Impact of the Russia-Ukraine war on the energy sector in southeast asia

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ABSTRACT

The conflict between Russia and Ukraine has spread, having a variety of implications on the global community. Where the world's two biggest energy producers are at conflict with one another. In this research, topics like "climate ambition," the impact of rising oil prices on each of Southeast Asia's nations, and its impact on airline ticket costs are discussed. The purpose of this research was to determine whether Southeast Asia's influence was tied to energy. Data for this study is gathered by content analysis of published books, websites, and journals. Qualitative methods of descriptive explanatory research are used to characterize the object or subject under study, while explanatory answers explain why a situation or circumstance exists. The findings of this study revealed several factors related to Southeast Asia’s failed "climate ambition,” as well as an increase in oil prices, which caused many Southeast Asian countries to experience price increases for basic goods. Meanwhile, some countries are spared significant consequences because they have their own oil resources. Southeast Asian countries with their own sources of oil energy are less affected by the Russia-Ukraine war, but overall inflation of 4.7% at the end of 2022 hampered climate ambition. This research will use qualitative with normative method which find the fact that Ukraine and Russia war is impacted to economic global including Asia through global trade.

Keywords:
war; Russia; Ukraine; energy; southeast asia

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INTRODUCTION

Russia finally actually attacked Ukraine. President Vladimir Putin officially announced this since February 24. The Russian offensive then began with explosions in a number of Ukrainian cities, including Kyiv, Odessa, Kharkiv and Mariupol. To this day, the tension is still ongoing (Firdaus, 2022; Nur & Soesilo, 2022). Because of the war, many things happen around the international world. The Central Statistics Agency (BPS) describes the impact of the Russo-Ukrainian war on the world economy. The impact is significant, as these two
countries are major producers and exporters of a number of commodities. According to Margo Yuwono as the Head of BPS, Russia and Ukraine have a strategic role in global trade. Of course this war affects the supply chain owned by Russia and Ukraine (Afdhal et al., 2022; Kusuma et al., 2022).

As a result of war, the Butterfly effect also affects the global economic system. The conflict obviously brought about a significant initial change. A notable early shift was the war. A significant amount of money was mobilized in conjunction with the deployment of a sizable military force. In addition to taking lives and causing physical harm, war also leaves a lasting legacy. The economy is being burdened by the influx of refugees, the breakdown of the financial system, the trauma of war, as well as the radiation from weaponry (Johan, 2022). In addition, the Southeast Asian region is dependent on Russia for oil commodities. Russia is one of the countries with a presence in Southeast Asia. Furthermore, Russia has economic and military ties with several Southeast Asian countries, including Vietnam, Indonesia, and Thailand. The total economy of Vietnam and Russia is more than 2% of GDP, based on economic relations. Furthermore, Indonesia and Thailand trade at around 1% of GDP. Despite this, the entire world’s economy was impacted by wars that earned less than 1% of GDP. The three countries, however, have relatively close economic ties. Aside from that, Vietnam, Indonesia, and Thailand have very close military relations, including the purchase of defense equipment (Hakim & Sadiyin, 2022).

Ranked third for exporters of coal, first for producers of wheat, and seventh for producers of liquefied natural gas (LNG). Russia is the world’s third-largest oil (Statista Research Development, 2022) producer, accounting for more than 12% of global crude oil production. The top three oil producers in recent history have been the United States, Russia, and Saudi Arabia (Bui, 2021). Russia is the second-largest crude oil producer among OPEC+ members, trailing only Saudi Arabia. Russia produced more than 9.7 million barrels of oil per day in October 2022 (Al Jazeera Staff, 2022). In 2021, Europe purchased approximately 42% of Russia’s total oil production, while China purchased 14% and the remaining 30% remained in Russia (Baker, 2022). In November 2021, Germany imported the most crude and refined oil products from Russia, at 835,000 barrels per day (Al Jazeera Staff, 2022).

Ukraine is currently the biggest exporter of seed oil worldwide. The following are wheat number 5 and corn number 4. Ukraine produces 55,832.44 barrels of oil per day, ranking 61st in the world, according to WorldOMeter. Every year, the country produces an amount equal to 5.2% of its total proven reserves. Ukraine imports 5% of its oil needs. The conflict in Ukraine has had an impact on oil prices, with oil and gas prices rising sharply as a result of the conflict (Inoue, 2022). Oil is also fueling the conflict, as Ukraine is a vital transit country for Russian oil and gas exports to Europe (Lee, 2022).

Thus, the consequences of the conflict between Russia and Ukraine will be felt on a worldwide scale. Inflationary pressure is the effect that is most noticeable (Sembiring-Kembaren, 2022). With that amount of sources of export that come from Russia and Ukraine it is almost positive that it will make an impact for South East Asia. Given that the two fighting nations are important exporters of metals, grains, fertilizers, and fossil fuels, the Russia-Ukrainian War has caused a sharp increase in commodity prices. In fact, it is evident that the interruption in the supply of commodities brought on by Russia’s invasion of Ukraine, which started on February 24, 2022, had a significant effect on the world economy, particularly in Southeast Asia countries like Indonesia, Malaysia, and the Philippines. Asean (the Association of Southeast Asian Nations) purchased 9.7% of its fertilizers from Russia and 9.2% of its slurry (cereals) from Ukraine in 2020, according to World Bank data (Bakrie et al., 2022; Hakim & Sadiyin, 2022; Oktaveri, 2022).
Russia’s political stance, which continues to engage in military action, puts the nation that purchases Russian oil and gas in a difficult situation. They are indirectly funding the conflict if they continue to purchase gas and oil from Russia. Their energy security would be in jeopardy if they didn’t purchase the oil and gas. The cost of the currently accessible gas and oil has increased as well (Jati, 2022). This article will discuss what are the impacts that have been made by the Russia-Ukraine war in the energy sector, especially in Southeast Asia.

There are many assumptions that appear today where February 24th 2022 ago when big cities in Ukraine were attacked like Berdyansk, Chernihiv, Karkiv, Odesa, Sumy and the capital of Ukraine Kyiv by Russian troops. Of course this attack caused 2,558 injured people and 1,892 civilian casualties as of April 13, 2022. This number is based on reports from OHCHR and in this report it is stated that most of the victims were due to explosives which had a wide impact. As a result of the attack on Ukraine, there were also 4.6 million refugees from Ukraine to neighboring countries such as Romania, Poland, Hungary and some even to Russia.

In humanitarian law itself, the implementation of war is a match between two or more countries, especially with their armed forces, the ultimate goal of each contestant or each group of contestants is to defeat other groups of contestants and impose peace conditions (Hakim & Sadiyin, 2022). In the laws of The Hague Own the aims of war are as follows limiting the powers of the belligerents to use military force and inhumane measures, protect combatants and non-combatants/civilians and unnecessary suffering, and Guarantee certain human rights of those who are in the hands of enemies/opposing parties, in accordance with UN Resolution November 2444 of 1968 concerning Respect for Human Rights in Armed Conflict.

In other laws including According to the four existing Geneva Conventions emphasizing the protection of civil society based on human rights. As it is known that the basic human right is the right to life. But in fact, in the field of conflict between Russia and Ukraine, there are a large number of civilians who are victims, both material and immaterial injuries, and even fatalities. Previously, the author wrote that 2,558 people were injured and 1,892 people were killed, which is as of April 13, 2022.

As previously explained that war is a step taken in the form of a match between two or more parties to defeat one of the parties and impose the terms of peace on the losing party. Judging from this understanding, there is concern whether in the realization of victory by one party it can be done in various ways so that there will be violations of the rights of subjects who do not have the attributes and power to protect themselves and their rights. Judging from this statement, the writer sees the importance of law over war. On the basis of legal science, it is known that law has the following objectives Legal certainty, Benefits and Justice. So the formation of law in this war, known as humanitarian law, is to protect humanity, which is intended to reduce or limit areas within which customary armed conflict is permitted.

The start of the war between Ukraine and Russia occurred when Russia attacked a number of cities in Ukraine, including the capitals of Kyiv, Odessa, Kharkiv and Mariupol on 21 February 2022. Relations between Russia and Ukraine in fact existed before the birth of the Soviet Union. In 1917, when the Russian Empire collapsed, Russia and Ukraine became a united state to form the Soviet Federative Socialist Republic. on 28 December 1922 a conference attended by plenipotentiary delegates from the Russian SFSR and the Transcaucasian SFSR, the Ukrainian SFSR and the Belarusian SFSR agreed to establish (Hakim & Sadiyin, 2022).

The United Soviet Socialist Republic (Soviet Union) was recognized by the British Empire. The Soviet Union was part of the allied security bloc and played a major role during
World War II. The end of World War II in 1947 which was won by the Allies, brought the United States and the Soviet Union to appear as superpower countries. But these two countries also have differences in ideological views. The United States has a capitalist-liberal understanding while the Soviet Union has a communist ideology. This difference brought the two countries against each other and sparked the Cold War. The Cold War ended with the defeat of the Soviet Union by the United States. This defeat led to the collapse of the Soviet Union in 1991 and was followed by the establishment of the states in the Soviet Union as independent states. One of these countries is Ukraine, which declared its independence on August 24, 1991. Even though it had gained its independence from the Soviet Union, Ukraine was still under Russian influence (Johan, 2022).

Even though international law explains the conditions for the birth of a state, namely the existence of De facto, that are Territory exists, there are citizens, Government exists, and The Existence of Clear Territorial Boundaries. De Jure The definition of the state is also defined from two perspectives, namely Organizations in an area that have the highest legitimate authority and are obeyed by the people, and a social group occupying a certain territory or region that is organized under effective political and governmental institutions, has political unity, is sovereign, so that it has the right to determine its national goals.

From the elaboration of the definition of the state itself, it is clear that there is sovereignty possessed by each independent state, both internal sovereignty and external sovereignty, which cannot be intervened in it. President Putin in 2021 had said that Ukraine, whose territory borders Russia, immediately made Ukraine part of Russia because it has a similar language, culture and politics. Putin is concerned that Ukraine joining NATO poses a threat to Russia.

Russia which claims that Ukraine is part of Russia with the status of Ukraine being an independent country, then this is a violation of sovereignty for Ukraine. In addition, whether Ukraine joins NATO or not is the absolute sovereignty of Ukraine. Russia's reasons for not joining NATO itself are also a manifestation of Russia's sovereignty, while Russia's reasons for not joining NATO are as a manifestation following NATO requires its member states to have civil and democratic control over their armed forces. This is the basic principle that enables military integration and interoperability between members. It is feared that Russia NATO will know the military secrets of Russia, NATO is seen by the conservative and nationalist forces that dominate the defense and security establishment as an inherently anti-Russian alliance, If Russia becomes a member of NATO, it would extend the alliance’s expansion into China, which shares a 4,000-kilometer border with Russia. This is predicted to disrupt the tri-polar global security balance between NATO, Russia and China, Russia is avoiding ending its membership in the Collective Security Treaty Organization (CSTO), which Moscow has fought so hard since its creation in 2002 to rival NATO and gain security influence global, If Russia joins NATO, Russia feels it will "only" be equal to other major European countries such as Germany, Britain or France, and shatters its dream of becoming a superpower. Russia felt that this was an insult to derzhavniki, a nationalist force when the Soviet Union was still large and intact.

Meanwhile, Ukraine has the reasons to join NATO are as follows Ukraine has the sovereignty to determine its own destiny and does not want to be considered always part of other countries, There was an attempt to defend the Crimea region by Ukraine from Russia in 2014, Becoming a member of NATO for Ukraine is to improve Ukrainian military support from outsiders including Russia Initially the President of Russia, Putin, considered the attack that Russia carried out to Ukraine is a form of preventing genocide.

Ukrainian President Zalensky denied this because there was no genocide action plan in Ukraine even though there were regions in Ukraine that wanted to rejoin Russia or separatist
movements in Ukraine. President Putin also claimed that the group asked Russia for help from the threat of Genocide but the President of Ukraine denied this. Even from the standpoint of international law, genocide is an extraordinary crime whose handling is taken over by international security agencies, not just one legal subject because the crime of genocide is an extraordinary crime against human rights. Then the Genocide can harm civil society.

Even though there is an internal war in a country, international humanitarian law still applies in it, because in positivism thinking that the documenting and formalization of law in its form or statutory law is recognized (Aida & Nugroho, 2022). This means that international law on the crime of Genocide plays its role. In the international world there is an international organization that has the goal of world peace, namely the United Nations (UN). Russia and Ukraine are members of the UN so they are considered to comply with the provisions of the UN.

Regarding the allegation of Genocide in the sovereign territory of Ukraine and Prussia claiming that there was a request for assistance by a pro-Russian separatist group in the territory of Ukraine, then if from a positivist point of view that the written law applies and the fact that Ukraine and Russia are members of the United Nations that should comply with the provisions therein, the role of the UN Security Council in anticipating the occurrence of the Genocide.

METHOD

This research uses qualitative methods with descriptive explanatory research type, which the aim of descriptive research is to thoroughly, comprehensively, and in-depth characterize the object or subject under study. The descriptive research approach uses data collection, classification, analysis, findings, and reporting to solve or respond to problems that are being encountered. This technique involves describing or describing the gathered data (Laily, 2022).

According to Whitney (1960), asserted that descriptive research is concerned with examining social issues as well as relationships, activities, ongoing processes, and phenomena's impacts (Nazir, 2003). Or also defined as descriptive research is a type of research that seeks to describe or define a specific phenomenon (Skidmore, 2022). It is used when the goal of research is to collect data to describe something for the general public's benefit. Explanatory research, on the other hand, is a research method that investigates why something occurs when limited information is available (Anwar, 2022; Stackpole, 2022). Its goal is to identify cause and effect relationships and how variables interact with one another (Skidmore, 2022). Explanatory research can help improve understanding of a topic, determine how or why a specific phenomenon occurs, and predict future occurrences (Stackpole, 2022).

While explanatory answers why a circumstance or scenario exists. These two techniques are used to provide a more thorough description of the study theme. Without a description, a study is impossible to convey, but a description without a good justification is boring (King et al., 1994). By using a literature review and written materials to support this writing.

RESULT AND DISCUSSION

According to experts at a virtual symposium organized by the MIT Center for Transportation and Logistics, the Russia-Ukraine conflict is having a disproportionately large impact on the world's supply chain, obstructing the movement of goods, driving sharp price increases and product shortages, and resulting in catastrophic food shortages worldwide.
The Russian invasion of Ukraine has triggered sanctions and other obstacles that have hampered critical logistics and trade route operations. The resulting ripple effects are threatening the supply of key food resources like wheat and raising the possibility of a global famine. Supply chain managers need to think carefully about opportunities and risk when looking for new sources (Anwar, 2022; Stackpole, 2022).

"War is contention between two or more states through their armed forces, for the purpose of overwhelming each other and imposing such conditions of peace as the victor pleases," according to Oppenheim. The ultimate objective of each contestant is to defeat the other contestants and impose the terms of peace, according to Starke, who defines war as a battle between two or more countries, particularly with their armed forces. War, according to Kusumaatmadja, as cited by Haryomataram, is when one or more nations are engaged in an armed conflict and one of the other sides declares their objectives.

According to Ted Robert Gurr’s theory, the demands of political groups based on ethnicity or cultural identity, such as ethnicity, religion, race, etc., are typically only motivated by the group’s interests, namely to get a better life or even for power, as the primary cause of ethnic conflict. If the group succeeds in realizing its interests, however, it will lead to discrimination between groups, which will worsen the situation.

The economic ties between Russia and Southeast Asia are modest, but the global economic fallout from the war will likely have a significant effect on regional states. The conflict has led to a spike in oil and gas prices, which could rise further if Russia decides to cut energy exports or if the major industrial economies cut Russian imports. Ukraine and Russia are major agricultural producers, and supply disruptions will lead to increased food prices. The war has disrupted air, rail and sea transportation links, worsening global supply chain problems caused by the pandemic. In short, the conflict could derail a global recovery from the COVID-19 pandemic, including that of Southeast Asian economies (Storey & Choong, 2022).

Given that the two fighting nations are important exporters of fossil fuels, grains, fertilizers, and metals, the Russia-Ukraine conflict has caused a sharp increase in commodity prices. In fact, it is evident that the interruption in the supply of commodities brought on by Russia's invasion of Ukraine, which started on February 24, 2022, had a significant effect on the world economy, particularly in Southeast Asia countries like Indonesia, Malaysia, and the Philippines. Asean (the Association of Southeast Asian Nations) purchased 9.7% of its fertilizers from Russia and 9.2% of its slurry (cereals) from Ukraine in 2020, according to World Bank data. Additionally, the Russo-Ukrainian confrontation will result in an increase in world energy and food costs of 50% and 20%, respectively, by 2022 (Bakrie et al, 2022; Oktaveri, 2022). The following are the effects of the hostilities between Russia and Ukraine on the energy sector in Southeast Asia.

**Southeast Asia's "climate ambition" aim must be destroyed**

Given that the two fighting nations are major exporters of metals, food grains, fertilizers, and fossil fuels, the Russia-Ukraine conflict has led to an exponential increase in the price of commodities. Global economic conditions, especially those in Southeast Asia,
have been severely impacted by disruptions in the supply of key commodities. In 2020, 9.7% of the fertilizer purchased by ASEAN came from Russia, while 9.2% of the grains came from Ukraine. The World Bank estimates that in 2022, the conflict will lead to increases in global energy and food prices of 50% and 20%, respectively. As a whole, ASEAN experienced an increase in inflation from 3.1% in 2021 to 4.7% in 2022 (Huda, 2022).

The commodities crisis has hampered Southeast Asia’s climate goals in addition to impeding economic growth, according to Mirza Sadaqat Huda, principal researcher for the Climate Change Program in Southeast Asia (ISEAS). For instance, the Philippines recently quadrupled its fuel subsidy program for public transportation and is preparing to use more coal for power generation to lower inflationary pressures. In the meantime, Indonesia has increased coal exports, and Malaysia’s oil subsidies could total more than US$6 billion this year. According to the ASEAN Institute researcher, fossil fuel subsidies have recently increased in Thailand and Vietnam as well. On the one hand, mineral supply shocks that could facilitate the switch to green energy are also a factor in ASEAN’s objective of 23% renewable energy by 2025.

Global oil and gas prices have increased as a result of non-European energy sanctions against Russia and rising energy demand. Since Singapore is a net energy importer and depends on natural gas imports to meet its energy demands, the energy price surges will have a substantial impact on Singapore (and have already started to). Given its lack of energy security and susceptibility to outside shocks, Singapore has two choices. One possibility is that it would boost spending on infrastructure for storing and processing oil and gas for immediate energy security. It could also aggressively reduce carbon emissions and speed up the spread of clean energy (Kliem, 2023; Yuen, 2022).

Policymakers in Southeast Asia can promote decarbonization as an economically appealing growth model by leveraging the commodity crisis, particularly if the conflict in Ukraine drags on. By 2040, Southeast Asia will need to import 65% more oil than it does now, under the status quo, and similar supply shocks would have far worse effects than what we are currently experiencing. On the other hand, Russia is still the world’s top exporter of nickel and palladium because the economic sanctions on Moscow have not yet been fully applied. "Palladium is used to manufacture catalytic converters, part of the car’s manufacturing system that controls emissions, while nickel is utilized to produce batteries that power electric vehicles," he said (Hakim & Sadiyin, 2022; Oktaveri, 2022).

A Rise in the Price of Oil

At least through 2040, Southeast Asia’s oil demand is anticipated to increase. According to the International Energy Agency (IEA), due to the region’s continued strong demand for fossil fuels, countries in the region will continue to expand their consumption. According to the IEA, this is a result of rising population levels and high levels of road traveller mobility. The energy and transportation sectors in Southeast Asia will see demand rise most rapidly for oil and coal. The region’s energy demand is predicted to grow by approximately 60% from present levels by 2040, which is the cause (Andri & Dinisari, 2017).

Southeast Asia still relies on oil for energy because of the region’s high oil consumption. Russia is currently the top oil provider in the world. The price increase occurs as a result of the conflict in Russia. Oil and energy use are relatively modest in Indonesia, Malaysia, and the Philippines, which may help limit the inflationary effects of the rise in oil prices. The relatively high levels of gasoline and energy use in Singapore and Thailand will probably cause the increase in oil prices to affect domestic pricing more quickly (Jongwanich, 2022). According to Bloomberg, the price of Brent crude oil futures for the May 2022 contract finished higher on Wednesday, 2/3/2022, by 2.4% and 3.06%, to 107.47 US dollars a barrel.
West Texas Intermediate (WTI) oil prices in the US increased 2.7 percent to US$106.23 per barrel during this time. Even before the Russian invasion of Ukraine began, the situation on the energy market was dire. This is due to the fact that once the Covid-19 outbreak receded, oil supplies around the world were unable to keep up with a rapid recovery in demand. Meanwhile, the war between Russia and Ukraine may impede Russian oil exports. Russia is currently the third-largest oil producer in the world, as is well known (Aida & Nugroho, 2022).

Not only in Southeast Asia, but across the world, rising oil costs are forcing nations to consider how to stabilize their economies and avoid going bankrupt. In order to counteract deteriorating energy shortages and rising fuel costs, certain significant economies have resumed their use of and reliance on fossil fuels. The two Asian heavyweights, China and India, have resorted to coal, oil, and gas exploration to alleviate the lack of electricity, well aware that this could jeopardize their commitments to become net-zero. All around Southeast Asia, similar actions are being taken. To address the current crisis, governments are implementing short-term, environmentally damaging actions, such as removing environmental taxes and offering energy subsidies.

Indonesian Crude Price (ICP) is the crude oil price set by the government using a formula in the context of implementing oil and/or natural gas Cooperation Contracts and selling the government’s share of crude oil. ICP is the base price of crude oil used in the APBN, and is the average price of Indonesian crude oil in the international market used to calculate oil production sharing. Currently there are 50 types of Indonesian crude oil, each with a different price based on its characteristics and quality (Febriyanto, 2016). Several factors contributed to the rise in the price of the main crude oil on the international market, including market concerns about a lack of global crude oil supply following OPEC’s announcement of the largest supply cut since the COVID-19 pandemic in 2020, as well as plans to sanction Russian oil (Petre & Emanuela, 2020). The increase in ICP increased the economic price of fuel, increasing the burden of fuel and LPG subsidies, as well as fuel compensation, in the state budget. For every US$1 increase in oil prices, there will be an increase in LPG subsidies of approximately Rp. 1.47 trillion, kerosene subsidies of approximately Rp. 49 billion, and fuel compensation expense of approximately Rp. 2.65 trillion (Hartono, 2011).

The recent decision by Indonesia to temporarily halt palm oil exports is an example of protectionism that has little positive impact on the environment or consumers. Although the public is becoming more aware of the effective ways to use palm oil, a ban on exports only serves to guarantee the accessibility and affordability of the domestic market. When it comes to the bigger question of whether it is worthwhile for Indonesians to pay the expenses of palm oil shortage while palm oil businesses continue to deforest and produce carbon emissions, often outspoken environmental critics are silent (Martinus, 2022).

World oil prices rose from an average of $70 per barrel in 2021 to more than $100 at the end of February, causing Indonesia’s inflation rate to rise. High energy prices will drive up food prices by increasing the cost of agricultural inputs. However, fuel subsidies have helped to keep energy prices in Indonesia under control (Dano, 2022). Meanwhile in Malaysia, nearly 81% of Russia’s overall export trade with Malaysia in 2015 was in the oil, gas, and petrochemical sectors, which are the focus of relations between Malaysia and Russia. In addition, the majority of imports come from Malaysia and include electronics, machinery, palm oil, and rubber. From Malaysia, Russia in 2015 (Hermawan, 2017). If oil prices stay above $100 per barrel, government gasoline subsidies are anticipated to rise from RM11 billion in 2021 to RM28 billion in 2022. The country's fiscal space will further be reduced as a result (Lee, 2022).
In other hand, Petronas is a state-owned enterprise in Malaysia. PETRONAS, a Malaysian integrated multinational petroleum company, is present in over 30 countries and has over 30 years of experience in oil and gas operations. Its operations range from upstream oil and gas exploration and production to downstream oil refining, marketing and distribution of petroleum products, trading, processing, and liquefaction of gas, operating gas transmission pipelines, marketing of liquefied natural gas, manufacturing and marketing of petrochemicals, shipping, and property investment (Adha et al., 2022). As a result, Malaysia has its own fuel supply. In addition, the Malaysian government employs a very clever subsidy strategy. As a result, while Indonesia experienced a significant increase in oil prices, Malaysia did not.

Just one week after a significant setback, pump prices in the Philippines will increase once more as Russia’s conflict with Ukraine enters its second month with no end in sight. On Monday, March 28, Pilipinas Shell, Petro Gazz, and Cleanfuel announced separate price increases for gasoline and diesel of P3.40 per liter and P8.65, respectively. Kerosene prices would also increase by P9.40 per liter thanks to Shell. Kerosene is not available from Petro Gazz or Cleanfuel (Castro, 2022).

President Duterte bemoaned that "there would be no new normal" unless the Ukraine-Russia war stops since this may assist stop the spiral of oil prices in the global market as the nation is dependent on international oil importation (Antonio, 2022). The Chief Executive claimed that the Philippines’ dependence on oil imports and lack of domestic oil production are to blame for the increase in fuel prices. Duterte bemoaned that oil prices cannot return to normal as long as the Russia-Ukraine crisis persists, citing the fact that Malaysia, a nearby country, produces its own oil to meet its local wants. This is why he is putting his faith in the fact that his successor will "examine" the idea of using nuclear power as an energy source in light of the current global oil crisis brought on by the ongoing Russia-Ukraine conflict.

The Philippines has another strategy in order to maintain its political relationship with the country concerned, also for the sustainability of the country's finances, especially in the oil sector which can affect others. Marcos Jr., like Duterte, maintains that his government will remain neutral in the Russia-Ukraine conflict. Marcos Jr. this statement was later refuted, stating that Ukraine’s sovereignty must be respected (Martinus, 2022). Political analysts interpret Marcos Jr.'s statement as meant that he intended to steer the country's foreign policy in a different direction. This reorientation can be further proven by meeting Marcos Jr. with US President Joe Biden in September 2022, where they began talks on strengthening Philippines-US cooperation, addressing the impact of the Russia-Ukraine conflict on energy prices and food security, and moving forward with a peaceful resolution of the South China Sea dispute. However, just a few days after the meeting, Marcos Jr. reiterated the country's intention to continue talks with Russia in order to secure much-needed fuel, feed, and fertilizer, among other things (Talamayan, 2022).

The Vietnamese oil industry may benefit from rising crude oil prices, but its exploration and exploitation activities are expected to be negatively impacted by the geopolitical environment. Following Russia’s military intervention against Ukraine, oil prices increased by 30%, leading to western sanctions against the latter that have affected supply networks. Vietnamese businesses in the industry are thriving as a result of the present high oil prices, according to major corporation Petrovietnam (Jaffe et al., 2022; Sovacool, 2010). Nguyen Bich Lam, former head of the General Statistics Office under the Ministry of Planning and Investment told local reporters that "the Russia-Ukraine situation is one of the key factors for the increase in commodities prices in the world market." "Some fuels and commodities for production and consumption, such as petroleum, gas, wheat, corn, aluminium, and nickel, are produced in large quantities and account for a significant portion of Russia and Ukraine’s
export market share. "It may generate challenges for the supply of these minerals and fuels in the near future, harming Vietnam's economic recovery and development," Lam added. If the tension continues. Prices for oil and petroleum goods increased 48.8% over the course of the first four months of 2022 in the Vietnamese markets, adding 1.76 percentage points to the CPI's (consumer price index) overall 2.1 percent increase. Although analysts warned that it could be challenging to achieve, the country has set a goal to maintain the CPI below 4% in 2022 (Huaxia, 2022).

The global oil market has had a significant impact on the domestic petroleum market in Vietnam. Firms that extract and export crude oil will be severely impacted by the international price war, while petrochemical refineries will face difficulties due to high input crude oil prices, low selling prices of petroleum products in the domestic market, crude oil inventories, and an increase in the amount of petroleum products due to a sharp decline in consumption. Binh Son Refining and Petrochemical Joint Stock Company dropped 2.300 billion VND in the first three months of 2020 as a result of three concurrent effects: high input crude oil prices, low selling prices of petroleum products in the domestic market, crude oil inventories, and an increase in the amount of petroleum products due to a sharp decline in consumption (Bui, 2021).

Laos wants to benefit from its neutral attitude toward Moscow’s invasion of Ukraine by acquiring access to Russian oil, which would help the Southeast Asian nation’s fuel shortfall. On June 24, the price of regular gas was 21,410 kip ($1.40) per litre, an increase of more than 40% since the end of February, when Russia invaded Ukraine. Consumers' wallets have become thinner as a result of constant price increases for basic goods like food and clothing. Laos and Russia have started talking about buying petroleum. Due to the consequences of Western sanctions, Russian gasoline is reportedly 70% less expensive than supply from abroad, according to Laotian media. According to Reuters, Russia stated in April that it was prepared to sell oil and oil-related items to "friendly countries" at "any price range." This suggestion appears to be seen by Vientiane as a viable solution to their problem (Inoue, 2022).

Due to Russia’s invasion of Ukraine, several commodities may become more expensive for Singaporean families and businesses. In response to rising global energy prices brought on by the Ukraine crisis, the price of gasoline and diesel at the pump as well as the price of electricity would increase, declared Minister for Trade and Industry Gan Kim Yong in Parliament on Monday (Feb 28) (Baker, 2022). Due to an unfortunate confluence of events, including a global supply shortage and challenging economic conditions brought on by the COVID-19 pandemic, gasoline prices in Singapore have been rising over the past year. In fact, due to rising gasoline prices, the majority of taxi services have already announced an increase in charges beginning in March 2022 (Valuechampion, 2022).

Prime Minister Hun Sen has highlighted his concern for the Cambodian economy, which could be impacted by rising international oil costs, higher inflation brought on by the crisis in Russia and Ukraine, as well as the ongoing COVID pandemic. The spike in oil prices, which is having an impact on the entire world because Russia is also a significant producer of oil, is what we have been observing, according to the PM. The consequences of the battle right now are the rising oil costs. This might make the COVID-19-afflicted global economy in Russia and Ukraine much more of a burden than it already is due to the conflict between the impacted if the conflict between Russia and Ukraine turns into a conflict with Europe (PM: Cambodian Economy May Be Affected by Russia-Ukraine Conflict, 2022).

Cambodia imported refined oil worth $457 million, up 31 per cent year-on-year. Diesel imports gained 44 per cent to $1 billion compared to 2020. The government is bracing for the effects of full on sanctions by the West. This could set off oil prices, possibly skyrocketing.
to $300 per barrel. The last time the government reviewed the petrol subsidy was in 2018 (Amarthalingam, 2022).

Thailand, which imports 90% of its energy needs, is expected to see energy prices rise this year, which could significantly reduce the economic benefits of the country’s reopening. The persistent fragility of the global economy, according to the National Economic & Social Development Board (NESDC), is expected to have an influence on the estimates for overall growth that were made just 14 days earlier. The escalating crisis between Russia and Ukraine is expected to have a twofold effect on the Thai economy, according to the NESDC, a government research tank. The NESDC secretary general, Danucha Phichayanan, predicted that the violence would not only result in fewer tourists but would also cause crude oil prices to rise to nearly all-time high levels.

The price of crude oil is now hanging at $140 per barrel, which is the highest level since 2008, and experts in the field believe that it is highly possible that prices will stay around $100 to 120 per barrel throughout 2022. According to Chaiwat Kovavisarach, president and chief executive officer of Bangchak Petroleum PLC, "We are likely to see high oil prices throughout the year, maybe in the area of $100 US Dollars owing to underinvestment in the sector internationally and demand pick up after the pandemic." (Enquistock, 2022). Rising global oil prices have pushed up fuel prices in Myanmar, with the grassroots particularly hard-hit. Motorcycle taxi drivers say rising fuel prices are making it harder for ordinary working families to make ends meet. Rising fuel prices have also pushed up freight rates and bus fares forcing some passenger bus lines to suspend operations (Russia-Ukraine Conflict Hits Myanmar Grassroots as Global Fuel Prices Rise, 2022).

Myanmar has maintained friendly ties with Russia, even as both remain under a raft of sanctions from Western countries. Russia is seeking new customers for its energy in the region as its biggest export destination, Europe, will impose an embargo on Russian oil later this year. Myanmar would consider joint oil exploration in Myanmar with Russia and China (Kapoor & Birsel, 2022).

Brunei Darussalam is well-known for its oil and gas reserves, which have long powered the country’s economy (Ahmed et al., 2018). Brunei Shell Petroleum is the country’s largest oil producer, accounting for roughly 90% of the country’s oil and gas revenues (Deterding & Ho, 2021). To diversify its product portfolio in the oil and gas value chain, the country has made significant investments in expanding its downstream industries [1]. As of 2016, Brunei Darussalam had 1.1 billion barrels of proven oil reserves, ranking 39th in the world and accounting for about 0.1% of total global oil reserves, according to WorldOMeters. Brunei Darussalam’s Petroleum Authority is the central authority in charge of regulating the country’s oil and gas industry (Timbang et al., 2022).

Rising gasoline costs have sparked controversy in practically every region of the planet. There are rejection demonstrations everywhere, and they will continue through the end of this month. Compared to Brunei Darussalam. In their nation, there has never been a change in the price of fuel. In actuality, the cost is quite low. The reputation of Brunei Darussalam as a wealthy nation with abundant natural resources is well-deserved. In the meantime, even though world oil prices were constantly fluctuating, fuel prices remained consistent. This is due to Brunei’s low car usage, which helps keep gasoline prices reasonable. Despite the fact that there was no increase in Brunei’s fuel price volatility (Abas et al., 2019; Amelia, 2022).

Timor-Leste is more reliant on oil exports than any other country, with the exception of South Sudan, Libya, and possibly Equatorial Guinea. This dependence, however, is not due to large oil and gas reserves or high production levels, but rather to the fact that the non-oil and gas economy, which was almost non-existent when independence was restored in 2002, is still very small (Lipton, 2015). Because Timor-Leste is an oil-exporting country, it is not
reliant on oil imports, the impact of the Russia-Ukraine conflict is minimal. Nonetheless, Timor-government Leste's needs to learn more about the country's oil.

Senior economist from the University of Indonesia Faisal Basri advised the government to learn how to manage fuel oil, including subsidized fuel, from neighboring Timor Leste. The country was also part of Indonesia until 2002 and its oil reserves are estimated to run out in 9 years. When the government was still able to produce, the government had difficulty controlling fuel prices, so energy subsidies had to be provided. Indonesia’s Energy Minister Faisal Basri says Indonesia’s domestic oil reserves are estimated to run out in a maximum of 9 years. The reason, he said, is that when the government was still able to produce, the government had difficulty controlling fuel prices. By setting oil prices that are more in line with market prices, and not arbitrarily providing energy subsidies, the Timor Leste government said he was able to use the funds obtained from the sale of crude oil for the benefit of the wider community (Rachman, 2022).

The majority of Southeast Asian countries have been negatively affected by the increase in oil prices caused by Russia and Ukraine. Such as rising oil prices which also led to an increase in raw material prices. However, due to their national strategies, a small number of Southeast Asian countries have not come to fruition.

**Increase in Airfare Prices**

According to an aviation expert, the Russian invasion of Ukraine could raise some international airfare by more than $120 due to the closure of Russian airspace, which has blocked routes from Europe to Asia, forcing airlines to find alternative routes that may take more time and fuel, potentially raising the price of international flight tickets (Khaled, 2022). Rising oil prices, which have been blamed on the war, are expected to complicate matters for airlines and may result in higher airfare prices (Keshner, 2022). However, it is too early to tell how much Russia's invasion will raise jet fuel prices and when those price increases will be felt by consumers (Keshner, 2022).

Avtur fuel prices are rising as a result of the Russia-Ukraine conflict. Because of that, airline companies have to increase the price of airfare. If they do not, they could face bankruptcy. "With the conflict in Ukraine, this needs to be anticipated somewhat because the avtur price tends to increase, which will have an impact on tickets," said Faik Fahmi as the President Director of PT Angkasa Pura I (Persero) in a virtual aviation webinar with the Bandung Institute of Technology (ITB), Wednesday, March 9, 2022. The condition of the increase in aircraft fuel prices will make the airline industry face a heavy burden if there is no ticket fare adjustment. It should be noted that the Ministry of Transportation has issued a Ministerial Decree (KM) of Transportation Number 142 of 2022 which took effect on August 4, 2022 yesterday. In this policy, the Ministry of Transportation allows airlines to increase ticket prices to a maximum of 15% of the upper limit tariff (TBA) for jet-type aircraft and a maximum of 25% of TBA for propeller-type aircraft (Anisah & Handoyo, 2022).

For example, PT Garuda Indonesia Tbk. (GIAA) communicates with the Ministry of Transportation (Kemenhub) to adjust the latest upper limit tariff and lower limit tariff in accordance with current global conditions. Irfan Setiaputra, President Director of Garuda Indonesia, said the company is still taking a wait and see attitude and continues to monitor developments in world oil prices. The Russia-Ukrainian war has pushed up oil prices, which could also have an impact on avtur prices. Irfan certainly hopes that the price of oil will fall again so that it does not interfere with the aviation business (Puspa, 2022). Piter Abdullah, an economist and the director of the Center for Reform in Economics (CORE), asserted that the slowly expanding tourism industry will not be impacted by the rise in airfare costs.
The Russia-Ukrainian war has pushed up oil prices, which could also have an impact on avtur prices. The condition of the increase in aircraft fuel prices will make the airline industry face a heavy burden if there is no ticket fare adjustment. It should be noted that the Ministry of Transportation has issued a Ministerial Decree (KM) of Transportation Number 142 of 2022 which took effect on August 4, 2022 yesterday.

CONCLUSION

In conclusion, as a result of the Russia-Ukraine conflict, Southeast Asia's energy sector has been negatively impacted, which has resulted in higher gas and oil prices, a disruption of the supply chain, inflationary pressures, and a failure to meet global warming goals. In order to ensure long-term economic stability and lessen the effects of potential supply shocks, Southeast Asian nations must navigate these challenges by diversifying their energy sources, investing in renewable energy infrastructure, and establishing sustainable policies.

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