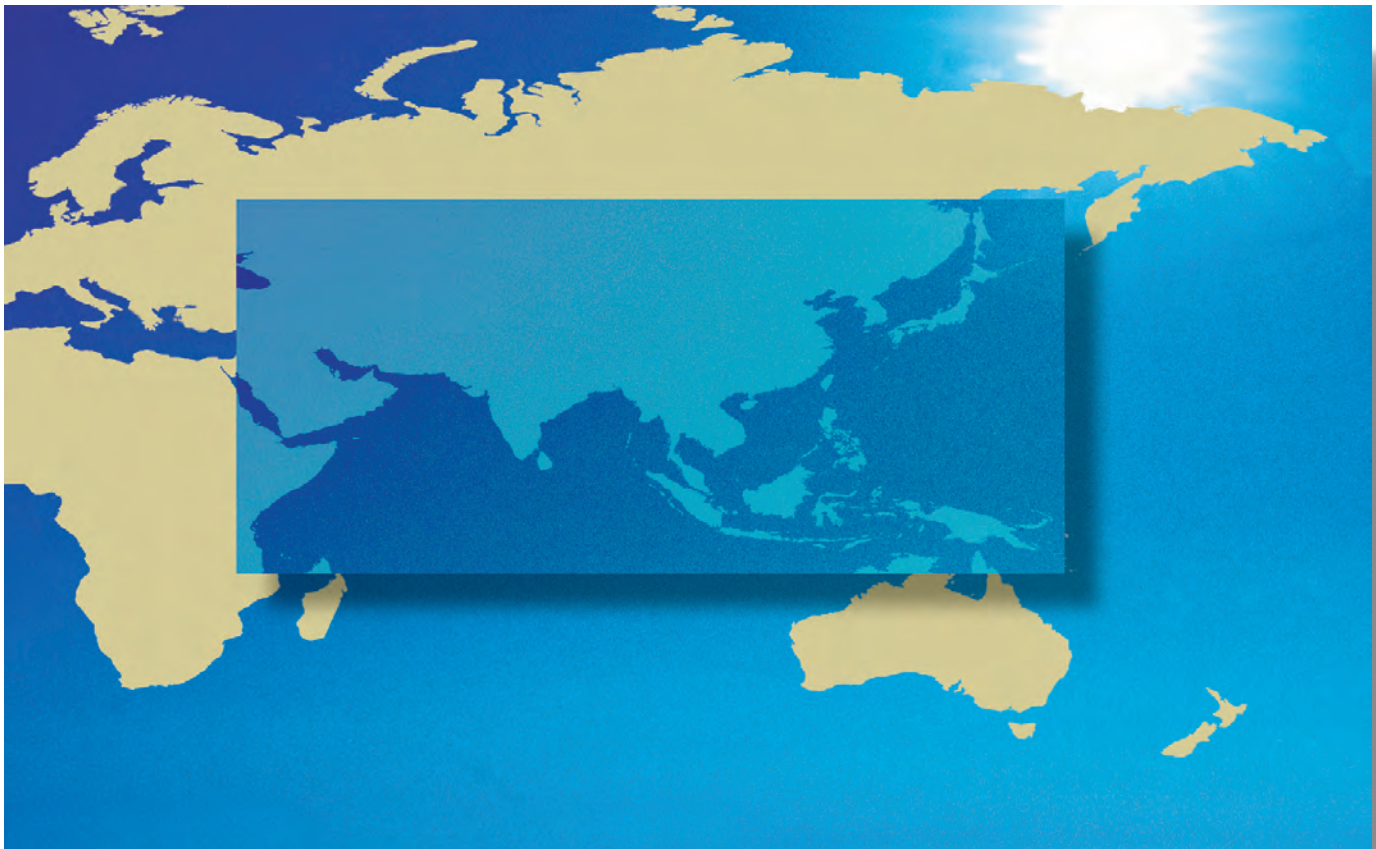


OPRF MARINT Monthly Report

September 2005



CONTENTS

1. Intelligence Bulletin
 - 1.1 Terror/Piracy and Security
 - 1.2 Military and Security
 - 1.3 Diplomacy, International Relations and Security Cooperation
 - 1.4 Resources and Environment
2. Intelligence Assessment
 - 2.1 Movements of the Indian Navies
 - 2.2 Maritime security in the Indian Ocean

This monthly report is edited/ summarized by publisher and staff writers based on published news resources.

Each resource is referenced with bracket below each title and is displayed as link USL on the last page of this report.

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Introduction

Particularly noticeable events about maritime security in September 2005 include the implementation of the “Eye in the Sky” air patrols over the Malacca Straits by four Southeast Asian nations and an operation of a bilateral joint annual naval exercise between India and the US.

Three littoral states – Malaysia, Singapore and Indonesia – and Thailand kicked off air patrols to combat pirate attacks in the Malacca Straits from September 13. The “Eye in the Sky” is Kuala Lumpur-based joint air patrols involving maritime patrol aircraft provided by each participating state. Each of the four countries is expected to take turns conducting two patrols per week. Although three littoral states have called for financial and technical supports to foreign nations, they have been opposed to the deployment of foreign forces in the region. About the “Eye in the Sky” initiative, Dr. Sam Bateman, a maritime security expert from Singapore’s Institute of Defence and Strategic Studies said some problems remain to be solved: how the patrols should be coordinated, how to report monitoring information, how to arrange command and control and how to handle the situation when something extraordinary is detected.

In this month, several bilateral and multilateral exercises were conducted. Particularly noted is the India-US joint annual exercise from September 25 to October 4. With involving aircraft carrier from both sides for the first time together with submarines, the large-scale bilateral exercise was carried out in a three-dimensional space. India also held a naval exercise with Thailand and semi-annual exercises with Indonesia respectively in the Andaman Sea. Both outlines of these exercises and the recent movements of the Indian navy – especially its naval plan – are covered in the Chapter 2, “Intelligence Assessment”. These series of Indian movements in tandem with China’s diplomatic and military trends to deal with so-called “Malacca Dilemma” issue have raised questions about security in the Indian Ocean.

As for other incidents occurring this month, there was a news report that the US has increased strategic nuclear submarines in the Pacific Ocean. The US appears to aim at emphasizing deterrence over China in the Asia’s disputed areas such as the Strait of Taiwan and the Korean Peninsula. This implies that the US seeks for pulling away from the Cold War mind-set not only due to its global military transformation of conventional military forces but also due to its nuclear-deterrent policy.

Chinese Defense Minister Cao Gangchuan and his Russian counterpart Sergei Ivanov agreed on continuing their joint military exercises and offering transport aircraft from Russia to China. Both sides promised to deepen cooperation.

1. Intelligence Bulletin

1.1 Terror/Piracy and Security

September 1 "GAM members involved in piracy in the Malacca Strait" (ANTARA NEWS)

It revealed that the Free Aceh Movement (GAM) has been involved in piracy acts in the Malacca Straits, according to the Military Security Restoration Command's Task Force Spokesman Lt.Col. CAJ Erie Sutika.

September 3 "Indian Navy to install radar in nine spots along the Malacca Straits" (ANTARA NEWS)

The Indonesian navy spokesman said that the navy will install radars in nine places along the Malacca Straits to strengthen security of the straits. This is a complementary plan of coordinated patrol cooperation by Indonesia, Malaysia and Singapore along the straits.

September 4 "Thailand signed anti-piracy pact to combat piracy" (THANHNIEN NEWS.com)

Thailand's Prime Minister Thaksin Shinawatra said on September 3 that his country signed a regional agreement to combat piracy. It will also join air patrols over the Malacca Straits. "Thailand supports the initiative on the 'eyes in the skies' and we will consider participation to some extent that we can contribute to security in the region," he said after talks with Lee Hsien Loong, Singapore's premier.

September 5 "Japan to fund anti-piracy center in Singapore" (Science Daily)

Japan plans to offer the operating costs of US\$ 360,000 to an anti-piracy center to be established in Singapore. The Japan's government will continue providing financial support to the center from 2007 and beyond. The center is to be established as an international organization under the Regional Cooperation Agreement on Prevention and Suppression of Piracy and Armed Robbery Against Ships in Asia. Piracy-related information will be gathered to the center and will be shared by countries concerned.

September 6 "Indonesia to use Nipah Island near Singapore as transit base" (The Jakarta Post)

Indonesia plans to use Nipah Island as its base for ships using the Malacca Straits. Nipar Islands is located near Singapore. Ships can use the stop to supply food and water before sailing in Singapore Harbour. The Indonesian military announced that the country will deploy forces to Ndana and three nameless islets that Indonesian claims to its territorial rights.

September 8 "Southeast Asian countries to begin Air Patrols over the Malacca Strait" (VOA)

Indonesia, Malaysia, Singapore and Thailand agreed to begin air patrols over the Malacca Straits to combat piracy and terrorism on September 8. The four countries will each provide two planes for the air patrols. The "Eye in the Sky" will begin next week (from September 13).

September 9 "Security in the Malacca Straits to prevent Foreign Forces" (Tempo Interactive)

Indonesian Western Fleet Command Chief Rear Adm. Tedjo Edhi Purdijanto met with Indonesian President Yudhoyono and the TNI high-rank officers at the TNI headquarters (HQ) in Cilangkap on September 7. Purdijanto said that Indonesian navy and police, together with customs, immigration and transportation authorities will secure the Malacca Straits in tandem with Malaysia, Singapore and Thailand. He also said if large countries offer to help secure the Malacca Straits, it should be not in the form of equipment, information and training, but in the form of troops or war ships.

September 9 "Malacca security conference ends with statement" (VNA)

There was a two-day meeting on the Malacca Straits named "Enhancing Safety, Security and Environment Protection" at Jakarta on September 7-8. The meeting was attended by 34 countries including Viet Nam and both regional and international organizations. It concluded with the release of "Jakarta Statement", which reiterates the importance of strengthening maritime security and protecting the environment of the Malacca Straits based on the principle of respect for national sovereignty, maintenance of the territorial integrity and the jurisdiction of three littoral states (Indonesia, Malaysia and Singapore) under the UN Convention on the Law of the Sea (UNCLOS). Taking this occasion, three littoral states and the International Maritime Organization (IMO) signed a Memorandum of Understanding on the Marine Electronic Highway (MEH), which will focus on monitoring ships passing through the waterway, supervising the environment and enhancing security in the Malacca Straits.

September 14 "Joint air patrols begin to guard Malacca Strait" (International Herald Tribune)

Malaysia, Singapore, Indonesia and Thailand started their joint air patrols over the Malacca Straits from September 13. Each representative from four nations met at their home base, Subang, Kuala Lumpur, to launch patrols with Malaysian C-130. The planes will operate from all four countries twice a week, having top staff members aboard. Meantime, Thailand's Bangkok Post on September 14 pointed out that Thai government hasn't had enough explanation about why the country will join the air patrols even though India hasn't been invited for the joint activities among three littoral states.

September 19 "Four SE Asian nations launch joint air patrols in the Malacca Straits" (BERNAMA)

A seminar on Maritime Terrorism and the Strait of Malacca was held at Kuala Lumpur on September 19. Maritime experts, police and army officers from Singapore, Australia, the US, Japan and Indonesia participated in the seminar. Royal Malaysian Navy First Admiral Ahmad Kamaruzaman Ahmad Badaruddin said the Malacca Straits is one of the safest straits in the world according to the statistical analysis, and pointed out as follows: (1) the Malacca Straits is a complex maritime security environment due to the fact that over 300 ships pass through every day, (2) Security in the straits is a sensitive and complicated issue because several stakeholders from various fields such as politicians, fishermen, non-littoral states, shipping and insurance firms have been involved in the region, (3) In addition to sovereignty issues on a number of islands in the region, each stakeholder has different awareness of threats, priorities and expectations. Accordingly, it needs to take a balance of domestic and foreign policies. He also cited several measures that Malaysia has taken: the establishment of a piracy reporting center, the implementation of coordinated patrols by three littoral states, the formation of the Malaysia Maritime Enforcement Agency (MMEA), the reorganization of other agencies to support MMEA, and the launch of "Eye in the Sky" operation. On the other hand, Senior Staff Officer for Operational Strategies of the Indonesian navy said his navy has employed preventive and repressive strategies to secure the straits. Preventive strategies include early detection and conducting maritime intelligence operations with the Sea Security Board while repressive strategies include offering quick and professional measures to combat crimes in waters. He also suggested that instead of deploying military troops to the straits, countries using the Malacca Straits should work diligently to improve problems, such as the burden sharing among three littoral states, information sharing, and patrol capacity. In the meantime, Japan's Ocean Policy Research Foundation Executive Director Hiroshi Terashima said that Japan has kept providing financial and technical supports to the three littoral states since 1969 including creating nautical charts, salvaging sunken vessels, responding to marine pollution, providing buoy tender ships and building and keeping aids. Japan has taken the initiative in anti-piracy measures of the Malacca Straits like hosting a maritime law enforcement agency's summit meeting as well as contributing a total of US\$ 145 million so far.

September 21 "Abu Sayyaf recruits 100 men as terrorists" (INQ7.Net)

A military intelligence report from the Philippines said on September 7 that about 100 men have been recruited as terrorists by Abu Sayyaf group in southern Philippines since July. It is believed that most people are Christian and that each person is paid a salary of 10,000-30,000 pesos a month.

September 29 "Malaysia wants to increase air patrols over the Malacca Straits" (The Jakarta Post)

Malaysian Deputy Prime Minister Razak calls for increasing the number of air patrols, "Eye in

the Sky”, as well as formalizing cooperative measures between Indonesia, Singapore and Malaysia. He also said that once the air patrols are proven to be effective, other countries will join supporting activities.

1.2 Military and Security

September 1 "Indian Navy creates a new Directorate of Foreign Cooperation" (New Kerala.com)

The Indian navy set up a new Directorate of Foreign Cooperation led by a Vice Admiral aimed at supporting coastal states in the Indian Ocean. The new Directorate will offer military hardware, drill and military assistance to Indian Ocean states so that they can enhance their ability to secure territorial waters and airspace under a close cooperation with the Ministry of External Affairs.

September 1 "Pakistan air force to begin big war game" (The Dawn)

Pakistan will launch a war game on September 3 for the first time in nearly 10 years. The one month-long exercise named “High Mark” will be conducted with 8,200 sorties in three stages. Jordan, Turkey, Saudi Arabia and France have been invited to the war game as observers.

September 1 "Pakistan acquires eight Orion patrol aircraft from the US" (Pakistan Times)

Pakistan acquired eight P-3C Orion patrol aircraft from the US. The Pakistan navy has 10 high-tech submarine hunting planes and will further strengthen surveillance of terrorist movements and drug smuggling in the region. It has also been decided that the US would sell an undetermined number of F-16 aircraft to Pakistan.

September 2 "Lassen arrives at Yokosuka to join Forward Deployed Naval Forces" (Commander, U.S. Naval Forces Japan Public Affairs Office)

USS Lassen (DDG 82) arrived at Yokosuka on September 2 to join the Forward Deployed Naval Forces of the US Seventh Fleet on a permanent basis. Lassen is an Arleigh Burke-class guided missile destroyer and is the fourth ship in the squadron to operate out of the port of Yokosuka.

September 2 "Thailand to set up border affairs department" (Bangkok Post)

Thai military's Chief-of-Staff General Boonsang said his country will establish a border affairs department to improve coordination and communication with its neighbour countries: Myanmar, Laos, Cambodia and Malaysia. All border affairs will be integrated to the new department and will be served by staff members from military personnel having a work experience with authorities from neighboring countries.

September 4 "Malaysia, China signed MoU defense cooperation" (THANHNIEN News)

China and Malaysia signed a memorandum of understanding on defense cooperation. The memorandum stipulates a framework for defense activities between two countries, including training agreements and information exchanges.

September 6 "The US to beef up its nuclear strategy to Pacific" (Kyodo News)

The US has strengthened its strategic nuclear capacity in the Pacific by transforming its strategic nuclear submarines from the Atlantic Ocean to the Pacific Ocean as well as upgrading nuclear warheads. The US officials and nuclear experts say the measure reflects the US's nuclear-deployment strategy has shifted from preparing for threats by the Soviet in the Cold War years to the deterrence against China over conflicts in Asia such as tense standoff across the Taiwan Strait and on the Korean Peninsula.

September 6 "Singapore to buy F-15 from Boeing as next fighter" (Space War)

The Singapore Ministry of Defense says it is under negotiation with Boeing about the possible purchasing of F-15 Eagle fighters as the replacement of A4SU Skyhawks, after a comparative review with the French-built Rafale, multi-role combat aircraft.

September 7 "China, Russia will continue holding more military exercises" (Xinhua)

Chinese and Russian Defense Ministries Cao Gangchuan and Sergei Ivanov held talk in Moscow to deepen cooperation and discuss the continuation of their joint military exercises. Sino-Russia relations have improved since China announced on June 3 about two sides' agreement on the final line of their common border stretching for 4,300 kilometers.

September 7 "India and China sign MoU on intelligence sharing" (People's Daily Online)

China and India signed a memorandum of understanding on intelligence sharing. The memorandum will focus on exchanging security information to handle crimes like terrorism.

September 8 "Russia will supply 40 Ilyushin aircraft to China" (RIA Novosti)

Russia will provide China with about 40 Ilyushin Il-76 transport aircraft and Il-78 refueling aircraft, Russian Defense Minister Sergei Ivanov announced on September 8. It is estimated that the contract will be worth US\$ 1 billion. The aircraft will be assembled in Uzbekistan, with about 90 percent of the components offered by Russia.

September 11 "US to supply F-16s to Pakistan" (Deccan Herald)

Pakistan Defense Minister Rao Sikandar Iqbal said the US will begin supplying 75 F-16 fighter jets to Pakistan from next year (2006). The supply of F-16 fighter jets will start after the deal is

endorsed at the US Congress. Pakistan will receive eight F-16 fighter jets from the US yearly.

September 15 "Chinese Air Force mastered midair refueling" (Kyodo News)

According to the People's Liberation Army Daily, the Chinese Air Force succeeded in midair refueling with three warplanes in the middle of August. China is the fifth country in the world to achieve the procedure.

September 16 "Annual war games begin in South China Sea" (AAP)

Australia, New Zealand, Britain, Malaysia and Singapore launched annual exercises in the South China Sea and on the Malaysian peninsula to boost security against terrorism. The maneuver that will run until September 28 involves 26 naval ships, one submarine, 74 military aircraft, and 3,000 soldiers. Meantime, Malaysia, Indonesia, Singapore and Thailand began joint air patrols over the Malacca Straits on September 13 and have called for assistance to foreign countries. Australia's navy chief, Russ Shalders said that his country is willing to provide the experience in air patrolling.

September 19 "Pakistan bought four aircraft from Indonesia" (The Dawn)

Pakistan bought four military transport aircraft CASA CN-235 from Indonesia. Pakistan is also expected to receive six refurbished C-130 transport planes from the US by December.

September 23 "Indian, US navies to conduct exercise for counter-terrorism" (New Kerala.com)

India and the US will launch an exercise off the India's west coast focused on combating terrorism and piracy as well as conducting antisubmarine warfare. The 10-day exercise, dubbed as "Malabar 05", is the seventh annual series of exercises by both navies and will involve more than 10,000 personnel, aircraft carriers, warships and submarines. The train for aviation interoperability and air defense of ships will be carried out by pilots at Goa from September 25 to 28. This is the first time in the Malabar series of exercises to deploy aircraft carriers to enhance interoperability by naval pilots from two countries. They will conduct advanced tactical exercises in the north Arabian Sea from September 29 to October 3.

September 27 "China's new class of warship is commissioned" (The Associated Press)

Chinese new-class missile frigate Wenzhou came into commission at a ceremony attended by East China Fleet commander. The frigate is the first in the 054 Ma'anshan class. In addition to being equipped with latest electronics, anti-submarine capabilities and air defenses, the ships are coated with a special exterior paint to make it harder to be spotted by radar. The ships are designed to operate on the high-seas.

September 27 "China begins War Games in Inner Mongolia region" (AFP)

Chinese military launched its war exercises "North Sword 2005" with 16,000 troops in China's Inner Mongolia region. About 40 military officers from 24 countries, including the US, North Korea, Russia and major European countries and NATO nations have been invited to the exercises as observers.

September 29 "Singapore considers purchasing Swedish submarines" (Forbes)

Singapore's Defense Ministry announced it considers purchasing secondhand submarines from Sweden. The Vastergotland-class boats will be purchased as a replacement for Challenger-class submarines.

September 29 "China sets up reverse vessel squadron in East China Sea" (AFP)

Chinese Foreign Ministry spokesman Qin Gang said that he confirmed a Chinese reserve vessel squadron was established in the East China Sea. The purpose of the establishment is to deal with emergency situations such as urgent mobilization and assistance at sea in peace time. It is not clear whether the establishment of the squadron targets at Japan. According to Xinhua on September 26, the unit will have the ability to fight a war where necessary, and will be equipped to eliminate obstructions at sea. Prior to the establishment of the squadron, China had created two naval units in the Bahai Sea and Yellow Sea off the northern China coast.

September 30 "India holds each exercise with Thailand and Indoenseia in Andaman Sea" (Daily Times)

India carried out a first-ever joint naval exercise with Thailand and also conducted semiannual joint exercises with Indonesia. Both exercises were held near the entrance to the Malacca Straits. Lt. Gen. Aditya Singh, the Commander of the Join Andaman and Nicobar Strategic Defense Command spoke in an interview that although India is not party to security arrangements for the Malacca Straits, the aim of the joint exercises is to eradicate piracy, drug and gun trafficking, poaching and illegal immigration. He also said that the Indian military will support the idea of allowing foreign airplanes to fly into its airport in Port Blair, the capital of Andaman and Nicobar islands.

1.3 Diplomacy, International Relations and Security Cooperation**September 8 "US-India nuclear weapons cooperation is a special case" (House Committee on International Relations)**

The US State Department's vice minister, Robert G. Joseph made comments at a House Committee on International Relations hearing on September 8. He pointed out as follows: (1) The US does not and will not support India's nuclear weapons program. None of the cooperation with

India recognizes India as an NPT nuclear weapon state nor asks for renegotiating the NPT. The US remains cognizant of all obligations under the Nuclear Nonproliferation Treaty. The US will adhere to universal NPT. (2) The US also recognizes that India is a special case: India never became a member of the NPT. In fact, India has taken very hostile attitude toward the NPT for years. With the recent US-India Joint Statement, now India will undertake new nonproliferation responsibilities that will strengthen global nonproliferation endeavors and serve the fundamental purpose of the NPT. (3) India has informed the US of having no intention of becoming a NPT member as a non-nuclear weapon country at this time. Nevertheless, it is important to take this opportunity to support India so that two sides will become a more constructive partner in global nonproliferation endeavors. The US has tried to dissuade India from the production of fissile material for weapons.

September 13 "US and Chinese President meet in NY" (The White House Press Release)

The US President George W. Bush and Chinese counterpart Hu Jintao met in New York on September 13. Bush stated at the opening of the meeting that "I view this visit as an opportunity to continue a dialogue in dealing with a very important relationship with the United States and the world." Hu said while the two countries have kept effective cooperation in a wide range of important issues like counter-terrorism, it can't be denied that as their bilateral trade develops so fast and to a large scale, inevitably they may have some frictions. Hu also commented about Taiwan issue that "the proper handling of the Taiwan question holds the key to the sound and steady growth of the China-U.S. relationship. I hope that the United States will join the Chinese side in safeguarding peace and stability across the Taiwan Straits, and opposing so-called Taiwan independence."

September 29 "Kyrgyz holds talk with US" (Xinhua)

Kyrgyz President Bakiyev had talks with US Assistant Secretary of State Daniel Fried who had visited Kyrgyzstan. Both sides reaffirmed their commitment to continue strong bilateral security ties. Fried expressed his appreciation to Kyrgyzstan for allowing to use the US air bases for supporting operations in Afghanistan.

1.4 Resources and Environment

September 20 "CNOOC starts production from oil field, NB 35-2" (Xinhua)

CNOOC Limited announced on September 20 that it had succeeded in commencing producing of Nanbao ("NB") 35-2, an independent field in Bohai Bay. The field is capable of producing about 3,200 barrels of oil per day from 9 wells.

September 20 "Japan to take measures against China's oilfield dispute" (Financial Times)

Japan's trade minister, Shoichi Nakagawa accused China of starting to develop oil/gas from a field in the disputed East China Sea, and said Japan would consider its countermeasures on September 20. He also said that a flare had been seen at a drilling facility in waters close to the median line between two countries, which has proven that China had started production of oil/natural gas in the Tianwaitian field, within a few kilometers of the median line.

2. Intelligence Assessment

Several bilateral and multilateral exercises were conducted in September. Particularly noted is the India-US joint annual exercise from September 25 through October 4. With involvement of aircraft carrier from both sides for the first time together with submarines, the large-scale bilateral exercise was carried out in a three-dimensional space. India also held a naval exercise with Thailand and semi-annual exercises with Indonesia in the Andaman Sea. This Chapter covers both outlines of these exercises and the recent movement of the Indian naval plan. These series of movements in tandem with China's diplomatic and military trends to deal with the so-called "Malacca Dilemma" have raised questions of security in the Indian Ocean.

2.1 Movements of the Indian Navies

(1) Exercises in "Malabar 05" and in the Andaman Sea

Malabar 2005, the seventh iteration of the Malabar exercise series between the Indian and the US navies was held from September 25 through October 4 on the West Coast of India aimed at training for joint operations to counter terrorism and piracy as well as interoperability exercise of both navies. According to some intelligence information, the exercise involved the following fleets and aircraft by the two sides: from the US navy, over 6,000 personnel, US carrier Nimitz that had then finished its mission in the Persian Gulf, two Arleigh Burke-class Aegis destroyers, a Los Angeles class submarine, P3C Orions, F/A-18 hornets and E2C Hawkeye Air Early Warning aircraft. From the Indian navy, about 6,000 personnel, a carrier INS Viraat, an domestic Delhi Class destroyer, a Godavari class missile frigate, Shishukumar class submarine, carrier-based Sea Harriers, supply vessels, and TU-142M long-range maritime patrol aircraft.

After the warships from both countries concentrated at Goa on September 25, fighter pilots from the two navies started training for aviation interoperability and air defense of ships. This is the first time for Indian and the US to conduct aviation interoperability by naval fighter pilots. The second phase of exercise from September 28 to October 2 included complex hi-tech operations such as sub-surface, surface and air warfare culminating in a "24 hours-combat at sea". During the exercise, the P3C Orions – the US navy's long-range maritime patrol aircraft – was operated from the Indian navy's sole land base at Dabolim in Goa.

Aircraft carriers from both countries joined the annual series of war games for the first time, which reflected a rapid strengthening of the US-India defense ties. The "New Framework for the US-India Defense Relationship" signed by the US and India on June 28, 2005 lays down the defense cooperation framework for the next decade being focused on enhancing military

cooperative relationship such as joint production of weapons and military technology collaboration. Both sides also agreed to framework offering training of Indian naval pilots and stationing of Indian military liaison officer at the US Pacific Command and the Central Command. The next US-India joint naval exercise is scheduled at Guam in January, 2006.

The Indian navy also conducted their first-ever joint exercise with Thailand and semiannual joint naval exercises with Indonesia respectively at the end of September in the Andaman Sea, near the entrance of the Malacca Straits. According to the Daily Times of September 30, Lt. Gen. Aditya Singh, the Commander of the Joint Andaman and Nicobar Strategic Defense Command said although India is not the party to security arrangements for the Malacca Straits, the main purpose of participation of the joint air-patrols is to combat against smuggling, piracy, drug and gun trafficking, poaching and illegal immigration in the region and to implement ensured safety measures in the Andaman Sea – the important sea lanes between the Indian Ocean and the South China Sea leading to the Pacific. He also said the military encourages the idea of allowing foreign airplanes at its airport in Port Blair, the capital of the Andaman and Nicobar islands.

(2) India's naval plan

The Indian navy's current movements have significant impacts on security of the sea lanes ranged all the way from the Middle East to the Malacca Straits centered on India. Currently the Indian navy has a medium-sized force with total 39 principal combatants including aircraft carriers, destroyers, frigates and submarines. As shown in the table below, India plans to increase the total number of combat vessels up to 46 by 2015.

Indian Navy: Principal Combatants

Type of Warship	Number in August 2005	Current acquisition /building programme	Decommissioning by 2015	Number in 2015 (estimated)
Aircraft Carrier	1	1+1	1	2
Submarine	16	(3)* + (1)** + (1)***	3	18
Destroyer	8	1 + 2 + (3)	3	11
Frigate	14	3 + (3)	5	15
TOTAL	39	8 + (11)	12	46

*Prospective US \$2 billion order for 6 Project 75 submarines, of which 3 are expected to be built by 2015

**Prospective lease of 1 Russian nuclear-powered submarine

***India's nuclear-powered submarine project

(Source: "India's Naval Posture," IISS Strategic Comments, Vol. 11, 6 August, 2005)

The above data obtained from the International Institute of Strategic Studies (IISS) indicates the Indian navy has been continuing to operate aircraft carriers for over 40 years. In addition to the 46 year-old aircraft, the Viraat, aircraft carrier Admiral Gorshkov purchased from Russia in March 2004, will go into service in 2009. Construction of domestic carrier started in April 2005,

which is to replace the Viraat in 2012. Essentially, the Indian navy will operate a two-carrier force with nearly 50 ex-Russian MiG-29K combat aircraft, some of which is to be delivered in 2007. Furthermore, a new generation of 6,800-ton destroyers (the first of which is expected to be launched in 2005) and 4,700-ton “stealth” frigates (the first of which is expected to be commissioned in 2006) are being built in Indian’s three defense shipyards. Over two-thirds of its principal combatants to be built by 2015, there will rise from current 45 %. As for the navy’s submarine arm, aging ex-Russian boats will be decommissioned and be replaced by six indigenous Project 75 submarines that are now under contemplation. As indicated in the prior issue of this monthly report (July 2005), Indian naval base, INS Kadamba is currently under construction in Karwar. This base will defend Arabian Sea-front. Kadamba base will become the third largest naval base in India and will be the first base to be solely operated by Indian navy. It will also be the largest naval base in Asia after its completion.

On top of their increasing military ties, India has sought to purchase arms from the US. According to a report from Congressional Research Service issued on August 1, 2005, the Indian government is now making an extensive shopping list of the US arms, including P-3 Orion maritime patrol aircraft, PAC-3 anti-missile systems, electronic warfare systems, F-16 fighters, and F/A-18 multi-role fighters. The US State Department has already authorized Israel to sell Phalcon airborne early warning system that is jointly developed by the US and Israel. India has already acquired three of such radar-equipped early warning aircraft. The P-3 Orion maritime patrol aircraft, the F/A-18 multi-role fighters along with the E2C Hawkeye Air Early Warning aircraft participated in the “Malabar 2005” joint naval exercises. India and the US appear to advance their cooperation including arms deal and joint arm-production under the India-U.S. Defense Policy Group. Incidentally, The US has started selling the P-3 Orion maritime patrol aircraft and the F-16 fighters to Pakistan.

Meantime, the Indian navy has bolstered cooperative relationship with ASEAN. India became the member of the ASEAN Regional Forum in 2002. IISS reported at that year, India established the Joint Andaman and Nicobar Strategic Defense Command – India’s first joint command – in Port Blair, capital of Andaman and Nicobar islands where the pivotal point as the mouth of the Malacca Straits. Since then, India and ASEAN have deepened their relationship. India’s engagements with ASEAN include: (1) Participation of the multilateral Western Pacific Naval Symposium as an observer. (2) Hosting a warships gathering (MILAN) in the Andaman and Nicobar islands every two years since 1995, as well as limited exercises. (At the 5th MILAN in February 2003 warships and delegations from eight South and Southeast Asian countries joined, while the 6th of MILAN was cancelled due to the tsunami.) (3) Visiting ports and conducting exercises with several ASEAN navies in the South China Sea. The Indian fleet, a commander-in-chief aboard, paid goodwill visits to Singapore, Malaysia, and Indonesia from the end of July to the beginning of August, 2005. Delhi-class destroyers and frigates accompanied the Viraat during its tour.

2.2 Maritime security in the Indian Ocean

As included in the previous issue of this monthly report (July 2005), the “Annual Report to Congress: The Military Power of the People’s Republic of China 2005” published by the US Department, says Taiwan is not the only reason to motivate China’s military modernization. The other is energy issue: China now imports over 40 percent of its oil. This figure could be 80 percent by 2025. China’s current strategy and policy formulation largely reflect its high dependency on energy, which urges China to accelerate expanding its procurement of natural resources from Angola, Central Asia, Indonesia, the Middle East (including Iran), Russia, Sudan, and Venezuela as well as increasing investment of both military presence overseas and naval forces to defend China’s sea lane.

To secure China’s energy demand, both obtaining resources and bringing them to home safely are an important task. In particular, a critical issue is how to secure sea lanes that are China’s important resource transportation routes going through from Africa – via the Middle East, the Indian Ocean the Malacca Straits, the South China Sea – to the Taiwan Strait. Currently the US holds a strong presence at these sea areas.

David Zweig, a professor of Hong Kong University of Science and Technology and some experts pointed out the above matter as follows: (1) Concerns about safety in the Malacca Straits are now also the vital interest to China, as four-fifths of China’s imported oil goes through the straits. The Taiwan Strait could also be a possible battleground between China and Taiwan. China is now concerned that Taiwan could be a threat to China’s supplies. How to deal with the “Malacca Dilemma” is the key to China’s energy security. (2) A Chinese military expert recommends both defensive and offensive measures as a new naval strategy. The defensive measure is to make quick reactions, including military reaction if any crisis occurs. This is to display the strength for safeguarding China’s interests. On the other hand, the offensive measure is to ensure the capability of reciprocal deterrence, which means if China’s international shipping route is threatened, China can also threaten its counterpart’s national interests including its international shipping route security. (3) Some high officers of China’s naval force want to switch their naval strategy entirely. They insist China should shift its focus from coastal defense to oceanic defense as the country now faces threats not only along its coast but over international waters. (4) China has helped Pakistan construct a port at Gwadar, upgraded a military flight strip in the South China Sea, strengthened its monitoring facilities in Myanmar, and negotiated for naval establishments in Bangladesh. (David Zweig and Bi Fianbai, “China’s Global Hunt for Energy,” *Foreign Affairs*, Vol. 84, No. 5, September/October 2005, pp.25-38.)

The topic of China’s “string of pearls” strategy, which is to take both offensive and defensive measures to secure its sea lanes for resources transportation along with the topic of its recent

movements in the Andaman Sea and Myanmar are already included in the July and August editions of this monthly report (Chapter 2, Intelligence Assessment)

Considering India's current trends and China's "string of pearls" strategy, there is a high possibility for intensifying conflict between China and India in the Indian Ocean, in particular, around the Andaman Sea. In contrast to the considerable improvement of Sino-Indian diplomatic and trade relations, Indian navy has been wary of Chinese navy's movements. The above-mentioned IISS report says Indian ships have visited China four times while Chinese ships to India twice so far. Their first joint search and rescue exercise was held off Shanghai in 2003 and the next one is expected to take place in 2006. However, the Indian navy has expressed concerns about China's increasing presence in the Indian Ocean and regarded the "string of pearls" strategy as a strategic encirclement against India. The IISS report also points out that India's deployments and conducting exercises in the South China Sea appear to be a direct response to the growing China's presence in the Indian Ocean.

These series of movements in the region, in tandem with the US's movements aimed at increasing capacities for a rapid response to the region called "arc of instability" including the southern fringe of the Eurasian continent, have raised questions concerning how to handle security affairs in the Indian Ocean. As for security of sea lanes, Japan has largely depended on the US navy's presence. On the other hand, Japan has maintained a certain naval presence in the region by sending several Maritime Self-Defense Force vessels including replenishment vessels to the region under the special legislation enacted to combat terrorism since December 2001. Japan will have to engage in this issue in a more positive manner.

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