

ASEAN-in-Practice Podcast Episode 12 Transcript

Denis: Good morning and welcome to the 12th episode of the ASEAN in Practice Podcast series. I'm your host, Denis Hew, Senior Research Fellow at the Centre on Asia and Globalisation, Lee Kuan Yew School of Public Policy, National University of Singapore. In today's episode, we turn our focus to the Philippines' ASEAN Chairmanship in 2026.

A pivotal year for the region as ASEAN begins implementation of the ASEAN Community Vision 2045 and the AEC Strategic Plan 2026-2030. Importantly, 2026 also marks the 50th anniversary of the ASEAN Treaty of Amity and Cooperation (TAC) established in 1976. This treaty enshrines ASEAN's principles of peaceful settlement of disputes, non-interference and respect for sovereignty.

This anniversary comes at a time ASEAN faces intensifying geopolitical tensions, the unresolved Myanmar crisis, continued disputes in the South China seas, and renewed US-China rivalry. To help us unpack all these issues, we are delighted to have with us Mr. Victor Andres Manhit. His nickname is Dindo, since we are, we're friends, I'm going to call him Dindo.

Dindo is President and CEO of the Stratbase Group, a leading Philippines public policy think tank focused on governance reform, economic strategy, national security, and geopolitical risk. Stratbase plays an influential role in shaping policy debates in the Philippines, particularly on economic resilience, defence modernisation and regional security. He's also the Philippines country head of BowerAsia, where he advises multinational corporations and investors on geopolitical and regulatory developments across Southeast Asia. With extensive experience in public affairs and political strategy, Dindo works closely with policymakers and business leaders on issues ranging from supply chain resilience, foreign investments to maritime security, as well as US-China strategic competition.

He's also a regular commentator on current affairs on the Philippines and also on ASEAN issues. So Dindo welcome to the show. Let me just kick off by starting off maybe on a more strategic question. The Philippines assumed the ASEAN chairmanship as you know this year in 2026. This also marks the 50th anniversary of TAC - the Treaty of Amity and Cooperation.

Dindo: Yeah.

Denis: What do you think are Manila's top strategic priorities for its chairmanship?

Dindo: Thank you Denis for inviting me. For that question the main theme of our government [Philippines] revolves around navigating our future together, it means the 10 member countries of ASEAN. They have identified three strategic priorities in amidst all these challenges confronting them, [such as] tensions in the South China Sea, or what we call the West Philippine Sea, even the elections in Myanmar, or still the internal conflict between Thailand and Cambodia. Some would say the proliferation of scam centres adds to that. But really [for] the Philippines, the number one strategic priority is peace and security anchor as they say, where they'd like to focus on stronger dialogue among ASEAN member countries.

Second is adherence to international law as a way to settle some geopolitical tensions and even the strategic competition between the US and China. Thirdly, I think they want strengthened cooperations on emerging and non-traditional security threats in ASEAN. This week our own President [Philippines President Ferdinand "Bongbong" Romualdez Marcos Jr.], it shows in

the calendar or the schedules that we are with ASEAN this year, one thing important for the Philippines is what he calls prosperity corridors, how we can economically integrate as one region. Part of that is the digital transformation of the ASEAN region and achieving inclusive and sustainable development that will benefit all ASEAN countries and ASEAN people. I think the Philippines would like really to focus more on that and, it's now challenged by their own deliverables that they would like to attain as [ASEAN] Chair.

Denis: You mentioned digital transformation. In fact, as you know, there's one of the biggest agreements that was meant to be completed last year in Malaysia's year. DEFA or the Digital Economy Framework Agreement. Right. So that negotiation will continue this year in the Philippines. What do you think are some of the concrete steps they can try to do to ensure that those negotiations are concluded and can move to the implementation stage?

Dindo: I think the term that was used by our own economic managers with the President just a few days back was that they have this as one of the economic deliverables that we can finalise this Digital Economy Framework Agreement.

And the key to that is really bringing the different ASEAN people together that instead of looking at some bilateral initiatives and collectively we can have that. No specific steps have been mentioned by our government, but this is as I've said earlier, the use of the term digitisation is important as a Chair [ASEAN], and part of that sector priority is really to ensure a Digital Economic Framework Agreement.

So, I'm hoping that our own, we have our own department of ICT [Information and Communication Technologies] who spoke during the event that that is one of his deliverables as instructed by our own President. So, we can expect hopefully meetings with fellow ministers from ASEAN on this stuff.

Denis: Okay, let's talk about economic security. This is a kind of a topic that's close to both of us. I think we know that last year was a pretty challenging year for Malaysia's chairmanship. We saw the US administration raising tariffs. We call it Trump reciprocal tariffs and the kind of challenges that all ASEAN member states had to navigate because of that. And of course, we've seen this renewed US-China rivalry and trade tensions, as well as technological rivalry between these two superpowers.

In a way, ASEAN is kind of caught in between, right? So, one of the questions we always ask is, does ASEAN have to choose a side? I mean we know that our supply chains here are quite pretty integrated with China and in many sectors from semiconductors to automobiles. But at the same time, the US has got a long presence here in terms of foreign investments and multinationals establishing many of the supply chains we do have here.

For this year, for the Philippines year, how do you see the Philippines sort of managing this very uncertain almost hostile environment and ensuring that ASEAN stays neutral?

Dindo: Yes, of course. I agree Denis that there's really pressure growing within ASEAN on how we can best respond to these rising geoeconomic challenges. Some would even say geopolitical fracturing. I will take note of what the ASEAN Secretary General spoke of in the Munich Security Conference. He said we need to build resilience beyond short term crisis management. I took note of that when I was at tracking discussions, and for me that's really a

wakeup call that ASEAN's desire or ambition to become the [world's] fourth largest economy might be affected by this geo-economic [issues].

So, I think it's also how we balance, from a geo-strategic point of view, some we'll always say you need to maintain equilibrium between the two. Should we see the US really, as even what's happening in the US even after the Supreme Court decision, is it really simply temporary on the part of the tariff initiatives of President Trump.

Collectively, I hope that as the President of the Philippines, as [ASEAN] Chair [he] sees his so-called prosperity objectives, or he said that his economic pillar as his main trust in the Philippines chairmanship this year. Hopefully the meetings of leaders, sub-meetings with ministers, can allow us really an opportunity to discuss among the member countries how do we navigate?

Of course, it's also that the Philippines is quite unique from other ASEAN countries because our economy is not built like other ASEAN countries. We are not part of the supply chain to China, or which where the other side are supply chains either to the US or even to East Asian countries like Japan [and] Taiwan.

So how do we manage that? I think we need to be driven by our desire as a region to be a stronger economy collectively and to really achieve that [world's] fourth largest economy that we have long desired because we are in constant flux, I believe, given how the US is acting, how China will react.

It's also good if we can broaden our economic partners. We look at maybe the European Union. We can look up at East Asian countries or even work with Taiwan, who is part of the supply chain. I had some visitors from Taiwan, and they have strong economic partnerships and outsourcing to Vietnam. So, we can look at other options and really see how we can work with maybe our partners in ASEAN, or dialogue partners, South Korea, Japan, as could be options. I use the term, maybe we need to equilibrium on this so-called new world order that we are facing. We don't know if it's temporary or this is the way we are going really for the next decades.

Denis: Some call it the sort of global order minus two, right? [without] US and China and the need for ASEAN to diversify its markets. I think last year in the [ASEAN] Malaysia year, they had their first sort of...it was the GCC, right? The Gulf Cooperation Council Summit with ASEAN and China. I think they're looking at ways to diversify their markets. But you did mention about the Philippines being in a very unique position too. I mean, the Philippines for historical reason, has this very long-established security alignment with the United States. How can they maintain, you know, ASEAN cohesion at the same time manage its own national interests?

Dindo: I think what is driving our country as [ASEAN] Chair is we know for a fact that we stand with ASEAN in terms of adhering to international law. Our position, vis-a-vis our own security challenges with our northern neighbour, China, is that we are not acting in any way except that what is given to us by the United Nations Convention on the Law of the Sea (UNCLOS). And though we are strong allies of the US and we have strategic partnership with allies of the US, at the core of this is always, it's all about a rules-based order. We just stand and defend what is we consider as our maritime rights [and] our territorial integrity based on those maritime rights. We have always wanted dialogue, but you cannot have dialogue when

you see your simple fisherfolks, ships being rammed, aggressively being pushed out of traditional fishing grounds, historical fishing grounds, centuries old fishing grounds for the Philippines.

So that's where the challenge is. We're hoping, if ever there's really that opportunity to move forward the so-called Code of Conduct, it will have at its core adherence to international law and factoring in our arbitral victory because that is the core of our foreign policy today and even our own defence policy that we call comprehensive archipelagic defence posture of the Philippines. All rooted on not being an aggressor, but simply defending what is ours based on international law.

Denis: Yeah, certainly on [the] South China Sea. I think the Philippines is, you guys are the frontline, I think on some of these major issues. You talked about the Code of Conduct (COC) negotiations are still going on between Chinese and ASEAN negotiators. I think they just had a recent meeting in Cebu, I think last month.

Dindo: Right. They are supposed to be having a meeting this week in Singapore. I don't know if it pushed through. They said that there will be a monthly meeting to ensure that discussions continue. But me, I hope that our UNCLOS arbitral victory that is based on what we have won there should not be set aside by our government just [for] the code of conduct.

Denis: Yeah. So, what are the chances of the COC negotiations being completed this year and concluded this year?

Dindo: My concern with that question is really our government brought it as a top deliverable for them, which I got surprised, you know, when you realise how long this has been, nearly two decades. So why should we make it a deliverable? That puts a lot of pressure on our own leadership, especially our foreign ministry. So, on my part, I hope if there will be an opportunity, that will be good, but never at the expense of our adherence to international law and protecting our maritime rights that we won on our arbitral award in 2016.

If that will be guided by that, I fear China might not, it might not be acceptable to China. But China might surprise us. I'm a perennial optimist. If not, just like what has happened in every Chair, we just move and push this Code of Conduct to further discussion.

Denis: We know, for example, this year is the 50th anniversary of the Treaty of Amity and cooperation (TAC), where we're supposed to be living in a very peaceful region.

Dindo: Yeah.

Denis: But it's not right. We have the Myanmar crisis. We have the borders disputes between Thailand and Cambodia. Speaking of Thailand and Cambodia, I think Malaysia tried to play some sort of mediator role. Do you think the Philippines, if things heat up again, do you think the Philippines may also try? I know we have this whole principle in ASEAN of non-interference in the domestic affairs of member states, but do you see maybe Philippines also playing some sort of role?

Dindo: In the case of the Thailand-Cambodia conflict, the expectation, the other opportunity to see our [Philippines] Foreign Minister, our Foreign Secretary [Maria Theresa "Tess" Parreno] Lazaro, on the side of one of the events also, and in our chat, she continues to see

something positive that she expects both Thailand and Cambodia to fully honour their commitments, to ease the tension.

Of course, on the side of it's really the proliferating scam centres that it's putting pressure on, on deliverables on both countries on their end. But I got surprised that our own military, meeting also this week, said that they're ready to contribute our version of peacekeeping to ensure that there will be third party presence in those borders.

I think we assume coordination of an ASEAN observer team tasked to monitor compliance on the ground. So, we will have our own soldiers being deployed there to ensure that, you know, maybe when there is a third party like the Philippines, there will be, we can ensure some peace and stability and really bring down the tension.

Of course, on the other side of Myanmar, I think the position of the ASEAN ministers when they met last January, and even after the election results, is that they don't recognise the election results. I remember the term that they use "as of now". So, there is lack of consensus among member states if we will accept the results. In one of my discussions with some embassy officials here in the country, because we had some delegations from other countries, or ASEAN ambassadors, I was telling them of course one of the greatest challenges as chair of the Philippines is how to deal with this new government. Of course, we know it's not really a new government. But given that the election happened, that remains to be seen. We'll see when the Myanmar government is organised by March and we'll see if there will be some consensus among our member states but that remains a challenge. It's a reality really, I believe at the end of the day, member countries have their own national interests. At the end of the day, even though we have had this persistent peace and stability through the years, through the decades. There will always be this type of conflict that we need to settle. It's good if we have mechanisms to talk, to have dialogue, to cooperate.

Again, at the core of this is international law that keeps us organised, civilised, based on a higher nature from our national interests.

Denis: Thanks. Let's talk about domestic issues. Yeah, I think we are both very optimistic about the Philippines economy. It's one of the fastest growing economies in the region. I think some of the forecast is, you know, its second highest growth over the next five to 10 years after Vietnam. And of course, I think the region hasn't done too well last year. If you look at some of the GDP numbers, partly because of the AI boom, right? There was an AI boom. People are talking about revival supply chains, particularly semiconductors and others. Of course, Philippines, besides Malaysia, Thailand, and Singapore, we've been beneficiaries. The Philippines does have a lot of domestic challenges as well as institutional constraints, that might affect Manila's ability, particularly to deliver this year on its championship, but also on regional initiatives moving forward, whether it's the ASEAN Economic Community or different kinds of initiatives. What's your thoughts on that?

Dindo: I spoke last night, just last night, on [the] Philippines economic outlook. The first speaker was our Executive Secretary of the Philippines [Lucas P. Bersamin]. He's called the "Little President" who's been known to me since our graduate school dates. Of course, he started with numbers by saying we might say the same thing, like we look at the same numbers because I've known him since he was a senator, working with him and all the numbers World Bank, IMF, even the ASEAN plus three macroeconomic research office (AMRO). It really ranges between 5.3 [%] to 5.7 [%]. So that's good, no?.

Denis: That's pretty good. Yeah.

Dindo: We even joke, maybe even in spite of government. Imagine what we can achieve more because that's what happened. The governance issue brought us down last year because of our government's failure to react properly on the corruption scandal on the public works area of the country that the President himself raised.

Instead of moving forward, and I hope they move forward, they got stuck by indecisions. A lot of things were put on hold, but I think they have learned their lessons on this. And on the other hand, as I was talking to the crowd last night, I said at the end of the day, it's the private sector that really drives employment in the country.

And employment, will continue to achieve growth, and hopefully growth comes with job generation, then we will have people to consume. And [private] consumption has always been driven by our country. Our so-called IT business processing sector continues to grow. Adjusting to the challenges of AI, our remittances continue to grow, and it's reflected on our strong people-to-people ties with like-minded countries that continue to hire and broaden the hiring of our people that gives opportunity for work to our people.

So, I am quite optimistic, but I hope that we can attain more, especially as we go into the last two years beyond the chairmanship because we will have an election by 2028. Even our so-called like-minded partners, like the United States and Japan, would like to have a big launch within this ASEAN year, with what they call the Luzon Economic Corridor (LEC).

They're really encouraging their strategic partners within the region. Korea, even Taiwan has been sending delegations to look at this corridor, which is the main driver of the Philippine economy, to have more investment in light manufacturing, in agro-industrial investment, maybe data centres.

Just a week ago we had, I think, or two weeks ago we had a meeting or part of the meeting with the United States on critical minerals. So, a lot of buzz around this issue, and I hope governance at the core of all this can really settle down in this first quarter.

We were on the right track until politics, partisan politics, really drove the Philippine public sector last year. Too much noise, and it affected the investment climate. It had some hesitation on the part of investors, but something that has not been harnessed, as a data source by our government, I heard from the Board of Investment Philippines, their second highest investment commitment approval was last year. The highest one was 2024, so that means historically we had two good years. They were hoping to have a higher 2025. But again, the governance issue I think, dampened some enthusiasm. On our economic zones, I think they have attained beyond their objectives. So, things are moving on those parts. It's just that the news that are being covered, the news that are driving public discourse in the Philippines, is focused on these governance challenges—that I hope that government can do. On one hand, can institutionalise transparency and accountability in the spending of our public funds and resources towards what has been approved.

Government is proud that they made the budget deliberation process transparent. I give them good marks there. Now the challenge is the execution. Imagine if we do that side by side, maybe we can beat the targets of 5.7% and go back to a 6% growth rate this year.

Denis: Yeah. You know the other big issue that I've been attending also a lot of conferences and seminars on the region, and one of the common themes was actually talent and high skilled workers, trying to bring back our high skilled workers, whether they're working in Silicon Valley or different parts of the world. It's kind of reversing that brain drain.

It's not just a problem for the Philippines. It's also a problem for many countries in ASEAN. I think that would help as well to revitalise our economies. Are there any efforts in the Philippines side to try to find ways to provide incentives to bring back all your skilled labour from different parts of the world?

Dindo: In that case, I think we have an oversupply of skilled workers. Given our population nearly 120 million people and very young, average of 25 years and five months is the median range. So, for us it's really, developing their skills, upskilling them because there's enough supply and broadening the skills. So that imagine if we can lift, there's still that 15% that are considered in extreme poverty that are being left behind.

The public school system hopefully can intervene, forcing them now to take us in the private sector in the Philippines, us who studied in the public school, a private school system, spent basic education longer than these people. So, this intervention that we've had this past two administrations and today, and now the focus on certain skills and even developing at the third and fourth year of their secondary schools before they graduate certain skills already for employment. I think that's a good initiative by this government. Hopefully the next decade for the country, we will have that highly skilled people. The good thing is when I talk to the IT-Business Process Outsourcing (BPO) sector, others say that it's easy to upskill our people. That's why on their part; they were not threatened by Artificial Intelligence (AI). Some people fear they continue to grow and they even have invited me to speak at their annual conference because they see how Filipino workers have adjusted even to the challenge of AI. But imagine if we expand this more to provincial areas of the Philippines, strengthening their capacity, adjusting to what global [market] demands, working here, and if better for them working outside with their skills. That would be good.

Denis: Thanks, Dindo. Maybe just final two questions or reflections. If you had to identify one ASEAN priority in the Philippines here that, you know, you have to get it right for this year. What would that be? I know you're a metrics guy too, you like to look at metrics. What sort of indicators do you think we should look at to judge at the end of the Philippines' year that, you know, it is been a good year, and we made some key deliverables and achieve certain things.

Dindo: You know, the Philippines have identified, Denis, so-called deliverables, that means agreements that they want. It's a long list. I fear that over nearly 20, even when I add it all or nearly 20. That is a metric. It's in the areas of strengthening trade and investment linkages, advancing sustainable and exclusive economy.

So, it means they have a lot of agreements that they want to settle using the different meetings that they will sponsor. Achieving a Micro, Small and Medium Enterprises (MSME) development agenda, integrating them in ASEAN, or even leveraging the creative economy with an innovation and more so digital transformation. So, a lot of these things that they say they would like to prioritise, that's part of the launch that they did or the kick-off that they did this week.

Achieving at least more than half of that, I think is a good way already. But achieving it, maybe we're good, and that would really be great for the Philippines. But I speak now as a Filipino, beyond ASEAN, and what I see is hopefully this contributes. This ASEAN Chairmanship of the Philippines contributes internally to the Philippines an opportunity to really achieve stronger growth that creates jobs and improves incomes of our people.

That all these economic deliverables can really uplift our country because in previous chairmanship, after the event, I use the term “event” because people did not really feel it. So, it became a hosting of meetings here and there. Maybe good for short boost in domestic tourism because of meetings. But the end of the day, I hope these economic deliverables contribute to sustaining economic growth and economic resilience for our country, given all these geo-economic risks that we are talking about.

Denis: Dindo, thank you so much for joining us today and for your thoughtful insights on what promises to be a consequential year for ASEAN. Our discussion has shed light on the strategic priorities facing the Philippines 2026 Championship from implementing its vision, advancing its economic agenda, managing great powers rivalry, as well as also addressing some of the domestic challenges and constraints to deliver at the regional ASEAN level.

To our listeners, thank you for tuning in to this episode of ASEAN In Practice. We look forward to bringing you more conversations with policy makers, scholars, thought leaders, and practitioners shaping Southeast Asia’s regional future. Thank you.

***The podcast was recorded on February 27, 2026.**