

OPRF MARINT Monthly Report

August 2007



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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 URL on the last page of this report.

Publisher: Masahiro Akiyama

Staff writers:

Kazumine Akimoto, Tsutomu Inuzuka, Takehisa Imaizumi,

Hideshi Ueno, Tetsuo Kotani, Takehisa Tomomori, Hiroko Saito

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Major Events in August 2007

Security: On August 13, armed pirates attacked a Malaysian barge in the Malacca Strait and kidnapped two Indonesian crew members. The incident marked the third pirate attack in the strait in 2007, but the first since July 2005 in which ship crew were kidnapped. Two sailors were released on August 27 after a ransom was paid.

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On August 23, a Danish government spokesman says the owners of a Danish cargo ship seized by Somali pirates on June 2 paid a ransom to secure its return. The pirates turned the vessel and five crew members over to a French warship on August 22.

On August 25, the Thai Prime Minister (P.M.) said Thailand wants to join three other coastal countries to patrol the Strait of Malacca in an effort to prevent terrorist and pirate attacks. It is unclear how the other three governments would receive Thai offer.

Military: The U.S. military has commenced the military exercises named “Valiant Shield 2007” off Guam on August 7. The drill will continue until August 14. It was held second time since last year. Unlike last year, no foreign observers including Chinese were invited this year. The exercise is to be held every year.

On August 17, Russian President Vladimir Putin said Russian permanently resumed long-range patrol flights of strategic bombers, which were suspended in 1992 after the collapse of the Soviet Union. Russia also started flying jets again from its only operational aircraft carrier after a two-year break.

A joint anti-terrorism military exercise called “Peace Mission 2007” was held on August 9-17. The drill was sponsored by the Shanghai Cooperation Organization (SCO).

On June 15, 2008, the Indian Navy will commission an *Akula-II* (12,000-ton) class nuclear-powered attack submarine under the name of the INS *Chakra*. This is based on the secret deal signed three-and-a-half years ago. India will lease it for 10 years.

On August 30, Japanese Defense Minister Masahiko Komura met with his Chinese counterpart, Cao Gangchuan, during his visit to Japan. Both ministers issued a joint press statement after the conference. The details are available at the Intelligence Assessment Section of this monthly report.

Diplomacy and International relations: As China's State Oceanic Administration is recently claiming through its official journal the islet in the East China Sea belongs to Beijing, a territorial dispute between South Korea and China is brewing over the reef-islet. The islet is called Ieo Island in South Korea and Suyan Rock in China (and Socotra Rock in English), respectively. South Korea has operated a maritime observation facility with a helicopter landing site since 2001.

On August 16, the 7th meeting of the Council of Heads of State of the Shanghai Cooperation Organization (SCO) was held in the Kyrgyz capital of Bishkek. According to a joint communiqué issued after the conference, the leaders of member countries agreed on further developing all-round cooperation within the SCO framework.

Japanese Prime Minister Shinzo Abe visited Indonesia, India and Malaysia between 19 and 25 August. On 22 August, Shinzo Abe made a speech under the title of the “Confluence of the Two Seas” at the Indian Parliament.

Shipping, Resources, Environment and Miscellaneous: On August 2, two Russian mini-submersibles, *Mir-1* and *Mir-2*, reached the North Pole.

Over the last few weeks, at least 18 ships have either run aground or sunk on India’s west coast, and over ten sailors are missing or have perished. With the number of accidents going up in this monsoon season, the Indian newspaper, reports the shipping ministry and directorate general of shipping need to act fast with countermeasures. Also, according to the same newspaper dated August 7, the Indian government is studying a bill prohibiting the ships over 20 years of age from entering the domestic ports. The Indian Maritime Transport Ministry says 17,000 vessels in the world will be targeted by this law.

1. Information Digest

1.1 Security

August 1 “Indonesia strengthens patrols around sea boundary in Central Sulawesi Island” (Antara News, August 1, 2007)

In view of arms smuggling in the region, Indonesian Navy Chief of Staff Admiral Slamet Soebijanto said the Navy was stepping its patrols in Morowali sea boundary, Central Sulawesi. He made this remark when dedicating two warships at Hatta port of Makassar on August 1. Saying illegal fishing by foreign fishermen is increasing in Indonesian waters, in addition to the smuggling of fire arms, Slamet stressed the Navy was in need of more warships to prevent these activities. According to the Admiral, although the Navy needs at least 376 naval vessels for its security operations, it has only 120 at present.

August 13 “Piracy incident in the Malacca Strait, 2 crew members kidnapped” (The Jakarta Post, August 14, 2007)

On August 13, armed pirates attacked a Malaysian barge in the Malacca Strait and kidnapped two Indonesian crew members. According to Noel Choong, head of the International Maritime Bureau's piracy reporting center in Kuala Lumpur, the incident marked the third pirate attack in the strait in 2007, but the first since July 2005 in which ship crew were kidnapped. Choong told the barge was raided in the high sea by some 10 gun-toting pirates while it was carrying steel billets from the state of Penang to Belawan in Sumatra Island. The pirates destroyed all communication equipment on board, and kidnapped the ship master and chief engineer. Another six Indonesian crew members were unharmed. Choong said, “There are no demands for ransom yet but we are concerned that this could be the start of a series of kidnap and ransom cases like what we see before July 2005.”

【Related Stories】

“IBM urges prompt action against pirates in Malacca Strait” (AFP, August 15, 2007)

On August 15, the International Maritime Bureau (IMB) urged authorities to take an immediate action to prevent the pirate attacks in the Malacca Strait. Noel Choong, head of the International Maritime Bureau's (IMB) reporting centre in Kuala Lumpur, said, “We urge the authorities to take quick action to immediately contain this problem. We are concerned that it would be the start of another series of kidnappings in the area. If unchecked, the situation had the potential to deteriorate into something similar to Somalia.” The kidnappers are suspected to be Indonesians. Experts say Indonesia is the weakest link in fighting piracy in the strait. As for the incident on August 13, while telling owners of the vessel are now trying to establish contact with the pirates, Choong said, “Mostly likely they will demand ransom. They had no interest in the vessel and its cargo.” The barge and its remaining crew were taken by authorities to a nearby

port in Belawan.

“Pirates free 2 after Ransom paid” (Guardian Unlimited, August 27, 2007)

Pirates released two Indonesian sailors on August 27 after a ransom was paid, a global maritime watchdog said Monday. Noel Choong, head of the International Maritime Bureau's piracy reporting center in Kuala Lumpur, said the value of the ransom has not been disclosed, and he declined to identify who paid it.

August 13-24 “Singapore conducts multi-agency joint security exercise” (Singapore Government Media Release, August 23, 2007)

According to an announcement of Singaporean government on August 23, Singapore is conducting a multi-agency maritime security exercise, codenamed Exercise APEX 07 from 13 to 24 August. The exercise is aiming to enhance inter-agency collaboration to collectively respond to potential security threats at sea. Led by the Republic of Singapore Navy's (RSN) Coastal Command (COSCOM), this annual exercise involves the vessels, aircraft and some 2,000 personnel from the RSN, the Republic of Singapore Air Force (RSAF) and the Army, as well as the Police Coast Guard (PCG), the Maritime and Port Authority of Singapore (MPA), and the Immigration & Checkpoints Authority (ICA).

August 14“Japan understands Indonesia’s position on Malacca Strait- Foreign Ministry’s Press Secretary comments” (Antara News, August 15, 2007)

According to Indonesia’s Antara News dated August 15, Press Secretary at the Japanese Foreign Ministry Mitsuo Sakaba fully understood Indonesia’s position on the Malacca Strait on August 14. Below are the points of the report.

- (1) Press Secretary Mitsuo Sakaba said, “As to the issue on sea security, the two countries have actually done many things. We wish to continue talks on Indonesian participation (in the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia: ReCAAP).”
- (2) Indonesia and Malaysia have yet to become full member of the sea security cooperation in the Malacca Strait (ReCAAP). Indonesia became rather reluctant (to participate) on suspicion that the Malacca Strait may develop into an international affair. Indonesia also questioned the sea navigation information arrangement being entrusted to Singapore, whereas securing the Malacca Strait should be the responsibility of Indonesia and Malaysia. Also, Japan is only using the waterway.
- (3) Press Secretary Mitsuo Sakaba said, “All countries know that Indonesia plays a central role in the Malacca strait and therefore we wish to continue talks with Indonesia on its participation (in the ReCAAP).”

August 16 “U.S. Coast Guard cutter visits Shanghai” (People’s Daily, August 16, 2007)

The U. S. Coast Guard (CG) cutter *Boutwell* arrived in Shanghai on August 16. *Boutwell* is the second U.S. CG cutter to visit China, after *Rush* stopped at Qingdao in 2006. During a six-day port call, *Boutwell* will exchange with the Chinese coast guard authorities techniques on boarding and searching suspicious vessels, and share information on fighting maritime crime.

August 22 “Somali pirates free Danish ship” (BBC News, August 23, 2007)

On August 23, a Danish government spokesman says the owners of a Danish cargo ship seized by Somali pirates on June 2 paid a ransom to secure its return. The spokesman said the government was disappointed, but understood why the owners had paid for the release of the ship and its five crew members. No details of the deal were given, but Danish television reported that the pirates had demanded 1.5 million US dollars (750,000 pounds). The pirates turned the vessel and crew members over to a French warship on August 22.

August 25 “Security of the Malacca Strait is the responsibility of the coastal states, says an Indonesian Foreign Ministry Official” (The Jakarta Post, August 26, 2007)

The Indonesian Foreign Ministry reiterated that security in the Malacca Strait is the responsibility of the littoral states thereby rejecting the involvement of user states in patrolling activities. “If the user states want to help, they can do so through capacity building, such as the provision of technical assistance,” stressed Ibnu Hadi, the Foreign Ministry’s director for international cooperation in Asia-Pacific and Africa. He made the statement to reporters August 25 after closing a two-day discussion on maritime security issues that was attended by representatives of the 22 member states of the ASEAN Regional Forum (ARF). According to the ministry’s director general for legal affairs and international treaties, Eddy Pratomo, the meeting was aimed at forging a common understanding of maritime security issues among the ARF countries. “What we need is a common perception,” he said. Discrepancies remain between user and littoral states regarding definitions of traditional and non-traditional maritime threats.

Eddy said even today there were still no agreed definitions of sea piracy, armed robbery and terrorism. As different forms of violence require different defenses, the different perceptions are obstacles to the efforts to maintain maritime security. The ARF meeting agreed to focus on the discussion of sea piracy, armed robbery, transnational crimes and terrorism. The results will be brought to meetings at the ministerial level. Ibnu said during the meeting that Indonesia took the view that cooperation and discussions on maritime security threats should not be confined to piracy and terrorism. He stressed the problems related to environmental protection and the safety of navigation should also be taken up.

August 25 “Thailand wants to join patrols of Malacca Strait” (The Star Online, August 25, 2007)

Thailand wants to join three other coastal countries (Malaysia, Indonesia, and Singapore) to

patrol the Strait of Malacca in an effort to prevent terrorist and pirate attacks, the Thai Prime Minister (P.M.) said on August 25. Thailand has taken part in anti-piracy exercises with the other countries, but has not joined the patrols. The P.M. did not say when Thailand might join the patrols. It is unclear how the other three governments would receive Thailand's offer, given that Malaysia and Indonesia have repeatedly expressed fears that joint operations could infringe upon their territorial integrity.

1.2 Military

August 1 “Indian Naval presence into SW parts of the IO and its Strategic Implications”(Asia Times Online, August 1, 2007)

The trend of the Indian Navy is a matter of great interest for this OPRF MARINT Monthly Report. It goes without saying that India is situated in the important strategic position for the national security of the sea-lanes of Japan. Recently, we have taken up the issue of the India's growing presence in the south-western part of the Indian Ocean in our monthly reports in May and July 2007 respectively.

The Indian advance into this area has been increasing steadily, even though it has not been regarded with greater attention, compared with its activities in the Bay of Bengal and the Arabian Sea peripheries. Taking an overview of the Indian advance in these areas, Sudha Ramachantran, an independent Indian journalist, says on its strategic implications, which are outlined as follows.

- (1) For India, monitoring the waters off Africa's east coast is an essential part of its effort to secure sea lanes of communication in the Indian Ocean. Most of India's trade is by sea - nearly 90 percent of India's oil imports arrive by sea. Therefore, these sea lanes are lifelines for the Indian economy and any disruption can have disastrous consequences for its economic and energy security. India has been acting to secure sea lanes in the Indian Ocean, and the monitoring station in Madagascar is part of this larger naval and maritime strategy. India is reaching out far into the Indian Ocean, way beyond its shores, as it sees this ocean as its domain. (See the comments below.)
- (2) Of major concern to India is China's steady influence in the Indian Ocean through its naval and other ties with India's neighbors, including Myanmar, Bangladesh, Sri Lanka and Pakistan. China has played a major role in building the Gwadar port in Pakistan. Concern mounted in India in January 2007 when Chinese President Hu Jintao rounded off his eight-nation trip to Africa with a stop at Seychelles. Hu's visit was the first by a Chinese president to an island state in the southwestern Indian Ocean, symbolizing the response that China poses to India's influence in this region. Raja Mohan, an Indian strategic-affairs expert, pointed out: “No one doubts India's desire to retain its foothold in these geopolitically crucial island states (on the east coast of Africa). But question marks remain on whether India has a

strategy to cope with China's dramatic entry into the western Indian Ocean.”

Comment: Regarding the intent of India's advances into the Indian Ocean, the author quotes a view of Donald L Berlin, professor at the Asia-Pacific Center for Security Studies in Honolulu, in his article entitled “The Rise of India in the Indian Ocean” (Naval War College Review, spring, 2006). Here Berlin points out: It was one of the objectives of the U.S. foreign policy in the 19th century to achieve hegemony in the Western Hemisphere. Likewise, India hopes to establish a dominant influence in the Indian Ocean, the world's only ocean named after a single state.

The article can be available form the following source:

http://findarticles.com/p/articles/mi_m0JIW/is_2_59/ai_n16689838/print

August 1 “Pakistan Navy Commodore takes command of Multi-national Task Force (CTF-150)” (Associated Press of Pakistan, August 1, 2007)

Pakistan Navy took over the command of the Combined Task Force (CTF-150) on August 1, which was the second time for its Navy since April 2006. Composed of the major countries of U.S., Britain, France, Australia, Italy, Japan, Germany, Netherlands and Spain, the CTF-150 patrols in the northern part of the Arabian Sea and the periphery of the Gulf of Oman as its central operational areas and waters stretching from North Arabian Sea to the “Horn of Africa area.” The CTF-50, a major component of Coalition Maritime Campaign Plan (CMCP) since 2001, aims to maintain the security of the sea-lanes of communication and prevent the illegal activities like human trafficking, drug and weapons smuggling and movement of terrorists.

August 1 “U.S. aircraft carrier the *Enterprise* enters 5th Fleet OPS area” (Navy News Stand, August 1, 2007)

The U.S. aircraft carrier, the USS *Enterprise* (CVN 65), entered the U.S. 5th Fleet area of operations August 1 to conduct Maritime Security Operations (MSO) in regional waters and provide air support to ground forces operating in Afghanistan and Iraq.

August 2 “China Needs Missile and BM submarine before aircraft carriers – Director of Research at China’s National Defense University” (South China Morning Post, August 2, 2007)

Major General Zhang Zhaozhong, the director of the Institute of Equipment Command and Technology at the National Defense University, said in the South China Morning Post dated on August 2 that China should give priority to the development of missiles and nuclear submarines, pouring cold water on the public's enthusiasm for aircraft carriers. Major General Zhang Zhaozhong said China already had the capability to build aircraft carriers, but the People's Liberation Army (PLA) would focus its limited resources on missiles and submarines, which would be more cost-effective and have a better chance of survival in modern warfare. “Our financial strength is greater than 10 years ago and our military spending is growing every year. We have world-class ship-building technology and facilities. It's not difficult for China to build an

aircraft carrier. The difficult part is the maintenance costs, its cost-effectiveness and the chance of survival in warfare,” said General Zhang. He stressed that nuclear submarines were difficult to detect and could offer greater strategic deterrence.

August 3 “Indonesian Navy to receive Dutch Made Corvette” (Antara News, August 3, 2007)

The Indonesian Navy is expected to receive a *Sigma* (Ship Integrated Geometrical Modularity Approach)-class corvette in the middle of August 2007, head of the Indonesian Navy’s Information Service Commodore Sugeng Darmawan said August 3. The corvette, named KRI *Diponegoro-365*, is one of four *Sigma* corvettes the Indonesian Navy has ordered from the Netherlands. Leaving port on July 3, the first corvette is currently on its way from the Netherlands to Indonesia. The second unit, KRI *Hasanuddin*, is to be delivered in December, and the third unit, KRI *Sultan Iskandar Muda*, was expected to be completed in September 2008. The fourth unit, KRI *Frans Kaisiepo*, would leave for Indonesia in March 2009. These corvettes would be used for patrol duties in Indonesian waters. Commodore Sugeng Darmawan explained that the Navy had decided to choose corvettes because of their functional flexibility and they could be ordered in a relatively short time. Weighing 1,700 tons, the 90.71-meter-long warship can develop a maximum speed of 28 knots and cruise over a distance of about 540 kilometers at an average speed of 10 knots. The corvette’s major armament includes 2x4 anti-aircraft guided missiles, four surface Exocet guided missiles, and one 76 mm cannon. (The corvette arrived at Jakarta Tanjung Priok port here on August 30 after a 40-day voyage -- started on July 2 -- from the Netherlands.)

August 3 “Russian Navy to have presence in the East Mediterranean Sea” (The Washington Times, August 7, 2007)

Admiral Vladimir Masorin, Russia’s naval commander, has announced to establish a “permanent presence” in the eastern Mediterranean on a visit to the Russian base at Sevastopol on August 3, the U. S. newspaper, the Washington Times dated August 7, 2007, reported. The point is as follows:

- (1) The Admiral said, “The Mediterranean is very important strategically for the Black Sea Fleet. I propose that, with the involvement of the Northern and Baltic fleets, the Russian navy should restore its permanent presence there.”
- (2) The admiral's comments on the Mediterranean have added fuel to speculation that Russia also is considering the creation of a permanent, full-service naval base in the Syrian coastal town of Tartus, on the eastern edge of the Mediterranean. Moscow has agreed to write off more than 70 percent of an outstanding debt of 11 billion US dollars owed by Syria, leading to speculation that the concession was granted in return for expanded rights at Tartus and Latakia. The Kremlin has denied any plans for the Syrian site, but Russian engineers have been participating in dredging the waterways to Tartus and Latakia.
- (3) A permanent Russian base in Syria would unnerve both the United States and Israel, and would be close to the strategic Turkish port of Ceyhan, the terminus of a major new oil pipeline

linked to the Azerbaijani port city of Baku.

【Related Story】

Syria's U.N. ambassador, Bashar Ja'afari, denied news reports that Moscow had asked Damascus for port facilities on the Mediterranean coast. Ja'afari said, "This is not true, there has been no request from the Russian Navy. We do have a friendship agreement with Russia, but there has been no agreement on the use of Syrian ports by the Russian Navy."(The NewsMax.com, August 8, 2007)

August 7 "U.S. Forces commence exercises off Guam (Navy Times, August 8, 2007 and other sources"

The U.S. military has commenced the military exercises named "Valiant Shield 2007" off Guam on August 7. This drill, which was held second time since last year, will continue until August 14. In these exercises, three aircraft carriers -- USS *Kitty Hawk*, USS *Nimitz*, and USS *John Stennis*, and more than 30 escorting vessels including submarines from the navy, and about 275 aircraft including F-15 fighters and B-52 bombers, vessels from the Coast Guards and the Marines as well as more than 22,000 personnel are participating. The U. S. military didn't invite any foreign observers to this year's drill, unlike last year when it hosted observers from 10 countries, including China, India, Japan and Australia.

Last October, a Chinese *Song*-class diesel-powered attack submarine surfaced within sight of the *Kitty Hawk* strike group in the East China Sea near Okinawa. (As for this information, see OPRF Monthly Report, November 2006.) According to the U.S. Navy, more than 180 foreign submarines which are able to have access to important choke points and sea-lanes of communications are operating in the Pacific. Therefore, anti-submarine warfare (ASW) is one of the top war-fighting priorities for U.S. Pacific Fleet, and that is going to be a focus for the three carrier strike groups. (The Honolulu Adviser, August 14, 2007)

The commander of the Air Force participating in the "Valiant Shield 2007," Lieutenant General Loyd Utterback, said the exercises would now be held every year. (Guam Pacific Daily News, August 14)

August 8 "Russia restarts strategic bombers' long-distance flight training" (AP, August 9, 2007 and other sources)

On August 9, Commander of the Russian Long Range Aviation, Major General Pavel Androsov, said Russian strategic bombers restarted their long range flight training which they used to conduct during the cold war. According to the report, they made 40 sorties of flight training for three days, and during this period they had eight cruise missile launching exercises. On August 8, two Tu-95's flew to Guam, and they returned to the base after exchanges of greeting with the pilots of the U.S. fighter jets that scrambled to intercept them from the U.S. aircraft carriers participating in the exercises "Valiant Shield 2007" off Guam. During the Cold War, Soviet bombers routinely flew as far as the specific areas over the Arctic, Atlantic and Pacific Oceans

from where they would launch nuclear-tipped cruise missiles at the U.S. mainland in case of war.

The U.S. Pacific Fleet Commander Admiral Robert F. Willard said in an interview on January 9 that, although the U.S. fighters were standing by, the Tu-95's never got close enough to the island of Guam or the exercise areas. (AP, August 10, 2007)

【Related Stories】

“Russian President Putin admits restart of strategic bombers’ long-distance patrol flights” (RIA Novosti, August 17 and BBC News, August 17, 2007)

On August 17, Russian President Vladimir Putin said Russian permanently resumed long-range patrol flights of strategic bombers, which were suspended in 1992 after the collapse of the Soviet Union. Speaking on the final day of the military exercises involving the member-countries of Shanghai Cooperation Organization (SCO) in the south Urals, the President said, “I made a decision to restore flights of Russian strategic bombers on a permanent basis. Although we stopped this kind of strategic flights in 1992, unfortunately, not every country followed our example. Other states’ long-distance strategic patrol flights have created certain problems for our national security. We act on the assumption that our partners will treat with understanding the resumption of strategic air flights. Our pilots have been grounded for too long. There is strategic aviation, but there are no flights.” One of the reasons Russia halted its flights 15 years ago was that it could no longer afford the fuel. Today Moscow’s coffers are stuffed full of oil money. In Washington, on August 17, a state department spokesman said, “We certainly are not in the kind posture we were with what used to be the Soviet Union. If Russia feels as though they want to take some of these old aircraft out of mothballs and get them flying again, that’s their decision.”

“Russian navy resumes flight training from aircraft carrier” (Reuters, August 20, 2007)

Russia has started flying jets again from its only operational aircraft carrier after a two-year break, state-run television reported on August 19.

August 9 “Indian Navy to conduct exercises with Persian Gulf States” (Press Trust India, August 9, 2007)

On August 9, two flotilla of Indian Naval warships comprising indigenous Missile frigates and destroyers set sail from Mumbai for their first joint exercises with Persian Gulf and Arab countries. The first group, comprising a missile destroyer and class missile frigate, will enter the Kuwaiti water on August 14 for four days of exercises with the Kuwaiti Navy. After leaving Kuwait, the Indian warships will move to Al Jubail port in Saudi Arabia to hold similar joint exercises with the Royal Saudi Navy. Another naval group comprising destroyers, missile frigates and tankers set sail for Doha to hold exercises with the Royal Qatari marine force. From Doha, the second group of warships will sail to Bahrain to hold joint exercises with the Navy of that country from August 21 to 25. On their way back home, the first group of warships is to hold

joint exercises with the Abu Dhabi naval forces from August 27 to 30.

August 9-17 "SOC conducts joint exercises" (Xinhua, August 7, 2007 and other sources)

A joint anti-terrorism military exercise, sponsored by the Shanghai Cooperation Organization (SCO) is to be conducted on Aug. 9-17. The exercises called the "Peace Mission 2007" drill, involve about 6,500 military personnel from China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan. First, the exercises will be initiated with the strategic consultations of the Chiefs of Staff of the armed forces from the SCO's six member countries in Urumqi, the capital city of northwest China's Xinjiang Uygur Autonomous Region. The joint exercise will be conducted on August 11 at the Chebarkul military drill site near the Russian Ural Mountains city of Chelyabinsk.

Liang Guanglie, Chief of the General Staff of the Chinese People's Liberation Army, said after the conference on August 9 that the drill would be carried out in line with the Charter of the United Nations and the Charter of the SCO. Liang said, "This drill is not aimed at the specific third party nor threaten any specific country. The joint anti-terror drill will be intended to enhance mutual trust among SCO members in military and security fields as well as to improve the members' abilities to deal with new challenges and threats." Liang stressed the drill would be of great importance for the members in jointly maintaining and ensuring regional peace and stability. (China Military Online, August 10)

The final stage of the "Peace Mission 2007" on August 17 was carried out with the joint operations of searching, enclosing, and destroying the main bases of the terrorist organization while the leaders and defense ministers from the six member countries were in attendance. (Xinhua, August 7, 2007 and other sources)

August 17 "India to get stealth frigates" (The Hindu, August 17, 2007)

The Indian Navy has issued a request for information (RFI - the first step in a defense contract) to international shipbuilders over acquiring stealth frigates for its fleet. According to the RFI, it plans to build seven frigates in total, with one being built overseas and the other six in Indian shipyards. The deal to construct the seven frigates would reportedly be worth over seven billion US dollars. The stealth frigate project, named Project 17A, is part of the Navy's plans to acquire next generation frigates, named Project 17, which envisages building a total of 12 ships. Under the Project 17, *Shivalik* class multi-role frigates are being built.

August 21 "Indian Navy's three-carrier readiness faces difficulties" (Asia Times Online, August 21, 2007)

An Indian journalist, Sudha Ramachandran, has reported on Asia Times Online dated August 21 that the Indian Navy is facing difficulties in implementing the three-carrier readiness due to delay in renovating and building projects, which is summarized as follows.

(1) The *Admiral Gorshkov* (44,570-ton), which India purchased from Russia in January 2004,

was to be ready for induction into the Indian Navy as the Indian Naval Ship (INS) *Vikramaditya* by August 2008. But Russian engineers underestimated the length of cabling required to refit the aircraft carrier and are now unable to meet the delivery deadline. It is regarded to take an additional two years for the carrier to be ready for induction.

- (2) India is constructing a 37,500-ton indigenous aircraft carrier at the Cochin Shipyard. The aircraft carrier to be made in India was to enter service in 2012. However, it now appears that at the earliest it will be ready is 2015. The 252-meter-long carrier will have two runways and a landing strip with three arresting gears. It will accommodate 12 MiG-29Ks, eight Tejas Light Combat Aircraft, and 10 helicopters. The cause for delay is noted on almost all fronts, and construction cost is expected to rise substantially.
- (3) The Indian Navy has long envisaged the readiness by three aircraft-carrier groups as essential for the protection of the country's maritime interests. Indian Navy had a program to commission these two aircraft carriers before INS *Viraat* is decommissioned in 2010-12. In January, referring to the possibility of a life-extension program of the INS *Viraat*, navy chief Admiral Sureesh Mehta indicated that the *Viraat* could remain in active service for another seven years. Indian Navy is looking to induct another aircraft carrier by 2017. However, Defense Minister A K Antony indicated the order for a third carrier would be placed only after construction of the indigenous vessel progresses beyond a certain range.

【Related Stories】

“Russia-made Aircraft Carrier to India to be delayed 3 years for delivery” (Reuters, August 2, 2007)

The modernization program of the aircraft carrier (*Admiral Gorshkov*) sold to India in 2004 by contract of 1.5 billion US dollars with Russia's Severomorsk Shipyard (Sevmash) will be delayed for three years behind schedule, Interfax news agency reported on August 1. The realistic date for delivery is expected to be 2011, According to Sevmash source, miscalculating the amount of work needed to renovate the ship had led to problems.

“India says confident that *Gorshkov* modernization on schedule” (New Kerala, August 13, 2007)

On August 13, Indian Ambassador to Moscow Kanwal Sibal said, “Officially, the Russian government has guaranteed us in writing that the project will be completed on schedule. If the situation changes, it will naturally be conveyed to us officially from the Russian government.”

August 23 “JMSDF's Helicopter Carrier DDH *Huga* launched – Reports by media abroad” (various sources)

On August 23, the Japanese Maritime Self Defense Force (JMSDF) has put to sea a new destroyer DDH (13,500-ton) named *Hyuga* that can operate helicopters on deck. The *Hyuga* will be the largest one of all the JMSDF's naval ships, allowing four helicopters to lift off and land her through-deck platform simultaneously. The formal deployment is expected to in March 2009.

Below are the reports from the overseas mass-media. It is of note that they are regarding the ship as a milestone toward Japan's having aircraft carriers, while paying attention to its name and style of the ship.

An American columnist, Harold C. Hutchison, reports in his article under the title of "Japan's Secret Aircraft Carriers" in the Strategy Page dated August 25, which is outlined below.

- (1) The *Hyuga* will give Japan its first real power projection capability since 1945. Japan plans to build at least two *Hyuga*-class vessels. The name of the lead ship is probably the first clue that will solve this ship. The first *Hyuga* was commissioned as a battleship in 1918. After the battle of Midway in 1942, the *Hyuga* was converted into a hybrid battleship/aircraft carrier. The new *Hyuga* looks like a carrier, and her mission sounds like that of a carrier. This ship belongs to more or less the same category of the European "*Harrier carriers*" (the British *Invincible*, the Italian *Garibaldi*, the Spanish *Principe de Asturias*, and the Thai *Chakri Narubet*-classes). While this ship is currently planned to carry helicopters only, European experience (particularly from the British) has shown that this can be an effective platform for fixed-wing aircraft like the F-35B STOVL.
- (2) The type called "helicopter carrying destroyer" does not reveal an actual status, and the *Hyuga* can be operated as a small-type carrier, or, as helicopter amphibious landing platform, if it carries transport helicopters like British HMS *Ocean*. After all, Japan will eventually have the ships that were equal to what acted as a centerpiece of the British Fleet during the Falkland War 25 years ago (Comment: Flag ship, aircraft carrier HMS *Hermes*- Current Indian Navy aircraft carrier INS *Viraat*, and aircraft carrier *Invincible*). The *Hyuga* means that Japan is back in the power projection mission. (Strategy Page, August 25, 2007)

The Chosun Ilbo in the Republic of Korea dated August 27 reported on the *Hyuga* in a column under the title of "After 40 Years, Japan Achieves Warship Dream." The point is as follows.

- (1) Despite minimal attention from the Korean press, the launch of the *Hyuga* is worth noting for several reasons. First, the *Hyuga* is the largest ship in the JMSDF, and there is the debate over the type of this vessel. The name comes from an Imperial Navy battleship "*Hyuga*" that saw action in World War II. The ship was later modified into "Aircraft-carrying battleship." Although Japan is officially designating it as a helicopter-carrying destroyer, the ROK and foreign mass media outlets are calling it Japan's first postwar helicopter carrier or light aircraft carrier. Japan plans to operate four to six of the ships, each with a hangar and deck for up to 11 choppers. Being not equipped with the special "ski jump" decks, the *Hyuga* doesn't carry vertical takeoff and landing aircraft. However, experts point out that it is operable as a helicopter carrier. The *Hyuga* is much larger than the 8,900-ton *Osumi*-class vessels, a large landing ship that prompted a public outcry that it could be rebuilt into a light aircraft carrier.
- (2) Also worth noting is that the launch of the *Hyuga* has laid the foundation for the JMSDF to achieve its long-cherished desire to possess an aircraft carrier. During the peak Cold-War years in the 1960s, it wanted to build a 10,000-ton anti-submarine helicopter carrier with a large

flight deck. Seething public opinion and a lack of budget saw the plan scrapped. *Haruna* and *Shirane* helicopter-carrying destroyers were built instead. So now, with the *Hyuga*, Japan's dream of building a helicopter carrier has come true after some 40 years of twists and turns. (Chosun Ilbo, August 27, 2007)

A U. S. expert in naval strategy, Norman Polmar, contributed an article under the title of "Japan Launches Carrier" to the Defense Tech Blog dated August 28. The point is as follows.

- (1) The JMSDF has launched an "aircraft carrier." At least the *Hyuga* looks like an aircraft carrier. But the *Hyuga* is a relatively small ship as carriers go. That is about the size of the planned U.S. destroyers of the *Zumwalt* (DDG 1000) class. The *Hyuga* is classified as a helicopter-carrying destroyer (DDH 181) by the Japanese. Reportedly, the ship's hangar can accommodate 11 of the smaller aircraft. The U.S. Navy looked at similar aircraft-carrying destroyer designs in the 1970s. Based on the U.S. *Spruance* (DD 963) design, such ships could have operated Harrier VSTOL aircraft as well as helicopters on a modified destroyer hull. But the plan was not realized.
- (2) The *Hyuga* is the largest warship constructed in Japan since World War II. It is considered by some experts to be the first step toward the development of a large aircraft carrier. Japan was a leader in carrier development in the 1930s and early 1940. The overwhelming dependence of Japan on oil from the Middle East has led many Japanese leaders to look at the utility of naval forces in a new light. In this context, the innovative design of the *Hyuga* raises the question: "What's next?" (Defense Tech Blog, August 28, 2007)

August 27 "India to lease nuclear attack submarine from Russia in 2008" (Intelli-Briefs Blog Spot, August 27, 2007)

On June 15, 2008, the Indian Navy will commission the INS *Chakra*, an *Akula-II* (12,000-ton) class nuclear-powered attack submarine. This is based on the secret deal signed three-and-a-half years ago, which said that India would finance the construction of an unfinished Russian nuclear submarine hull and then lease it for 10 years. It was a deal with a total cost of 650-million US dollars. The submarine is being built at a shipyard in Komsomolsk-on-Amur. The *Chakra* is armed with indigenously built nuclear-tipped cruise missiles with a range of over 1,000 kilometers (km), which makes India the world's sixth power to operate a nuclear attack submarine (SSN). India once leased a *Charlie-I* class nuclear attack submarine (also named *Chakra*) from the Soviet Union in January 1988, and operated it under the same name as this time. While the latter's reactor controls and missile launch area were manned by Soviet naval personnel, the new *Chakra* will be manned entirely by an Indian crew. Nearly 300 Indian naval personnel have already been trained at a facility near St Petersburg in Russia, which is to be completed at the end of 2008.

India is now building the 5,000-ton Advanced Technology Vessel (ATV) at a secret dry dock in Visakhapatnam. The ATV--the ballistic missile submarine (SSBN)--will conduct sea trials in 2008. Being deployed, armed with indigenously developed ballistic missiles (future variants with the

three-stage 5000-km range Agni 3), the ATV will mark India's entry into the SSBN operational club.

August 27 “Chinese warships arrive in St. Petersburg for visit” (Xinhua, August 27, 2007)

Two Chinese naval vessels, the guided missile destroyer *Guangzhou* and the supply ship *Weishanhu*, arrived in the Russian port city of St. Petersburg Monday as part of a 87-day tour that will also take them to Britain, Spain and France. This is the first time that Chinese warships visit St. Petersburg. (See also, OPRF MARINT Monthly Report July 2007)

August 30 “Japanese Defense Minister Masahiko Komura meets with Chinese counterpart” (Asahi Shinbun, August 31, 2007)

On August 30, Japanese Defense Minister Masahiko Komura met with his Chinese counterpart, Cao Gangchuan, during his visit to Japan. Komura called on China to improve the transparency of its growing military. It was the first time in nine years for China's defense minister to visit Japan. Both ministers issued a joint press statement after the conference. The details are available at the analysis in this monthly report.

1.3 Diplomacy and International Relations

August 4 “South Korea, China, battle for rock in East Sea” (The Korea Herald, August 4, 2007)

As China's State Oceanic Administration recently ran an article in its official journal claiming the islet in the East China Sea belongs to Beijing, a territorial dispute between South Korea and China is brewing over the reef-islet. The islet is called Ieo Island in South Korea and Suyan Rock in China (and Socotra Rock in English), respectively. (See the map http://en.wikipedia.org/wiki/Socotra_Rock) South Korea has operated a maritime observation facility and a helicopter landing site on the island since 2001. “Suyan Rock is an inseparable land of China and is violated by South Korea,” said the article contributed by a senior official of East China Sea maritime authorities. In September last year, the Chinese Foreign Ministry said it could not recognize South Korea's ownership because it is located where each country's Economic Exclusive Zones (EEZs) overlap. The two countries held several rounds of talks but have yet to determine a maritime demarcation line in the waters near the islet.

Comment: The Socotra Rock is a submerged rock 4.6 meters below sea level even at low tide, and does not appear above water. The United Nations Convention on the Law of the Sea (UNCLOS) stipulates under Clause 1 and Clause 3, Article 121 on “Regime of islands” as “An island is a naturally formed area of land, surrounded by water, which is above water at high tide” , and “Rocks which cannot sustain human habitation or economic

life of their own shall have no exclusive economic zone or continental shelf.”

August 16 “SCO summit meeting held” (Xinhua, August 16, 2007 and other sources)

On August 16, the 7th meeting of the Council of Heads of State of the Shanghai Cooperation Organization (SCO) was held in the Kyrgyz capital of Bishkek. At the summit, the leaders of the SCO member states--China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan--participated. Simultaneously, leaders or representatives from the SCO's observer countries -- India, Iran, Mongolia and Pakistan--were present at the summit. Also, the presidents of Afghanistan and Turkmenistan attended the conference as observers. According to a joint communiqué issued after the conference, the leaders of member countries agreed on further developing all-round cooperation within the SCO framework and exchanged in an in-depth way views on the current regional and international issues.

The current summit was held at the same time with the joint exercises in a set. After the summit meeting, leaders flew to Russia to observe the final stage of the joint drill in the Chebarkul military range. An expert says this is another indication that the SOC is slowly but surely working toward being a mutual security organization. Asked by a reporter at the range if the SCO was turning into a counter-balance to NATO, Vladimir Putin said: “That is not the case. The military aspect is neither a matter of the first priority nor the main goal. The SCO is an organization that deals with questions of a political character and an economic character, and the economic aspects are at the forefront.” (Reuters, August 18, 2007)

Having the areas which abound in resources of oil and natural gas in Russia and Central Asia, the SOC has invited Turkmenistan, a neighboring power rich in natural resources, to the annual summit as a guest. On August 14, Russian Deputy Foreign Minister Andrei Denisov said, “Being interested in including Turkmenistan in its six-nation group, the SCO has invited it as a guest this time.” However, Denisof clarified that, until proper protocols have been established, member states of the SCO agreed to a suspension of membership expansion. (RIA Novosti, August 15, 2007)

August 22 “Japanese P.M. Shinzo Abe made speech at the Indian Parliament” (Foreign Ministry HP, August 22)

Japanese Prime Minister Shinzo Abe visited Indonesia, India and Malaysia between 19 and 25 August. On 22 August, Shinzo Abe made a speech under the title of the “Confluence of the Two Seas” at the Indian Parliament, the key points of which are summarized as follows.

- (1) Where exactly do we now stand historically and geographically? To answer this question, we are now at a point at which the “Confluence of the Two Seas” is coming into being. The Pacific and the Indian Oceans are now bringing about a dynamic coupling as seas of freedom and of prosperity. A “broader Asia” that broke away geographical boundaries is now beginning to take on a distinct form. Our two countries have the ability and the responsibility to ensure that it broadens yet further and to nurture and enrich these seas to become seas of clearest

transparence.

- (2) As a partner that shares the same values and interests and also as a friend that will work alongside us to enrich the seas of freedom and prosperity, which will be open and transparent to all, Japan has undergone “The Discovery of India,” by which I mean we have rediscovered India.
- (3) Japan has come of late to be of the same intent to form a “Strategic Global Partnership” with India, in which the two countries are going to expand and fortify their relations. This partnership is an association in which we share fundamental values such as freedom, democracy, and the respect for basic human rights as well as strategic interests. Japanese diplomacy is now promoting various concepts in a host of different areas so that a region called “the Arc of Freedom and Prosperity” will be formed along the outer rim of the Eurasian continent. The Strategic Global Partnership of Japan and India is pivotal for such pursuits to be successful.
- (4) By Japan and India coming together in this way, this “broader Asia” will evolve into an immense network spanning the entirety of the Pacific Ocean, incorporating the United States of America and Australia. Open and transparent, this network will allow people, goods, capital, and knowledge to flow freely. In addition, as maritime states, both India and Japan have vital interests in the security of sea lanes. It goes without saying that the sea lanes to which I refer are the shipping routes that are the most critical for the world economy. The question of what Japan and India should do cooperatively in the area of security is one that the officials in charge of diplomacy and defense in our countries must consider jointly.

Prime Minister’s speech : <http://www.mofa.go.jp/region/asia-paci/pmv0708/speech-2.html>

August 24 “U.N. does not recognize Indonesia’s registration of the names of small Islands” (Antara News, August 24, 2997)

The United Nations (U.N.) does not recognize 613 out of the 2,408 islands in Riau Islands province (Comments: It consists of groups of islands on the east coast of Sumatra Island bordering Singapore.) registered by the regional administration, a local official clarified on January 24. The number of islands in Riau Islands province recorded by the U.N. is only 1,795. According to the UN’s definition an island that was part of a cluster of islands was not an island in its own right because the islands in the group were somehow still connected to each other. Citing an example of the Lingga islands group which consists of more than five islands, the local official said, according to a definition of the U.N., they all belonged to one island, namely the “Island of Lingga.” The same definition can be applied to the Senayang and Singkep island groups. According to the provincial official, all 2,408 islands in Riau Islands remain visible when the sea rises to its highest level at high tide. The Indonesian government submitted the names of 4,981 islands in 14 Indonesian provinces to the 24th meeting of the United Nations of Experts on Geographical Names (UNGEGN) taking place on August 20-31.

1.4 Shipping, Resources, Environment, and Miscellaneous

August 2 “Russian submersibles reached the bottom of North Pole”(Various sources)

Russian North Pole expedition team reached the bottom of North Pole about 4,300 meters deep with two submersibles, *Mir-1* and *Mir-2*, launched from the research vessel, the *Akademik Fedorov* for the first time in history on August 2. Planting a titanium Russian flag at the ocean bottom, the researchers on board the submersibles collected various data. This expedition was conducted as part of the “Arktika 2007” in the “International Polar year.” The research vessel led by a nuclear ice breaker, the *Rossiya (Russia)*, reached the Pole area on July 29.

As for the major aims of Russia, the following two items are pointed out. One is collection of data for its claim for an extension of outer limits of the continental shelf, and the other is securing the energy resources.

(1) Collection of data for its claim for an extension of outer limits of the continental shelf

One of the aims of current Russian expedition to the North Pole was collection of data which support Kremlin’s claim for an extension of outer limits of the continental shelf. On December 20, 2001, as a front runner in the world, Russia made an official submission into the United Nations (U.N.) Commission on the Limits of the Continental Shelf in accordance with the U.N. Convention on the Law of the Sea (UNCLOS) (article 76, paragraph 8). In the document Russia proposed to establish new outer limits of the continental shelf of Russia as far as 350 miles beyond the previous 200 mile zone. The submission stated that the “Lomonosov Ridge” (which is derived from a Russian name, and shown in the map below) is a 2,000-kilometer underwater mountain ridge underneath the Pole, and an extension of the Eurasian continent. However, in 2002, the U.N. Commission rejected the Russian proposal, recommending it to submit additional research data. (CanWest News Service, August 4) Russia has to submit another proposal to prove its claim by May 2009.

The crucial point of the recent research was to substantiate whether or not the Lomonosov Ridge is an extension of the Eurasian continental shelf. Foreign Minister Sergei Lavrov said, “The goal of this expedition is not to claim Russia’s territorial rights, but to prove that our shelf spreads to the North Pole. I hope the expedition would allow us to acquire additional scientific proof.” (RIA Novosti, August 2) In this meaning, planting of a national flag on the North Pole is regarded to be a symbolic act of demonstration.

(2) Security of energy resources

If Russian claims were approved, Russia would obtain resource control rights in the vast sea area. According to a tentative study by experts, as much as 25 percent of the world's undiscovered oil and gas could be hidden in the arctic region. Global warming, developments of deep-sea oil and gas drilling and rising oil price in recent years are making the resource development in this area more practical. As for the global warming, for an example, a team of scientists from the National Center for Atmospheric Research (NCAR), the University of Washington, and McGill University,

has issued study reports which forecast that the Arctic would be ice-free in summer by 2040. (BBC News, August 13) Also, concerning the drilling technology in the deep sea, Guy Cantwell, spokesman for the U.S. drilling company, Transocean, says it holds the world depth record for oil and gas drilling, set in 2003 at 10,011 feet of water in the Gulf of Mexico. The Transocean is building four new enhanced Enterprise-class drill ships at South Korean shipyard. According to Cantwell, they will be able to work in water depths of 12,000 feet and drill wells 40,000 feet deep. (The Vancouver Sun, August 19)

Under these circumstances, the recent Russian expedition to the North Pole is likely to intensify in future the competition for acquiring natural resources in the sea, namely, the conflict over sovereignty of the Arctic Circle. Russian arrival at the North Pole heightened the alertness of the related countries over its aims, and the countries began to take their countermeasures. Under the International Law of the Sea, the five Arctic nations - Russia, Canada, Norway, the United States (*) and Denmark (through Greenland) are permitted to claim 200 nautical miles of territorial waters—the Exclusive Economic Zone (EEZ). In addition to Russia, these countries can also file claims for more territory if they can prove that their continental shelves are geographically linked to the Arctic seabed. (See the map <http://news.bbc.co.uk/2/hi/europe/6927395.stm>)

(*) The United States is not a party to UNCLOS, but it is highly likely that ratification of U.S. accession to UNCLOS be realized within 2007.

August 14 “Myanmar, Vietnam, signs an agreement on gas and oil development” (Xinhua, August 14, 2007)

On August 14, Senior-General Than Shwe, the Chairman of the Myanmar State Peace and Development Council, met with Vietnamese Prime Minister Nguyen Tan Dung who was on a visit to Yangon and signed a memorandum of understanding for cooperation in oil and gas development. Vietnam wishes for strengthening friendly and cooperative relations with Myanmar, especially in economy, trade and investment.

August 20 “Sea disasters around India need countermeasures” (The Economic Times of India, August 20, 2007)

Over the last few weeks, at least 18 ships have either run aground or sunk on India’s west coast, and at least a dozen sailors are missing or have perished in these accidents. More than 12,000 ships annually enter Indian ports, which makes it a daily average of 33 ships calling at various ports. With the number of accidents going up in this monsoon season, the Indian newspaper “The Economic Times of India” reports the shipping ministry and directorate general of shipping (DGS) need to act fast with countermeasures, which is outlined as follows.

- (1) Every ship calling at Indian ports should be subject to stringent tests, especially for insurance cover. Despite its implementation of the Port State Control (PSC), India needs to employ more PSC inspectors in order to prevent the swelling number of ship accidents.
- (2) The recent accidents on the west coast are caused by two things. First is the heavy weather

during the monsoon season. Second is the age of the ships, most of which involved in the accidents are vessels over 25 years old. In most cases, the ships were not heading to an Indian port. They were forced to seek shelter at Indian ports after encountering serious technical problems. A good example is the Panama-registered Albanian ship (*Maria S*) that sank off Cochin port on July 1. Having developed a leak in the hull on its way from China to Albania, the ship was anchored in the outer anchorage off Cochin for three days. Later, the ship sank just outside the channel with only a small portion, the navigation bridge, visible on top. The ship did not have any valid protection and indemnity (P&I) cover, nor a hull and machinery (H&M) insurance. The Cochin Port Trust has slapped a notice on the owner that it should pay 100 million Rupees toward salvage operations.

- (3) India needs to establish a harmonized system of port state control (PSC) with neighboring countries to shut out these 'junk' ships from the seas around the country. India will have to take a lead to realize it with the countries concerned.

Recently, shipping minister T R Baalu has asked all major ports to ensure that vessels are safely maneuverable before they are given permission to enter the ports.

【Related Story】

“India to prevent entry of ships over 25 years of age” (The Economic Times of India, August 7, 2007)

The Indian government is considering a law barring ships over 25 years of age from entering the country's ports. According to sources in the government, the aim is to bring a threshold age for the ships to prevent the accidents in the India's coastal areas. While they target 25-year-plus ships in the beginning, later even 20-year-old operational ships will be targeted as the average age of a ship is 17 years. Also included in the law is a requirement for port officials to check a ship's class inspections and incident history. According to the Indian shipping ministry, 17,000 ships in the world will be targeted by this law.

2. Intelligence Assessment

Japan-China Defense Exchanges and Future Prospects: Viewed from Visit of Chinese Defense Minister Cao Gangchuan to Japan

On August 29, Chinese Defense Minister Cao Gangchuan visited Japan. On 30 Cao had talks with the Japanese counterpart Masahiko Komura, and paid a courtesy call to Prime Minister Shinzo Abe and Foreign Minister Nobutaka Machimura. During his stay until September 2, Cao delivered a lecture to the officers of the Japanese Self-Defense Force, and made an inspection tour to the Japanese Maritime Self Defense Force (JMSDF) Yokosuka base and the Japanese Ground Self-Defense Force (JGSDF) Fuji Service School (Shizuoka Prefecture). The meeting between the two Defense Ministers of Japan and China was held for the first time in four years since it took place in Beijing in September 2003. Also, the Cao's visit to Japan was the first for a Chinese Defense Minister in about nine and a half years since February 1998. The Defense exchanges between Japan and China will influence on the future movements of China which is modernizing its armed forces, as well as Japanese national security policy. The major items of agreement are summarized with some evaluations on them attached below.

1. Outline of the Defense Ministers' Meeting

At the meeting between the Defense Ministers of the two countries, two defense leaders discussed the situation of the international security, situation on Korean Peninsula, defense policy of the two countries, and defense exchanges. Below is an outline of the meeting based on the announcement issued by the Japanese defense ministry and reports delivered by the mass media.

- (1) As for the international security situation, in the Asia-Pacific regions, considering the military confrontation in the Korean Peninsula and trends of modernization of the military power among others, the Japanese Defense Minister (D.M.) Masahiko Komura emphasized the importance of securing transparency over the defense policy and military power, as well as confidence-building measures by the defense exchanges. Chinese D.M. Cao Gangchuan showed his recognition that, while unstable factors are increasing, not only the traditional threats but also non-traditional threats are increasing.
- (2) Concerning the defense policy, particular on Chinese defense spending, Komura pointed out, despite an official announcement of a total amount and a rough breakdown of expenditures, personal living expenses, details of training and maintenance among others, and procurement amount of the major equipment among others have not been made public. Additionally, Komura asked Cao to open to the public the policy and objectives on defense buildup to support the defense spending which is increasing at a high pace, kinds of major equipment which they have at present and are going to acquire in future, and the basic data for the deployment of the

military units. Also, Komura urged Cao to give a transparent explanation for the incident in which Chinese nuclear submarine navigated under the Japanese territorial waters in 2004, and on anti-satellite test in January 2007. Responding to Japanese request, Cao explained the Chinese positions as follows. Chinese national policy is defensive and deterrent; the military buildup will be implemented in the form of matching the economic developments; China will not conclude a defense alliance with any nations, nor send military forces overseas except for the activities led by United Nations; Chinese nuclear policy is no first use of nuclear weapons, no use of nuclear weapons against the nations having no nuclear weapons, nor intimidation against them with nuclear weapons. Also, China is against the weapons of mass-destruction and proliferation of the missiles, and China has formulated domestic laws to control it, and has shouldered the obligations in the international communities. As for the China's defense budget, Cao explained that, although the military budget in 2007 increased by 17.9 percent compared to the previous year, most of the spending has been on drastic increase of soldiers' salaries and introduction of new uniforms. The rest of it has been used for modernization of the armament in order to match the trend of military evolution in the world.

(3) As for the defense exchanges between Japan and China, the two nations reached an agreement below.

a. Cao asked Komura to visit China at an appropriate time in 2008. Komura accepted this invitation and they also agreed to an early realization of mutual visits of Japanese Chief of the Joint Staffs and Chinese Chief of General Staff. Additionally, they agreed to continue talks between the defense bureaus of two countries, and to hold the next meeting in Beijing as early as possible.

The also reached an agreement about holding high level exchanges among respective military services.

b. They agreed that, to commemorate the 35th anniversary of the normalization of diplomatic relations between Japan and China, the People's Liberation Army Navy (PLAN) vessels would visit Japan in November - December 2007, and, later, at appropriate time, JMSDF vessels would visit China.

c. Regarding the communication system between the defense bureaus of China and Japan to prevent unexpected incidents at sea, and to maintain peace in the East China Sea, they agreed to establish the working group team by the experts and to implement the concrete studies.

d. In addition, they agreed to promote exchanges in the areas of all military services, military medicine, research into military science, culture and sports, as well as to strengthen educational training and cooperation.

e. China-side invited Japan to participate as an observer in the military exercise scheduled for September 2007 in Shenyang, China.

f. They agreed to study hereafter on the exchanges in the non-traditional security areas, including natural disaster relief activities.

2. Evaluations on the agreed items

- (1) As part of defense exchanges between Japan and China, two nations agreed that the naval vessels of the PLAN and JMSDF would make a mutual port call. The mutual visit of the naval vessels was agreed to at the Japan-China top meeting in 2000 to be materialized in 2002. Due to (then) P.M. Junichiro Koizumi's ceremonial visit to the Yasukuni shrine in April 2002, the port-call has not been realized since China-side informed Japan of its cancellation. During the PM Abe's visit to China the mutual call by the naval vessels was confirmed at the Japan-China top meeting. Eventually, it has come to be implemented at the recent defense ministers' meeting. Taking this opportunity of realization of the mutual visit, we expect to see not only the ceremonial port visit but also development into the various joint exercises by the ships of two nations.
- (2) Japanese and Chinese defense officials have agreed to establish the hotline to maintain emergency communication system, and to set up the working group meetings by the experts for further studies. Regarding the establishment of the Exclusive Economic Zone (EEZ) border in the East China Sea which has been stalled between the two countries, China declares their continental shelf extends from the continent to Okinawa Trough which covers Senkaku islands and underground resources. Beijing says it is because of their consideration of Japan that they have stopped oil and gas exploration in the East China Sea within west of a middle line which Japan insists. Chinese Naval and Air Forces and National Ocean Bureau are intensifying activities with an intention of taking appropriate measures to defend their land and sea territories as well as the maritime interests. Considering the security environment in which we cannot eliminate the possibility of emerging frictions between the two countries in the future, early result by the research group is expected. Furthermore, if another agreement were reached on the establishment of hot lines between the two maritime safety authorities of two countries following the case in the two defense authorities, it is expected that, by the means of a dialogue through the hot line, the situation would be controlled earlier and within a slight damage even when emergency occurs at sea
- (3) Cao has proposed Komura that Japan will participate as an observer in the live-firing exercise by an infantry division that the People's Liberation Army (PLA) conducts in late September, to which Komura agreed. The actual power of the military force regarding the combat capabilities can be accurately grasped by the experts through observing the drill directly on the spot. Cao's proposal can be seen as being intended to mitigate the Chinese threat theory, but Japan should frankly accept the proposal to make it integrated into future continuation and development.

3. Expectation for the development of future Japan-China defense exchanges and dialogues

- (1) Cao has invited Komura to visit China next year and Komura accepted his invitation. Due to the strong repulse of China for a ceremonial visit of (then) P.M. Junichiro Koizumi, Japan and China defense exchanges and defense dialogue have been used as a signal of showing Chinese abhorrence to Japanese recognition of history with their cancellation of the visit by (then)

Defense Minister Gen Nakatani and postponement of port visit to Japan by the Chinese vessels. It is in a destiny that they would be realized if the China-side evaluates the relations between two nations are good. On the contrary, they would be cancelled immediately if China thinks they are bad. In the area of national security, it is important for us to maintain good relations in which we can continue frank dialogue by saying what we should like to say with each other and listening to what should be listened to. It is expected that the present dialogue will continue and the defense exchange will run in high gear without being influenced by the political judgment of the leaders of the two countries. In addition to the continuation of security dialogue of two defense ministers, if multinational defense dialogue like five-nation defense ministers' dialogue by adding defense chiefs of U.S., Australia and India were realized, it would be of significance for the security environment in Asia-Pacific region.

(2) China is cautious about the deployment of the Missile Defense (MD) system based on Japan-U.S. alliance relations, four-nation meeting of Japan, U.S., Australia and India which share the common values sponsored by Japanese P.M. Shinzo Abe, Japan-Australian Joint declaration on security, and the Joint Exercise involving five nations- Japan, U.S, Australia, India and Singapore, as the measures of containing China. Also, as Japanese foreign policy toward Southeast Asia emphasizing common values which P.M. Shinzo Abe announced in India is not alluding on China, China is worried that it might be intended to exclude Beijing. Furthermore, China regards the Japan Self Defense Force's modernization of weapons, its Kyushu-oriented defense posture and others may be targeted at China.

On the other hand, Japan is heightening alertness to the fact that China intends to eliminate Japan from Asian region to become a world power next to the U.S. and is expanding Chinese influence on not only the Southwest Asia but Central Asia. In addition, Japan is increasingly worried that for the past nine years China is expanding defense budget at a rate beyond its economic growth to modernize the military force, to prepare for military power beyond what is required for the unification of Taiwan, and to commence various activities in the broad areas including Japanese EEZ so as to protect the land, sea, and air territories and maritime interests which China insists in the East China Sea.

Although Japanese national security is based on the Japan-U.S. security alliance, simultaneously, it is extremely important for China and Japan which have a different view on the values and borders to build up confidence through national security dialogue of two nations for the stability of Asia Pacific region. The agreement between two defense ministers of Japan and China is extremely important for the solution of pending problems and mutual understanding. Between China which is rising for supremacy and Japan which is aiming to become a normal nation, various frictions are expected to occur in the area of national security. However, it is through daily accumulation of confidence-building that the two nations can avoid the accidents caused by misunderstanding, and mitigate the tension before the situation becomes more serious. By accumulating the efforts in this agreement, it is expected that, the more the defense exchanges are accelerated, the further the mutual confidence is promoted and defense cooperation is expanded.

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Defense Tech Blog	http://www.defensetech.org/
Foreign Ministry HP	http://www.mofa.go.jp/mofaj/
Guam Pacific Daily News	http://www.guampdn.com/apps/pbcs.dll/frontpage
Guardian Unlimited	http://www.guardian.co.uk/
Intelli-Briefs Blog Spot	http://intellibriefs.blogspot.com/
Navy News Stand	http://www.navy.mil/index.asp
Navy Times	http://www.navytimes.com/
New Kerala.com	http://www.newkerala.com/
People's Daily Online	http://english.peopledaily.com.cn/
Press Trust of India (PTI)	http://www.ptinews.com/pti/ptisite.nsf
RIA Novosti	http://en.rian.ru/
Reuters	http://today.reuters.com/news/default.aspx
Singapore Government Media Release	http://app.sprinter.gov.sg/data/pr/20070823989.htm
South China Morning Post	http://www.scmp.com/portal/site/SCMP/
Strategy Page	http://www.strategypage.com/
The Economic Times of India	http://economictimes.indiatimes.com/
The Hindu	http://www.hinduonnet.com/
The Honolulu Advertiser	http://www.honoluluadvertiser.com/apps/pbcs.dll/frontpage
The Jakarta Post	http://www.thejakartapost.com/headlines.asp
The Korea Herald	http://www.koreaherald.co.kr/index.asp
The NewsMax.com	http://www.newsmax.com/
The Star Online	http://thestar.com.my/
The Vancouver Sun	http://www.canada.com/vancouver_sun/index.html
The Washington Times	http://www.washtimes.com/
Xinhua	http://www.xinhuanet.com/english/

Ocean Policy Research Foundation

3F, Kaiyo Senpaku Bldg., 15-16 Toranomom 1-Chome, Minato-ku, Tokyo 105-0001, Japan
TEL.81-3-3502-1828 FAX.81-3-3502-2033

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