed, anticipate protests and heightened political instability as it deepens the rift between the president and the government.

Saudi Arabia and Russia have announced that ongoing oil cuts will continue through until at least December 2023. This news will mean that around 1.3 million barrels a day will continue to be trimmed from global oil markets. The announcements have already pushed benchmark Brent crude above USD 90 a barrel, a price last seen in November 2022. Expect global petrol and diesel prices to continue to climb, which will likely further increase inflation. The announcement of a decline in EU exports during the second quarter of 2023 has heightened concerns that the bloc may be on the brink of entering a recession. These concerns may either be exacerbated or alleviated by the forthcoming inflation data, scheduled for publication on 11th September by the European Commission. In Nigeria, the Nigeria Labour Congress (NLC) has declared its intention to escalate strikes if wage increases are not granted, given the rising transportation costs resulting from the removal of the country's fuel subsidy. They have threatened a "total and indefinite shutdown" of Nigeria if their demands are not addressed. The implementation of a replacement for the fuel subsidy appears unlikely due to its cost, thus increasing the likelihood of a significant wave of strike actions that could further strain the nation's already fragile economy.



Norway is to close its embassy in Mali as a result of increasing security concerns as the MINUSMA mission continues to draw down in the country. It is likely that other nations will follow suit in the coming weeks. The deadly clashes in Kirkuk, underline the longstanding tensions between the Kurdish regional government (KRG) and the Iraqi federal government, and whilst the current clashes have ended, there is at the current time no resolution in sight for the wider tensions. There is a realistic possibility of further clashes during the next reporting period.

The deadly flooding in southern Europe is likely to lead to sustained disruption across the region. Many people are reportedly still missing and the death toll is likely to increase. In Greece, the nation is faced with the daunting task of rebuilding in the aftermath of severe flooding and heavy rainfall. These natural disasters occurred shortly after the country successfully contained a deadly wildfire that had raged for two weeks. In the UK meteorologists are forecasting that the heatwave the country is currently experiencing will persist for several more days, with daily temperatures in some regions predicted to remain above 30 degrees Celsius. Finally, the Rugby World Cup begins in France on 8 September. Large numbers of fans will be travelling across France over the next several weeks as they attend matches at locations across the country and there is a high likelihood of disruption to transport. There is also a realistic possibility that protestors will exploit the publicity of the event to stage demonstrations.



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Asia Pacific (APAC)

Thailand:

Thaksin's sentence commuted to one year.

On 1 September, it was announced that the eight-year sentence of Thaksin Shinawatra had been commuted to one year by royal decree. The former prime minister who returned to Thailand in August, after 15 years of self-imposed exile, was immediately placed in prison to begin serving his sentence and has been there since. It has also been stated that he will be able to apply for parole after he has served at least one third of his sentence, which would equate to four months.

Assessment: Thaksin's eight-year prison sentence was a result of a combination of charges, including abuse of power. His supporters have always claimed that these charges were politically motivated by the country's conservative and military elites, who seized power in a coup against Thaksin in 2006. It was widely speculated that Thaksin had returned to Thailand as part of the coalition deal brokered between his party, Pheu Thai, and the military aligned parties. This deal has sidelined the electorally popular Move Forward Party, who had failed to form a government, and has angered a number of traditional Pheu Thai supporters. It is almost certain that after four months Thaksin will apply for parole, and there is a realistic possibility it will be granted. This may be due to his apparent ill health, his age, or due to his good behaviour. Whilst Mr Thaksin may have been hoping for a full pardon, it is almost certain that this would have been ruled out as being too politically contentious. Whilst it is unlikely that he will receive a further royal commutation of sentence or pardon, it is possible he may benefit from a collective royal pardon. These are granted each year by the king to celebrate his birthday. In 2021 for example around 200,000 prisoners were pardoned. The commutation of Thaksin's sentence, the fact that he has returned to Thailand, and the coalition between his party and long-time adversaries will be seen as signs that the country's nearly two decades of intense political polarisation is coming to an end. This is further underscored by the fact that in the decree commuting his sentence, the king stated that Thaksin had "done good for the country and people and is loyal to the monarchy".

Indonesia:

Jakarta ASEAN summit calls for de-escalation amidst rising global tensions.

On 7 September, Indonesia hosted the 43rd Association of Southeast Asian Nations (ASEAN) Summit in Jakarta. Indonesian President Joko Widodo, as chair of the ASEAN bloc this year, called on world leaders during a security and trade summit to step back from confrontation amidst increasing big-power rivalries. The summit, which included United States Vice President Kamala Harris, Chinese Premier Li Qiang, and Russian Foreign Minister Sergei Lavrov, as well as leaders from other partner countries. Tensions ran high during the talks, covering a range of issues from trade and technology to China's growing assertiveness in the South China Sea, the Myanmar junta's refusal to cooperate with ASEAN on a peace plan, the conflict in Ukraine, and suspicions of North Korea supplying weapons to Russia. Indonesia and other Southeast Asian nations warned against "destructive" rivalries among major powers, particularly highlighting United States-China tensions that posed risks to their region. President Widodo emphasised the shared responsibility of all nations to prevent new conflicts and reduce tensions, warning against the replacement of cooperation and multilateralism with the rule of the strong.

China's Li cautioned against initiating a "new Cold War" and urged countries not to take sides in conflicts. Vice President Harris, representing the United States, reaffirmed her country's commitment to Southeast Asia and the Indo-Pacific, emphasizing shared interests with ASEAN in upholding the rules-based international order, particularly in the South China Sea, reiterating



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Washingtons opposition to unilateral changes to the status quo in the South China Sea and East China Sea. Myanmar remained a prominent concern as ASEAN leaders grappled with the ongoing conflict in the country. Calls for the release of political prisoners, including Aung San Suu Kyi, and efforts to push for peace in Myanmar raised questions about the effectiveness of ASEAN's diverse political group. United Nations Secretary-General António Guterres highlighted the deteriorating political, humanitarian, and human rights situation in Myanmar and reiterated calls for the junta to release all political detainees.

Assessment: It is highly likely that Widodo, with the ASEAN bloc's backing prioritised the United States-China rivalry at the summit due to the complications it can have for the regional bloc. Many ASEAN nations are likely finding themselves caught between the United States and China, with both countries being key trade partners for many of the developing nations. Southeast Asian nations will also be concerned about the potential for destructive rivalries to spill over into their region. The South China Sea will continue to be a flashpoint, with tensions over territorial claims and freedom of navigation posing ongoing challenges to regional stability. Dialogue and diplomatic efforts will be crucial in preventing escalation between Beijing and Washington in the region, and it is likely that the more powerful countries within ASEAN that aren't overtly sided with Washington, like Indonesia, will remain key mediators. However, it is likely that there is little consensus among ASEAN nations on the matter of the South China Sea. Chinese claims are in contravention of the limits mandated by the United Nations Convention on the Law of the Sea (UNCLOS) and include disputes with Vietnam, the Philippines, Malaysia and Brunei. Should China enforce these claims, then these countries will be denied access to undersea resources and fish stocks, a condition that is highly unlikely to be accepted by the rival claimants. China has already behaved aggressively in the South China Sea, using its coast guard and maritime militia to harass rival nation's coast guards and navies, and it is highly likely that this activity will increase in frequency and scope as China continues to militarise the region. The South China Sea is not the only issue that is likely to divide ASEAN. The contentious issue of Myanmar and whether to expel the country from the bloc is likely causing further divisions. Myanmar's inclusion likely allows ASEAN to exert some pressure on the junta, increases Myanmar's access to humanitarian aid and could help with regional stability, but likely damages ASEAN's credibility. Myanmar's expulsion, however, could embolden the regime to commit more human rights abuses and cause the regime to strategically pivot towards China and Russia, potentially threatening long-term stability in the region.

Hong Kong:

Hong Kong inundated by heavy rains after Typhoon Haikui,

Hong Kong has experienced the most substantial rainfall in its 140-year recorded history. The heavy rainfall was caused by Typhoon Haikui, which made landfall in China's Fujian province and was subsequently downgraded to a tropical depression. The rain and associated flooding resulted in two fatalities and left at least 80 individuals injured. Videos captured torrents of water rushing down steep slopes, submerging narrow streets, malls, metro stations, and tunnels. The flooding also resulted in the shutting of many schools within Hong Kong and the city's stock market did not open on 8 September. The extreme weather conditions also caused significant disruptions in the neighbouring Chinese city of Shenzhen, a technology centre with a population of over 17 million people. Shenzhen serves as a vital economic link in the Pearl River Delta region, and it experienced severe impacts on business and transportation due to the heavy rainfall.

Assessment: Hong Kong and neighbouring Shenzhen are major economic centres in the region, and the flooding will almost certainly impact thousands of businesses and disrupt supply chains. The shutting of the Hong Kong stock market almost certainly resulted in a loss of trading options and market volatility in the regional financial powerhouse. The inundation of shopping malls, metro stations, and tunnels in Hong Kong highlights the vulnerability of urban infrastructure to extreme weather events. This incident underscores the need for improved drainage systems and flood



prevention measures in densely populated urban areas and will likely result in criticism of the local authorities. Moreover, the unusually heavy rainfall and consecutive typhoons may be indicative of changing weather patterns associated with climate change. This event highlights the need for continued monitoring and adaptation strategies in the face of evolving and worsening climate-related challenges.

APAC Forecast. South Korea has claimed that Russia has proposed tri-lateral naval exercises between Russia, China and North Korea. It is almost certain that such a proposal forms part of what Russia will offer Pyongyang in exchange for Pyongyang's continued material support for the war in Ukraine. The 9 September will also see the 75th anniversary of the founding of North Korea. A military parade will almost certainly be held, and there will likely be officials from China and Russia present. There is also a realistic possibility the anniversary will also be marked with a ballistic missile launch.

The next reporting period will see the Maldives hold presidential elections. The island nation has become a battleground for Chinese and Indian competition. The incumbent President, Ibrahim Mohamed Solih, who believes in an "India First policy", is likely to win a further term in office. Domestically however, managing the country's debt, which stands at 113 percent of GDP, has been more of a campaign issue. The next reporting period is expected to see the Japanese Prime Minister, Kishida, launch a cabinet reshuffle. This is being done as part of his attempt to bring the country's fifth biggest party, the Democratic Party for the People, into the governing coalition. New Delhi will be hosting the G20 leaders' summit on the 9 and 10 September. Whilst no G20 leaders' summit has ended without a joint declaration before, there is a realistic possibility that as differences amongst G20 leaders have hardened, concessions needed for a declaration will be untenable. Indeed, the earlier G20 meetings for foreign and finance ministers ended with no declarations. Major talking points will revolve around developing countries, crypto-currency regulation, and climate change. In the wake of the G20, United States President Joe Biden will be visiting Vietnam, as he seeks to further improve bilateral relations in the region. This visit will likely see China discussed, whilst bilateral agreements between Hanoi and Washington are likely to be inked on a number of issues.

It is likely there will be continued environmental disruption in Hong Kong and Southern China. Hong Kong has experienced its heaviest rainfall in over 140 years, which has killed at least two and injured over 80. Floodwaters have been waist-deep and have paralysed the city's transportation network. Meanwhile, the region's 13th typhoon of the season, which as of yet is unnamed, is now moving off the southern coast of Japan and expected to approach the east of the country from 7 to 9 September, before making landfall near the Kanto region. In Australia, the Bureau of Meteorology is warning that there is a growing possibility that the country could see a return to drought conditions such as those experienced during the 2019 summer. This comes as La Nina, which brings wetter than average weather, enters its end phase, whilst average rainfalls in August have been half their expected levels. A drought is also likely to lead to a more intense wildfire season than normal, such as occurred in 2019.



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