

OPRF MARINT Monthly ReportJune 2010



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Outline of Annual Long-Range Plan for Construction of U.S. Navy

This monthly report was summarized and produced by OPRF staff writers based on their analyses and assessments of open source information.

Each source of information is described as an internet link in a bracket, which is available as URL online as of the end of June 2010.

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Intelligence Summary in June 2010

Maritime Security: Hijacking incidents in June decreased for a visit of the monsoon, and there were two incidents. On the 2nd, Somali pirates hijacked a Dubai-owned general cargo ship, the MV *QSM Dubai* (15,000-dwt) in the Gulf of Aden. The ship with a 24-crew was en route from Brazil to the port of Berbera in the northern Somalia region of Somaliland with a cargo of sugar. On the next day of the 3rd, security forces from Somalia's semiautonomous Puntland region stormed a hijacked cargo vessel, MV *QSM Dubai*, and freed it. On the 28th, Somali pirates hijacked Singaporean-flagged chemical tanker MT *Golden Blessing* (14,44DWT) in the Gulf of Aden. She had a crew of 19 Chinese, and it seemed that no persons were injured.

On the 2nd, the crew of the North Korean-flagged general cargo ship MV *Rim* retook their ship which had been hijacked by Somali pirates on February 3, 2010. The threat of executing crew by pirates after a ransom was due to be paid forced crew members of a North Korea-flagged ship MV *Rim* to kill their captors and retake control of the hijacked vessel. Fearing recapture by other pirates as an onboard generator was malfunctioning, the crew abandoned the vessel.

On the 11th, Somali pirates released the UK-flagged car-carrier MV *Asian Glory* (13,363DWT) which they had been holding in the vicinity of Garacad on the eastern coast of Somalia. A ransom drop was made to the pirate group.

On the 14th, the EU Foreign Affairs Council agreed to prolong the counter-piracy operation, the Operation Atalanta, for another two years, until December 2012. The Council also agreed in principle to extend the area of operations further to the East and South in order to respond to the increased range of pirates' attacks.

On the 17th, a Dutch court convicted five Somali suspects of piracy and sentenced them to five years each in prison in the first piracy case to come to trial in Europe. The five Somalis were convicted of attacking a freighter, the Antilles-flagged cargo ship MV *Samanyolu*, in the Gulf of Aden on January 2, 2009.

On the 18th, the Information Sharing Center (ISC) of the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) issued a report on the pirate incidents in the South China Sea (SCS), which had been recently increasing in the region. According to the report, between January 2010 and June there were an increase in the number of incidents in the vicinity of the islands Anambas, Natuna and Mangkai in the SCS. A total of 11 incidents were reported.

On the 22nd, responding to a NATO request, the Netherlands agreed to deploy a submarine for its Ocean Shield anti-piracy mission. The submarine will be deployed from the end of September to the end of November. It will be used for reconnaissance in the vast area from the Gulf of Aden deep into the Indian Ocean.

According to the Yemeni Interior Ministry Somali, pirates have shifted their operations from the Gulf of Aden to the Bab al-Mandab Straits. Since early June, pirates have attacked more than 10 Yemeni ships and oil tankers in the straits. However, all attacks were thwarted by the Coastguard and security onboard the ships and tankers. In relation to this move, on the 27th, the Yemeni coastguard said it is building a coastguard base on a strategically important island in the Bab al-Mandab strait to protect traffic in the crucial shipping lane that links Europe and Asia. The base will be located on the island of Miyoun -- previously known as Perim -- and construction began at the start of the year 2010.

Military Developments: On the 2nd, construction work of navy base was begun in Puntland's semiautonomous region in north-eastern Somalia. The site of construction work is located in the coastal village of Bandar Siyada, about 25km west of Bosaso city. The project includes the construction of a training center for new recruits and a command center for the Puntland naval force.

On the 7th, the USS *Tortuga* (LSD 46) arrived in the Cambodian port of Sihanoukville to participate in the exercise of Cooperation Afloat Readiness and Training (CARAT) with Cambodia. Cambodia is the first new country to join the CART series of bilateral exercise since its founding.

On the 15th, Russia launched a new type of nuclear-powered attack submarine, the first unit of the *Yasen/Graney* class named *Severodvinsk*, which took 17 years to build. Russia plans to build at least six of the *Yasen/Graney* class nuclear submarines, and work began in 2009 on the second submarine in the *Yasen/Graney* class dubbed the *Kazan*.

On the 26th, top leaders of the United States and South Korea had a talk in Toronto in Canada, and agreed to postpone Washington's transfer of wartime command of allied South Korean forces to Seoul until 2015 from April 2012 which had been set previously.

On the 29th, the Indian navy commissioned two indigenously-built, state-of-the-art high-speed warships, INS *Cankarso* and INS *Kondul*. These brand-new ships use indigenously-built water jet propulsion technology and can achieve speeds in excess of 35 knots.

On June 5, the 9th Security Conference of the International Institute for Strategic Studies (IISS) (Shangri-La Dialogue) was held in Singapore, and U. S. Secretary of Defense Robert M. Gates, General Ma Xiaotian, Deputy Chief of General Staff of the Chinese People's Liberation Army, Minister of Defense of Japan Toshimi Kitazawa and others delivered remarks in the conference. An outline of their remarks is introduced in the "Topic 1" in this monthly report. Additionally, as in the "Topic 2" this monthly report carried several pictures of the exercises of the PLA Navy which had been reported in PLA Daily.

Maritime Boundaries: On the 22nd, Indonesia and Malaysia agreed to reopen diplomatic discussions to settle the dispute over the 15,000-square-kilometer Ambalat territory, located off the coast of East Kalimantan. The two governments will reactivate a joint commission consisting of work groups in four fields until November, involving related ministries and state institutions.

Diplomacy and International Relations: On the 9th, India and Sri Lanka signed an agreement on a series of economic and diplomatic deals, which range from loans for major infrastructure construction projects to agreements to boost cultural exchanges. Most of Indian economic assistance to Sri Lanka is focused on the northern parts of Sri Lanka which has been dominated by the country's ethnic Tamil minority and devastated by years of a civil war. In addition to Tamil-dominated city of Jaffna, Delhi will also open its consulate in Hambantota. In Hambantota, a deep-water port is under construction with the assistance of the Chinese government. Indian experts are watching with interest the move in an assistance struggle between New Delhi and Beijing for influence over Sri Lanka, as dubbed "the new Great Game" for primacy in the Indian Ocean is set to be one of the major themes of the coming decades. Sri Lanka's geographic position is its main draw.

On 17 to 18 June 2010, in Washington D. C., four institutions – the Ocean Policy Research Foundation (OPRF), The Nippon Foundation, Center for a New American Security (CNAS), and the U. S. Sasakawa Peace Foundation – joined together to hold a symposium entitled *150 Years of Amity & 50 Years of Alliance: Toward a Power-Sharing Alliance*. The items of discussions in the symposium were summarized by Richard Danzid of CNAS and Masahiro Akiyama of OPRF, both of whom co-chaired the Symposium, and they were announced as a joint statement at the end of the conference. The joint statement was handed over to the foreign minister and defense minister respectively on July 9. The joint declaration co-chaired and written by both sides of the Pacific in English and Japanese was carried as a "topic" in this monthly report.

Shipping, Shipbuilding and Harbors: On the 7th, the UK Hydrographic Office (UKHO) announced the completion of Chinese coastal coverage under its Admiralty Vector Chart Service (AVCS). Users of the service can now access electronic navigation charts covering the Chinese mainland as far as the Pearl River, the Coast of Hainan Island and major ports such as Shanghai, Shenzhen and Qingdao

On the 7th, STX Europe announced it had been awarded a contract with Solstad Rederi AS to build an innovative LNG-powered Platform Supply Vessel (PSV). According to the announcement, the vessel is of STX Europe PSV 12 LNG design. The vessel is scheduled for delivery in the fourth quarter of 2011. The vessel is designed with focus on low fuel consumption, and will be able to run on Liquefied Natural Gas (LNG), Biofuel and ordinary marine diesel oil. The ship has deadweight at max draught of approx. 5,000 tons.

The Suez Canal Authority has posted a 15.3% year-on-year jump in revenues to \$394.8M for May. Last month's revenues were the authority's highest since November 2009. The total was also 5.3% higher than the previous month's. On the other hand, the number of vessels passing through the waterway reached 1,562 in May 2010, compared with 1,466 in April and 1,468 in May 2009.

Statistics from the Kenya Ports Authority (KPA) indicate that between January and April in 2010, only four cruise ships arrived compared to 12 in 2009 and 11 in 2008. The first four months of the year are the peak season. So far, only 1,506 passengers have arrived on cruise liners compared to 11,487 in 2009. This has occurred under the influence of Somali piracy.

On the 22nd, Hanjin Shipping received its first 10,000TEU class containership named "Hanjin Korea." It is the first of the series of five 10,000TEU class ships ordered from Samsung Heavy

Industries. The vessel will be deployed in Asia-Europe trade soon after the delivery, sometime in the beginning of July. Meanwhile, the rest of the series are scheduled to be delivered by year 2011.

Ocean Resources, Energy, Sea Environment and Others: The study, published in the magazine the New Scientist, the June 5 issue, predicts that the islands of Tuvalu, Kiribati and the Federated States of Micronesia are among those which have grown because of coral debris and sediment, and are growing, not sinking. These islands will still be there in 100 years' time. However, it is still unsure whether many of them will be inhabitable.

On the 9th, Norway announced they banned any new deepwater drilling until a full inquiry is conducted into the Deepwater Horizon oil spill disaster before they have sufficient knowledge about the accident on U. S. side in the Gulf of Mexico. Norway is first nation that has made such a decision outside the United States.

Intelligence Assessment: For the United States as the maritime power, the Pacific Ocean could become an area which is either advantageous or disadvantageous for the United States, depending upon how the balance of naval power is shifted. Therefore, it goes without saying that the buildup of naval power is of importance, in order to compete with China for its advances into the oceans. In February 2010, the United States Navy submitted a long-range shipbuilding plan over the coming 30 years (FY2011 Plan) to the congress. Responding to the plan, the U. S. Congressional Budget Office (CBO) released the report evaluating the FY2011 Plan particularly from the budgeting areas in May. In the Intelligence Assessment in this monthly we have introduced an outline of the long-range shipbuilding plan of the United States Navy based on these reports.

1. Information Digest

1.1 Maritime Security

June 1 "Chinese Navy escorted a total around 800 foreign ships off Somalia" (PLA Daily, Net Edition, June 2, 2010)

As of June 1, escort protection of the foreign ships by the Chinese navy escort flotilla dispatched off Somalia marked 803 ships in the cumulative total, and 13 foreign merchant ships were freed from the attacks by pirates.

An outline of the article: According to the PLA Daily, as of June 1, escort protection of the foreign ships by the Chinese navy escort flotilla dispatched off Somalia marked 803 ships in the cumulative total, and 13 foreign merchant ships were freed from the attacks by pirates.

Refer to the article on the Web site: Original text is in Chinese:

http://www.chinamil.com.cn/jfjbmap/content/2010-06/02/content_29474.htm

June 2 "Somali pirates hijack Dubai ship" (Trade Winds, June 2, 2010)

On the 2nd, Somali pirates hijacked a Dubai-owned general cargo ship, the MV *QSM Dubai* (15,000-dwt) in the Gulf of Aden. The ship with a 24-crew was en route from Brazil to the port of Berbera in the northern Somalia region of Somaliland with a cargo of sugar.

An outline of the article: On the 2nd, Somali pirates hijacked a Dubai-owned general cargo ship, MV *QSM Dubai* (15,000-dwt) in the Gulf of Aden. There are 24 crew comprising Indians, Pakistanis, Bangladeshis, Egyptians and Ghanaians onboard. The master is from Pakistan. According to a spokesperson at the Dubai-based owner and operator, all the crew members are safe. The ship was en route from Brazil to the port of Berbera in the northern Somalia region of Somaliland with a cargo of sugar. It was just about to enter the Internationally Recognized Transit Corridor (IRTC) when it was boarded by pirates. Every year, a regional monsoon season has led to a marked drop in the number of pirate attacks in the region. However, MV *QSM Dubai*'s hijacking quashes any hope that choppy seas affect the incidents in the area.

Refer to the article on the Website: Dubai ship hijacked; Access is available to subscribers only.



MV QSM Dubai

Source: http://www.eunavfor.eu/2010/06/hijacking-of-mv-qsm-dubai-in-the-gulf-of-aden/

[Related Story]

"Puntland security forces raids on ship hijacked" (AP, June 3, 2010)

On the 3rd, security forces from Somalia's semiautonomous Puntland region stormed a hijacked cargo vessel, MV *QSM Dubai*, and freed it. Authorities decided to try and free the Panama-flagged ship by force after pirates refused pleas to surrender and instead killed the captain, said the minister of marine transport and ports in the region. Two officers were wounded during a brief shootout with the pirates and ultimately all seven pirates were detained.

An outline of the article: On the 3rd, security forces from Somalia's semiautonomous Puntland region stormed a hijacked cargo vessel, MV *QSM Dubai*, and freed it. Authorities decided to try and free the Panama-flagged ship by force after pirates refused pleas to surrender and instead killed the captain, said Raage, the minister of marine transport and ports in the region. "We can't afford letting pirates capture Somali-charted ships. If we don't act so decisively they will continue hijacking all Somali-bound cargo ships," stressed Raage. Two officers were wounded during a brief shootout with the pirates and ultimately all seven pirates were detained.

Refer to the article on the Website: Somali security forces free ship, captain killed http://www.washingtonexaminer.com/world/somali-security-forces-free-pirated-ship-after-gangs-refused-to-surrender-and-killed-captain-95495704.html

June 2 "Crew retakes NK-flagged ship hijacked by pirates" (Fairplay Daily News, June 7, 2010

On June 2, the crew of the North Korean-flagged general cargo ship, MV *Rim* retook their ship which had been hijacked by Somali pirates on February 3.

An outline of the article: On the June 2, the crew of the North Korean-flagged general cargo ship, MV *Rim* retook their ship which had been hijacked by Somali pirates on February 3. Having captured the pirates, the crew killed five of them in the gun-battle, and seized a remaining pirate. On the other hand, one crew member was seriously injured in the struggle. Two days later, the crew abandoned the ship on the request of their master. They were rescued by EU NAVFOR warship.

Refer to the article on the Web site: Rim crew abandons ship; Access is available to subscribers only.



MV Rim was being held at Garacad, off Somalia's northern coastline

Source: Marine Log, June 9, 2010

[Related Story]

"Pirate's threat of executing crew sets off recapture" (Trade Winds, June 16, 2010)

The threat of executing crew by pirates after a ransom was due to be paid forced crew members of a North Korea-flagged ship MV *Rim* to kill their captors and retake control of the hijacked vessel. Crew of MV *Rim* also believed the pirates were planning to sink the vessel once a \$300,000 ransom was handed over. Fearing recapture by other pirates as an onboard generator was malfunctioning, the crew abandoned the vessel.

An outline of the article: The threat of executing crew by pirates after a ransom was due to be paid forced crew members of a North Korea-flagged ship MV *Rim* to kill their captors and retake control of the hijacked vessel. Crew of *Rim* also believed the pirates were planning to sink the vessel once a \$300,000 ransom was handed over. According to Rami Mustafa, the vessel's Romania-based manager, after initially demanding a ransom of \$4m, the pirates dropped this to \$1m and then finally \$300,000, which the owner had agreed to pay. Mustafa said the crew members were able to retake control of the ship as the pirates were always high on the drug khat and sleeping with only one on lookout. This led to the daring and ultimately successful bid for freedom. Five pirates were shot dead by the crew while another went overboard. When the ship was then rescued by an EU naval ship, the crew had taken one Somali hostage. He was not a pirate, however, but a cook who was brought onboard by the pirates. Fearing recapture by other pirates as an onboard generator was malfunctioning, the crew abandoned the vessel. Mustafa said the search is on for the vessel which was abandoned by the crew. The ship had been en route to India when it was hijacked. It was then due to be scrapped in India.

Refer to the article on the Web site: Death threat set Rim free; Access is available to subscribers only.

June 4 "Netherlands decides to extradite 10 Somali pirates to Germany for trial" (Shiptalk, June 6, 2010)

On the 4th, an Amsterdam court decided to extradite 10 suspected Somali pirates to Germany to face trial on the charge of hijacking a German-fagged container ship miles off the Somali coast two months ago.

An outline of the article: On the 4th, an Amsterdam court decided to extradite 10 suspected Somali pirates to Germany to face trial on the charge of hijacking a German-fagged container ship miles off the Somali coast two months ago. The suspects' defense lawyers have argued against the decision, saying the suspects should be tried in the Netherlands. (Regarding the hijacking incident of the German-flagged vessel, refer to the OPRF MARINT Monthly report, April 2010, 1. 1 Maritime Security.)

Refer to the article on the Web site: German Trial; http://www.shiptalk.com/?p=4735

June 6 "India and Seychelles agree to enhance anti-piracy cooperation" (For Immediate Release.net, June 6, 2010)

India and Seychelles agreed to work together in controlling piracy in the Indian Ocean for securing safety in the Indian Ocean. India has pledged a defense grant worth US\$5 million to boost Seychelles capability to defend its territorial waters.

An outline of the article: Recently, Seychelles' President James Michel KIndia and Indian Prime Minister Manmohan Singh agreed to work together in controlling piracy in the Indian Ocean, so that they can make sure that this area is safer for economic development. Prime Minister Manmohan Singh said that India will increase maritime cooperation with Seychelles and pledged a defense grant worth US\$5 million to boost Seychelles capability to defend its territory against pirate incursions.

Refer to the article on the Web site: India and Seychelles enhance anti-piracy cooperation http://www.forimmediaterelease.net/pm/3548.html

June 11 "Somali pirates free British-registered ship" (EU NAVFOR Public Affairs Office, Press Releases, June 11, 2010)

On the 11th, Somali pirates released the UK-flagged car-carrier, MV Asian Glory (13,363DWT) which they had been holding in the vicinity of Garacad on the eastern coast of Somalia. A ransom drop was made [to the pirate group].

An outline of the article: On the 11th, Somali pirates released the UK-flagged car-carrier, MV *Asian Glory* (13,363DWT) which they had been holding in the vicinity of Garacad on the eastern coast of Somalia. A ransom drop was made [to the pirate group]. (A ransom of \$15m was originally demanded for the vessel.) The vessel was hijacked on the January 1, 2010 approximately 900 nautical miles north of the Seychelles and 600 miles east of the Somali coast. The ship has a crew of 25 persons. Later, MV *Asian Glory* has apparently been used as a mother-ship.

Refer to the article on the Web site: UK Flagged MV ASIAN GLORY released http://www.eunavfor.eu/2010/06/uk-flagged-mv-asian-glory-released/

June 14 "EU prolongs Operation Atalanta until end 2012" (Europolitics, June 15, 2010)

On the 14th, the EU Foreign Affairs Council agreed to prolong the counter-piracy operation, the Operation Atalanta, for another two years, until December 2012. The Council also agreed in principle to extend the area of operations further to the East and South in order to respond to the increased range of pirates' attacks.

An outline of the article: On the 14th, the EU Foreign Affairs Council agreed to prolong the counter-piracy operation, the Operation Atalanta, for another two years, until December 2012. According to the conclusions of the Council, the EU ministers will have a "strategic discussion" on the Operation Atalanta in early autumn as part of the Union's comprehensive engagement in the region of Somalia and the Gulf of Aden. The Council agreed in principle to extend the area of operations further to the East and South in order to respond to the increased range of pirates'

attacks. Additionally, the ministers confirmed the EU's commitment to help countries in the region to enhance their capacity to facilitate the prosecution and detention of suspected pirates in a way consistent with applicable international human rights law.

Refer to the article on the Web site: Council prolongs Operation Atalanta until end 2012 http://www.europolitics.info//sectorial-policies/council-prolongs-operation-atalanta-until-end-2 012-art275012-13.html

June 15 "Ransom payment to Somali pirates rises" (Shiptalk, June 15, 2010)

According to experts, ransom money paid to the pirates in the Gulf of Aden over the past two years of 2008 and 2009 cost shippers US\$80 million and companies can expect to pay out significantly more than that in years of 2010 and 2011. The average payment of ransom money was \$2m to \$3m over the past two years of 2008 and 2009. Although piracy evolved out of the Somali fishermen's practice of policing their fishing grounds to protect against poachers, piracy now provides a lucrative illegal industry that supports a wide range of Somali entities.

An outline of the article: According to an analyst at Control Risks in Dubai, payments to the pirates in the Gulf of Aden reported totaled US\$80 million in ransom money over the past two years of 2008 and 2009, and companies can expect to pay out significantly more than that in years of 2010 and 2011, experts say. The real amount could be much higher as many ransom payouts went unreported. The average payment was \$2m to \$3m. The Gulf of Aden and the Indian Ocean are large bottlenecks in the \$5 trillion global shipping trade. About 2 per cent of all vessels traversing the Gulf of Aden are attacked, although many raids are unsuccessful.

The analyst aforementioned estimates total ransoms could top \$120m in 2010 and 2011. It looks like ransoms may increase, because pirates realize they have more room for maneuvering. The analyst is pointing out that piracy evolved out of the Somali fishermen's practice of policing their fishing grounds to protect against poachers, but piracy now provides a lucrative illegal industry that supports a wide range of Somali entities.

Refer to the article on the Web site: Payment rise http://www.shiptalk.com/?p=4811

June 17 "Netherlands convicts Somali pirate suspects in trial" (AP, June 17, 2010)

On the 17th, a Dutch court convicted five Somali suspects of piracy and sentenced them to five years each in prison in the first piracy case to come to trial in Europe. (Prosecutors asked for a seven-year sentence.)

An outline of the article: On the 17th, a Dutch court convicted five Somali suspects of piracy and sentenced them to five years each in prison in the first piracy case to come to trial in Europe. The five Somalis were convicted of attacking a freighter, the Antilles-flagged cargo ship MV *Samanyolu*, in the Gulf of Aden on January 2, 2009. Prosecutors asked for a seven-year sentence, but the judge said he took into account the difficult conditions in Somalia that led the men to piracy and sentenced them to five years.

Other Somali piracy suspects are being held in France, Spain, Germany and the U.S. On the

other hand, Kenya has convicted 18 pirates since 2007. More than 100 await trial there.

Refer to the article on the Web site: Dutch court convicts 5 Somalis in piracy trial http://www.google.com/hostednews/ap/article/ALeqM5gB7YMEDuCwwY9ncDOtPAkEI4-H2wD9GD1MLG0

June 18 "Singapore sends 2nd anti-piracy unit" (Asia One News, June 18, 2010)

On the 18th, the Republic of Singapore Navy dispatched a Landing Ship Tank (LST), RSS *Endurance*, to the Gulf of Aden as the second time counter-piracy team in the region. During the three-month deployment the task group will participate in the anti-piracy task force, the multinational Combined Task Force (CTF) 151.

An outline of the article: On the 18th, the Republic of Singapore Navy dispatched a Landing Ship Tank (LST), RSS *Endurance*, to the Gulf of Aden as the second time counter-piracy team in the region. A group of 221 personnel and two Republic of Singapore Air Force Super Puma helicopters are aboard the LST. During the three-month deployment the task group will operate under the ambit of the multinational Combined Task Force (CTF) 151.

Refer to the article on the Web site: SAF team leaves for Gulf of Aden http://news.asiaone.com/News/AsiaOne%2BNews/Singapore/Story/A1Story20100618-222890.html

June 18 "ReCAAP releases report on piracy in SCS" (ReCAAP ISC, June 18, 2010)

On the 18th, the Information Sharing Center (ISC) of the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) has issued a report on the pirate incidents in the South China Sea (SCS), which have been recently increasing in the region. According to the report, between January 2010 and June there has been an increase in the number of incidents in the vicinity of the islands Anambas, Natuna and Mangkai in the SCS. A total of 11 incidents were reported.

An outline of the article: On the 18th, the Information Sharing Center (ISC) of the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) has issued a report on the pirate incidents in the South China Sea (SCS), which have been recently increasing in the region. According to the report, between January 2010 and June there has been an increase in the number of incidents in the vicinity of the islands Anambas, Natuna and Mangkai in the SCS. A total of 11 incidents were reported. Regarding the incidents in these areas, it seems that there are regular patterns, which have characteristics as follows. (1) All incidents occurred while the ships were under way; (2) Most incidents occurred during the period between April and June, between September and November of the year, In addition, it is noted that incidents tend to occur not on a single day but on consecutive days, and two or three times in several days; and (3) In most incidents, the pirates/robbers that were usually armed with machetes, knives, and others operated in groups of seven to eight. Moreover, the possibility of attacks by the same groups is extremely high.

Refer to the article on the Web site: Special Report; Full text is available as follows:

http://www.recaap.org/incident/pdf/special/2010/Special%20Report%20

(Situation%20Update%20off%20Anambas,%20Natuna%20and%20Mangkai).pdf

June 22 "The Netherlands sends sub for NATO's anti-piracy off Somalia" (BBC News, June 22, 2010)

On the 22nd, responding to a NATO request, the Netherlands agreed to deploy a submarine for its Ocean Shield anti-piracy mission. The submarine will be deployed from the end of September to the end of November. It will be used for reconnaissance in the vast area from the Gulf of Aden deep into the Indian Ocean.

An outline of the article: On the 22nd, responding to a NATO request, the Netherlands agreed to deploy a submarine for its Ocean Shield anti-piracy mission. The Dutch ministry of defense said the submarine will be deployed from the end of September to the end of November. It will be used for reconnaissance in the vast area from the Gulf of Aden deep into the Indian Ocean. In March, NATO extended its Ocean Shield anti-piracy mission until the end of 2012.

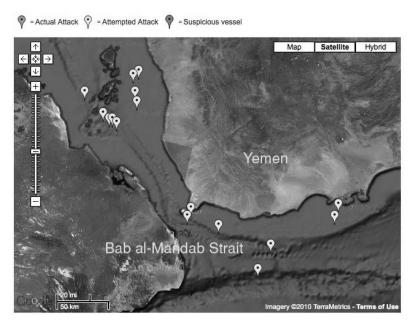
Refer to the article on the Web site: Netherlands submarine to join Somalia anti-pirate force; http://news.bbc.co.uk/2/hi/europe/10382470.stm

June 22 "Somali pirates shift operations to Bab al-Mandab Atraits" (Shiptalk, June 24, 2010)

According to the Yemeni Interior Ministry Somali, pirates have shifted their operations from the Gulf of Aden to the Bab al-Mandab Straits. Since early June, pirates have attacked more than 10 Yemeni ships and oil tankers in the straits. However, all attacks were thwarted by the Coastguard and security onboard the ships and tankers.

An outline of the article: Somali pirates have shifted their operations from the Gulf of Aden to the Bab al-Mandab Straits, Yemeni news agency reported on 22nd, citing the Interior Ministry as saying. The ministry said that all measures have been taken to face the move, amid stepped pirate attacks in the region. Since early June, pirates have attacked more than 10 Yemeni ships and oil tankers in the straits. However, all attacks were thwarted by the Coastguard and security onboard the ships and tankers.

Refer to the article on the Web site: Gates of hell http://www.shiptalk.com/?p=4943



Situation of attacks in the Bab al-Mandab Straits

 $Source: \underline{http://4.bp.blogspot.com/} \ \underline{E-QOnTGFX} \ o/TCDero97Y5I/AAAAAAAJ84/\\ \underline{a7TDnyTreXA/s1600/Bab-attacks-2010.jpg}$

【Related Story】"Yemen builds coastguard base in Bab al-Mandab strait" (Reuters, June 27, 2010)

On the 27th, the Yemeni coastguard said it is building a coastguard base on a strategically important island in the Bab al-Mandab strait to protect traffic in the crucial shipping lane that links Europe and Asia. The base will be located on the island of Miyoun -- previously known as Perim -- and construction began at the start of the year 2010.

An outline of the article: Yemen is building a coastguard base on a strategically important island in the Bab al-Mandab strait to protect traffic in the crucial shipping lane that links Europe and Asia, the Yemeni coastguard said on 12th. The base will be located on the island of Miyoun -- previously known as Perim -- and construction began at the start of the year 2010. More than 3 million barrels of oil pass through the Bab al-Mandab strait daily from the Gulf on its way to Europe and the United States. Western allies and neighboring oil exporter Saudi Arabia fear al Qaeda is exploiting instability on several fronts in impoverished Yemen to recruit and train militants for attacks in the region and beyond.

Refer to the article on the Web site: Yemen builds coast guard base in strategic strait $\underline{ \text{http://af.reuters.com/article/energyOilNews/idAFLDE65Q0AD20100627} }$

June 24 "Maltese soldiers capture pirate suspects in GOA" (Times of Malta, June 24, 2010)

On the 24th, the Maltese security soldiers based on the Dutch amphibious ship HNLMS *Johan de Witt* intercepted a skiff with six suspected pirates on board in the Gulf of Aden (GOA). After the investigation, they were released.

An outline of the article: On the 24th, the Maltese security soldiers based on the Dutch amphibious ship HNLMS *Johan de Witt* intercepted a skiff with six suspected pirates on board in the Gulf of Aden (GOA). A German navy's maritime patrol aircraft detected the skiff, and HNLMS *Johan de Witt* moved toward it at great speed. As the skiff attempted to escape, the Dutch warship fired a number of warning shots to have the pirates stop the boat. Having boarded the skiff, the Maltese security forces transferred the pirate suspects onto the HNLMS *Johan de Witt*. After the investigation, they were released. Below is the scene at the time.

Refer to the article on the Web site: Maltese soldiers intercept pirates off Somalia http://www.timesofmalta.com/articles/view/20100624/local/maltese-soldiers-intercept-pirates-off-somalia



The pirates' boat secured by Maltese soldiers Source: Times of Malta, June 24, 2010

June 28 "Somali pirates seize Singaporean-flagged ship" (Trade Winds, June 28, 2010)

On the 28th, Somali pirates seized a Singapore-owned chemical tanker, MT *Golden Blessing* (built 2010, 14,445DWT) in the northern part of the in the Internationally Recognized Transit Corridor (IRTC) about 60 miles from the Somali coast. There is an all-Chinese crew of 19 onboard but there are no reports of any injuries.

An outline of the article: On the 28th, Somali pirates seized a Singapore-owned chemical tanker, MT *Golden Blessing* (built 2010, 14,445DWT) in the northern part of the in the Internationally Recognized Transit Corridor (IRTC) about 60 miles from the Somali coast. There is an all-Chinese crew of 19 onboard but there are no reports of any injuries. The ship was en route to Mumbai from Saudi Arabia, carrying a cargo of glyco ethylene.

Refer to the article on the Web site: Singapore tanker hijacked; Access is available to subscribers only.



MT Golden Blessing

Source: Maritime Bulletin, Monday, June 28, 2010

June 29 "China's navy sends large landing ship to sea off Somalia" (PLA Daily, Net Edition, Zhanjiang, June 30, 2010)

On the 29th, prior to the departure to the sea off Somalia, the Chinese navy held in Zhanjiang a departing ceremony for the 6th expeditionary taskforce, in which as many as 1,000 members participated. The 6th expeditionary taskforce is composed of the South Sea Fleet's amphibious landing ship *Kunlunshan*, the guided-missile destroyer *Lanzhow*, and the supply ship *Weishanhu* which has been currently on duty in the Gulf of Aden.

An outline of the article: On the 29th, prior to the departure to the sea off Somalia, the Chinese navy held in Zhanjiang a departing ceremony for the 6th expeditionary taskforce, in which as many as 1,000 members participated. Deputy Commander of the PLA's Navy, Hu Hongmeng and Political Commissar of the PLA Navy's South Sea Fleet, Huang Jiaxiang made a speech respectively. The 6th expeditionary taskforce is composed of the South Sea Fleet's amphibious landing ship *Kunlunshan*, the guided-missile destroyer *Lanzhow*, and the supply ship *Weishanhu* which has currently been on duty in the Gulf of Aden. It is for the first time that the large amphibious landing ship *Kunlunshan* will be assigned the escort mission, commanding the amphibious landing troops.

Refer to the article on the Web site: China sends sixth naval escort flotilla to Gulf of Aden ; $\underline{ \text{http://eng.mod.gov.cn/DefenseNews/2010-07/01/content 4170140.htm}$

http://www.chinamil.com.cn/jfjbmap/content/2010-06/30/content 31974.htm

1.2 Military Developments

June 1 "China's NSF sets up maritime NBC rescue team" (PLA Daily, Net Edition, June 1, 2010)

According to the PLA (People's Liberation Army) Daily dated June 1, the first Chinese Maritime Nuclear, Biological, Chemical (NBC) Emergency Rescue Team was set up at a submarine base of the PLA Navy's North Sea Fleet (NSF).

An outline of the article: According to the PLA (People's Liberation Army)Daily dated June 1, the first Chinese Maritime Nuclear, Biological, Chemical (NBC) Emergency Rescue Team was set up at a submarine base of the PLA Navy's North Sea Fleet (NSF). Having completed the compiling of the professional training outline for maritime NBC emergency rescue operations and teaching materials, the NBC Emergency Rescue Team will send the experts to the Chemical Defense Command & Engineering College and other relevant units for receiving specialized trainings on new equipment utilization, maintenance and command.

Refer to the article on the Web site: China sets up first maritime NBC emergency rescue team http://eng.mod.gov.cn/DefenseNews/2010-06/01/content_4161842.htm
http://www.chinamil.com.cn/jfjbmap/content/2010-06/01/content_29422.htm

June 1 "Commandants from 15 African countries visit PLA Navy Command College" (PLA Daily, Net Edition, June 2, 2010)

On the 1st, the commandants from 15 African countries paid a visit to the Navy Command College of the People's Liberation Army (PLA) in Nanjing to observe its sea battle laboratory.

An outline of the article: According to the PLA Daily, the commandants from 15 African countries paid a visit to the Navy Command College of the People's Liberation Army (PLA) in Nanjing to observe its sea battle laboratory on the 1st. The PLA Daily reports that the PLA Navy is an international military organization, and Navy Command College of the People's Liberation Army (PLA) in Nanjing is implementing positive, foreign exchanges [with other nations] as the educational institute of the highest level.

Refer to the article on the Web site: Commandants from 15 African countries visit PLA Navy Command College

http://eng.mod.gov.cn/DefenseNews/2010-06/02/content_4162080.htm http://www.chinamil.com.cn/jfjbmap/content/2010-06/02/content_29462.htm

June 2 "Somalia begins construction on Puntland Navy Base" (Naval-technology. com. June 2, 2010)

On the 2nd, construction work of navy base has begun in Puntland's semiautonomous region in north-eastern Somalia. The site of construction work is located in the coastal village of Bandar Siyada, about 25km west of Bosaso city, the commercial capital of Puntland in north-eastern Somalia.

An outline of the article: On the 2nd, construction work of navy base has begun in Puntland's semiautonomous region in north-eastern Somalia. The site of construction work is located in the coastal village of Bandar Siyada, about 25km west of Bosaso city, the commercial capital of Puntland in north-eastern Somalia. The project, funded by Puntland State and UK-based security company Saracen International, includes the construction of a training center for new recruits and a command center for the Puntland naval force. Puntland Ports and Marine Transportation Minister Mohamed Rage said the state would establish a new naval force with the necessary

equipment and training to combat Somali pirates in the region.

Refer to the article on the Website: Somalia Begins Construction on Puntland Navy Base http://www.naval-technology.com/news/news86686.html

June 5 "Indonesia plans to have more submarines in two years" (Reuters, June 6, 2010)

On the 5th, Indonesian Defense Minister Purnomo Yusgiantoro said Indonesia plans to increase the size of its submarine fleet over the next two years, However, Purnomo did not give further details, including the seller of the submarines.

An outline of the article: On the 5th, Indonesian Defense Minister Purnomo Yusgiantoro said Indonesia plans to increase the size of its submarine fleet over the next two years to defend its territory as well as protect international shipping lanes. However, Purnomo did not elaborate on the details, including the countries from which they buy the submarines. Indonesia, the world's largest archipelago, lies across important shipping lanes, but it currently has two submarines. According to Purnomo Yusgiantoro, the country was discussing buying 10 more C-130 military transport aircraft.

Refer to the article on the Website: Indonesia Plans to Buy More Submarines, C-130s http://www.reuters.com/article/idUSLDE6540AN20100605?type=marketsNews

June 7 "Cambodia joins CARAT for 1st time" (U.S. Navy News Stand, June 8, 2010)

On the 7th, the USS *Tortuga* (LSD 46) arrived in the Cambodian port of Sihanoukville to participate in the exercise of Cooperation Afloat Readiness and Training (CARAT) with Cambodia. The CARAT series of bilateral exercises includes five partner nations: Brunei, Indonesia, Malaysia, Philippines, and Singapore, with which the United States Navy has been conducting annual exercises since 1995. (Indonesia participates in the series under the name Naval Engagement Activity.) Cambodia is the first new country to join the CART series of bilateral exercise since its founding.

An outline of the article: On the 7th, the USS *Tortuga* (LSD 46) arrived in the Cambodian port of Sihanoukville to participate in the exercise of Cooperation Afloat Readiness and Training (CARAT) with Cambodia. The CARAT series of bilateral exercises includes five partner nations: Brunei, Indonesia, Malaysia, Philippines, and Singapore, with which the United States Navy has been conducting annual exercises since 1995. (Indonesia participates in the series under the name Naval Engagement Activity.) Cambodia is the first new country to join the CART series of bilateral exercise since its founding. During the nine-day exercise, U.S. and Royal Cambodian Sailors will conduct shipboard training on subjects such as damage control, anti-terrorism and force protection, and amphibious operations among others. For the exercise in 2010, Bangladesh is also joining the series for the first time.

Refer to the article on the Web site: Cambodia Becomes First New CARAT Partner in 16 Years http://www.navy.mil/search/display.asp?story_id=53925

June 11 "PLA Navy's international political research team exchanges relations with foreign officers, discusses escort-protection, joint rescue-searching" (PLA Daily, Net Edition, June 20, 2010)

On the 11th, the PLA Navy's Political Research Team conducted military exchanges with 20 foreign military officers from countries of Bangladesh and others at the Naval Command College in Nanjing. Having discussed maritime environmental protection, maritime counter-terrorism, escort protection, joint search and rescue operations and others, they confirmed the importance of navy-to-navy exchanges and cooperation. Participants from China side stressed that an expression of "hexie haiyang" (which means a 'harmonious ocean' in English)" is multi-dimensional, open, broad-minded, and commonly acceptable, which is a supreme idea mutually beneficial.

An outline of the article: The PLA Daily dated July 20 reported that the Navy's first International Political Research Team conducted military exchanges with 20 foreign officers from countries of Bangladesh, Turkey, Tanzania and others at the Naval Command College in Nanjing on June 11. According to the PLA Daily, in the exchange meeting they discussed maritime environmental protection, maritime counter-terrorism, escort protection, joint search and rescue operations and others. In the exchange meeting, it was confirmed that in the present world no nation or sea power can withstand a threat to maritime security alone, and the exchanges and cooperation between the navies of every nation are the current of the times and necessary options. In addition, the participants from China side are said to have emphasized that building an expression of "hexie haiyang" (which means a 'harmonious ocean' in English)" depends upon the serious cooperation between every nation and its navy. They added the 'harmonious ocean' is multi-dimensional, open, broad-minded, and commonly acceptable, which is a supreme idea mutually beneficial.

Refer to the article on the Web site: Original text is in Chinese; http://www.chinamil.com.cn/jfjbmap/content/2010-06/20/content 31119.htm

June 15 "Russia launches nuclear submarine 17 years in making" (Reuters, June 15, 2010)

On the 15th, Russia launched a new type of nuclear-powered attack submarine, the first unit of the *Yasen/Graney* class named *Severodvinsk*, which took 17 years to build. The 119-meter submarine is designed to carry long-range nuclear-capable cruise missiles and other armaments. Russia plans to build at least six of the *Yasen/Graney* class nuclear submarines, and work began in 2009 on the second submarine in the *Yasen/Graney* class dubbed the *Kazan*.

An outline of the article: On the 15th, Russia launched a new type of nuclear-powered attack submarine, the first unit of the Yasen/Graney class named Severodvinsk, which took 17 years to build because of funding shortages following the Soviet collapse. President Dmitry Medvedev said at the ceremony at the Sevmash shipyard in the White Sea port that the Severodvinsk should increase Russian naval potential, and strengthen Russia's position in the world's oceans. The Severodvinsk is 80 percent complete and trials are to begin this summer. The 119-meter

submarine is designed to carry long-range nuclear-capable cruise missiles and other armaments. Russia plans to build at least six of the *Yasen/Graney* class nuclear submarines, and work began in 2009 on the second submarine in the *Yasen/Graney* class dubbed the *Kazan*.

Refer to the article on the Web site: Russia launches nuclear submarine 17 years in making http://af.reuters.com/article/worldNews/idAFTRE65E40P20100615?sp=true



Russia launches long-awaited submarine, Severodvinsk Source: RIA Novosti, June 15, 2010

June 23 "RIMPAC 2010 begins" (U.S. Navy News Stand, June 23, 2010, and others)

On June 23, the Rim of the Pacific (RIMPAC) 2010 exercise kicked off in the waters around the Hawaii Islands. Marking the 22nd exercise in the series, RIMPAC 2010 is themed "Combined Agility, Synergy and Support," which involves 14 nations, 32 ships, five submarines, more than 170 aircraft, and 20,000 personnel. The exercise takes place from June 23 through August 1.

An outline of the article: On June 23, the Rim of the Pacific (RIMPAC) 2010 exercise kicked off in the waters around the Hawaii Islands. The RIMPAC has been conducted biennially since 1971. Marking the 22nd exercise in the series, the RIMPAC 2010 is themed "Combined Agility, Synergy and Support." It involves 32 ships, five submarines, more than 170 aircraft, and 20,000 personnel from 14 nations — Australia, Canada, Chile, Colombia, France, Indonesia, Japan, Malaysia, Netherlands, Peru, Republic of Korea, Singapore, Thailand and the United States.

The exercise, consisting of three stages, takes place until August 1. Phase I from June 28 through July 5 will consist of operational planning meetings, safety briefings and sporting events among others. This phase is designed to make final preparations for the at-sea phases of the exercises. Phase II starts July 6 and continues through July 24. This portion includes live fire gunnery and missile exercises, maritime interdiction and vessel boardings, anti-surface warfare, undersea warfare, and naval maneuvers, air defense exercises, as well as, explosive ordnance disposal, mine clearance operations and others. This phase exercises the ability of each nation to conduct command and control operations with multinational players and enhances each unit's operational capabilities. Phase III, the Tactical Phase of the exercise, takes place July 25 through July 30. The intense training during this phase allows participating nations to further strengthen

their maritime skills and capabilities and improve their ability to communicate and operate in simulated hostile scenarios.

According to the homepage of the maritime staff office of the Japanese Defense Ministry, two destroyers "Atago" and "Akebono," three P-3C maritime patrol aircraft, and one submarine "Mochishio" will participate in the exercise.

Of the nations participating in the RIMPAC 2010, Columbia, France, Malaysia, and Thailand will join the exercise for the first time. (AFP, June 26, 2010)

Refer to the article on the Web site: RIMPAC 2010 Begins as Ships Arrive in Hawaii http://www.navy.mil/search/display.asp?story_id=54258

June 26 "US, S. Korea agree to defer command transfer to 2015" (AFP, June 27, 2010)

On the 26th, top leaders of the United States and South Korea had a talk in Toronto in Canada, and agreed to postpone Washington's transfer of wartime command of allied South Korean forces to Seoul until 2015 from April 2012 which had been set previously.

An outline of the article: On the 26th, top leaders of the United States and South Korea had a talk in Tronto in Canada, and agreed to postpone until 2015 Washington's transfer of wartime command of allied South Korean forces to Seoul. Under a 2007 agreement with Seoul, that plan was due to come to an end in April 2012. After a meeting [between President Obama and his South Korean counterpart] Lee Myung-Bak told that the South Korean side made a formal request to U. S. President and to the U.S. administration for the adjustment of the transfer of the timing of the wartime operational control. Lee added, "I would like to thank President Obama for accepting this proposal, and we agreed to transfer this in the latter half of 2015 - by late 2015."

Refer to the article on the Web site: U.S., S. Korea Defer Command Transfer To 2015 http://defensenews.com/story.php?i=4688272&c=AME&s=LAN

June 29 "Indian navy commissions indigenous, brand-new warships" (The Economic Times, June 29, 2010)

On the 29th, the Indian navy commissioned two indigenously-built, state-of-the-art high-speed warships, INS *Cankarso* and INS *Kondul*. These brand-new ships use indigenously-built water jet propulsion technology and can achieve speeds in excess of 35 knots.

An outline of the article: On the 29th, the Indian navy commissioned two indigenously-built, state-of-the-art high-speed warships, INS *Cankarso* and INS *Kondul*. These brand-new ships use indigenously-built water jet propulsion technology and can achieve speeds in excess of 35 knots. These two units will be based in Goa on the east coast and tasked with the role of detecting, locating and destroying small, fast-moving enemy surface craft engaged in covert operations. Navy spokesman said. These two ships are the first lot of the ten similar ships that the Navy proposed to induct in its fleet.

Refer to the article on the Web site: Two warships commissioned into Navy fleet http://economictimes.indiatimes.com/news/news-by-industry/et-cetera/Two-warships-commissioned-into-Navy-fleet/articleshow/6106005.cms



INS Cankarso

 $Source: \underline{http://buzzweb.in/general/ins-cankarso-and-ins-kondul-commissioned-into-navy-fleet/}$

€ Topic 1 € €

Intelligence Summary in 9th Security Conference of the International Institute for Strategic Studies (Shangri-La Asia Security) held 2010

On June 5, the 9th Security Conference of the International Institute for Strategic Studies (IISS) (Shangri-La Dialogue) was held in Singapore, and U. S. Secretary of Defense Robert M. Gates, General Ma Xiaotian, deputy chief of general staff of the Chinese People's Liberation Army, Minister of Defense of Japan Toshimi Kitazawa and others delivered remarks in the conference. Below is an outline of their remarks.

1. U,S. Defense Secretary of Defense Robert M. Gates

U,S. Defense Secretary of Defense Robert M. Gates mentioned the main points regarding the Asian policy of the Obama administration as follows:

- (1) The U.S. is increasing its deterrent capabilities in Asia in a number of ways. First, we are taking serious steps to enhance our missile defenses with the intent to develop capabilities in Asia that are flexible and deployable tailored to the unique needs of our allies and partners and able to counter the clear and growing ballistic missile threats in the region. Secondly, we are renewing our commitment to a strong and effective extended deterrence. Thirdly, as has been the case for six decades, the strength of U.S. commitment and deterrent power will be expressed through the continued forward presence of substantial U.S. forces in the region. While a Global Posture Review (GPR) of the U. S. force deployment is scheduled to be completed toward the end of the year 2010, through the GOR, the U.S. defense posture in Asia is shifting to one that is more geographically distributed, operationally resilient, and politically sustainable. The buildup on Guam is part of this shift.
- (2) In the fall of 2019, President Obama and President Hu made a commitment to advance sustained and reliable military-to-military relations between the United States and the People's Republic of China. The key words here are "sustained" and "reliable" not a relationship repeatedly interrupted by and subject to the vagaries of political weather. Regrettably, we have not been able to make progress on this relationship in recent months. Chinese officials have broken off interactions between our militaries, citing U.S. arms sales to Taiwan as the rationale. For a variety of reasons, this makes little sense: First, U.S. arms sales to Taiwan are nothing new. They have been a reality for decades and spanned multiple American administrations. Second, the United States for years has demonstrated in a very public way that we do not support independence for Taiwan. Thirdly, because China's accelerating military buildup is largely focused on Taiwan, U.S. arms sales are an important component of maintaining peace and stability in cross-strait relations and throughout the region. Considering all this, President Obama's decision in January 2010 to sell select defensive weapons to Taiwan should come as no surprise. It was based on well-established precedent and the longstanding belief of the U.S. government that a peaceful and non-coerced

resolution to the Taiwan issue is an abiding national interest – and vital for the overall security of Asia. Interruptions in our military relationship with China will not change United States policy toward Taiwan. That said, the United States Department of Defense wants sustained and reliable military-to-military contacts at all levels that reduce miscommunication, misunderstanding, and miscalculation.

(3) In Asia, we have placed a particular importance on maritime commons for many years – for security, for trade and commerce, and free passage. We must strive together for outcomes and solutions that are not "zero sum" - pitting one nation's interests against another's. In this respect, the South China Sea is an area of growing concern. This sea is not only vital to those directly bordering it, but to all nations with economic and security interests in Asia. Our policy in this maritime area is clear. First, it is essential that stability, freedom of navigation, and free and unhindered economic development be maintained. Second, we do not take sides on any competing sovereignty claims, but we do oppose the use of force and actions that hinder freedom of navigation. Third, we object to any effort to intimidate U.S. corporations or those of any nation engaged in legitimate economic activity. Fourth, all parties must work together to resolve differences through peaceful, multilateral efforts consistent with customary international law. At this point, the 2002 Declaration of Conduct was an important step in this direction, and we hope that concrete implementation of this agreement will continue. I should also like to mention that another aspect of maritime security – and the overall U.S. defense strategy in this region – is building partner capacity. Refer to the article on the Web site: Remarks as Delivered by Secretary of Defense Robert M. Gates, Shangri-La Hotel, Singapore, Saturday, June 05, 2010

http://www.defense.gov/utility/printitem.aspx?print=http://www.defense.gov/speeches/speech.aspx?speechid=1483

2. Ma Xiaotian, deputy chief of the General Staff of the Chinese People's Liberation Army: China's national defense capability not to challenge any country

According to the PLA Daily dated July 6, Ma Xiaotian, deputy chief of the General Staff of the Chinese People's Liberation Army, pointed out at a security forum on the 5th that maintaining security in the Asia-Pacific region not only serves China's interest but also is China's responsibility. In his presentation, as the Chinese strategic goals in the Asia-Pacific region, Ma mentioned three objectives as follows; at first, maintaining Chinese security and developments; secondly, maintaining sustainable peace and common prosperity in the Asia; and, thirdly, promoting buildup of a harmonious Asia-Pacific region. Based on these objectives, Ma said that, in order to realize three strategic goals, not only China should make is own efforts, but also every nation in the region should implement its new outlook for security and construct partnership relations. Moreover, Ma stressed that, although the Asia-Pacific region is relatively stable, it is situated in the complicated security environment embracing several challenges and hot issues, which requires further developments and cooperation to respond to them. Regarding the US-China relations, pointing out that "frequent surveillance and reconnaissance operations by

the U.S. naval ships and aircraft in the waters and airspace of China's [exclusive economic zones] in the South China Sea and the East China Sea" are one of main obstacles existing in the development of bilateral military relations between China and the United States, Ma said it is "not China" but the United States that should be blamed for the setback in bilateral military exchanges.

Refer to the article on the Web site: Original text is in Chinese: http://www.chinamil.com.cn/jfjbmap/content/2010-06/06/content 29835.htm

3. Minister of Defense of Japan Toshimi Kitazawa

Minister of Defense of Japan Toshimi Kitazawa made a statement on the topic with the theme of "Japan's Policies regarding the Ocean as a Global Commons," an outline of which is as follows:

- (1) I believe that the ocean has played three important roles for Japan, an island nation surrounded on all four sides by the seas. One role would be that of a "blessing," having been the site of natural resources since long ago. Another role is that of a "road," having conveyed to Japan everything from agricultural technology and rice farming to Buddhism and knowledge about advanced cultures from far-away continents. Lastly, the ocean has acted as a natural "defense barricade," protecting Japan from invasion by foreign forces..
- (2) Regarding the Ocean as a Global Commons, in order that all users can enjoy the benefits safely and steadily, securing the safety of the ocean will be important.
- (3) When considering the stability of this widespread maritime region that stretches throughout Asia, we cannot exclude the United States. For more than 60 years, the United States has secured the safety of the ocean as a global commons. U.S. forces alone have the capacity to deploy throughout this entire area. Although the specific circumstances and the maritime region's individual characteristics must be considered when addressing concerns, the United States plays a large role in keeping watch over this entire region. I think that a continued close and cooperative relationship between Japan and the United States will play an important role in securing maritime safety.
- (4) Regarding the Sea Lines of Communication (SLOCs) as "areas" from "lines," up until now, when we thought of securing the safety of maritime routes, we thought in terms of "lines," as in Sea Lines of Communication (SLOC). However, it is clear that securing the safety of maritime routes in a uniform and standardized manner would be difficult due to differing situations and threats in various maritime regions, and the differences in capabilities of various littoral states. Instead, it may be more practical to divide up SLOCs into several maritime regions, or "areas," in order to come up with measures to ensure maritime security in relation to each area's specific circumstances.
- (5) Regarding wide maritime areas as blocks, if we divide up the maritime area between the Middle East and Northeast Asia into Northeast Asia, Southeast Asia, the Indian Ocean, and the Middle East from east to west, we can explain the situation as follows. In Northeast Asia, which includes Japan, while non-state actor activity such as piracy and terrorism is infrequent, there are still traditional/conventional destabilizing concerns. Southeast Asia is a

key strategic area encompassing maritime routes connecting the east and west. The region has many littoral states and issues involving territorial rights and maritime borders remain unresolved. Terrorism and piracy also exist in the region along with other instability concerns. However, the littoral states have formed a core in counter-piracy efforts to take active measures in the Malacca Straits. In the Indian Ocean that spans from the Malacca Straits to the Middle East, international measures against terrorism continue, and efforts to stabilize the region such as multilateral naval exercises led by the Indian Navy are also in progress. Lastly in the Middle East, acts of terrorism and piracy off the coast of Somalia occur frequently, and as you well know, are being dealt with by the international community in a collaborative manner. If we look at the entire maritime area from Northeast Asia to the Middle East, there is a wide variety of efforts underway. Take counter-piracy measures for example; around 30 countries have deployed naval vessels off the coast of Somalia and in the Gulf of Aden based on a series of UN Security Council Resolutions. In Asia, the "Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP)" was adopted, allowing for the establishment and operation of the Information Sharing Centre. These measures are truly the culmination of regional efforts to secure maritime safety.

- (6) Now, I would like to share with you several specific examples of what Japan is doing for maritime security. At present, the Japan Maritime Self-Defense Force dispatched two escort ships and two P-3C patrol aircraft to work from both the sea and the air to protect ships from acts of piracy. Escort operations are aimed to protect commercial vessels of all nations, and information collected by the P-3Cs are shared with relevant organizations and militaries, allowing international collaboration during operations. As piracy activity has yet to be seen as subsiding, Japan intends to continue our anti-piracy operations in the future. Additionally, a Maritime Self-Defense Force transport vessel and a joint medical team made up of Ground, Maritime, and Air Self-Defense Force members, joining forces with about 20 volunteers from various Japanese NGOs, are participating in "Pacific Partnership 2010," led by U.S. Pacific Command. The team is engaged in medical activities in Vietnam and Cambodia. Japan intends to consider continuing our proactive participation in these and other types of activities in the future. Standing on the perspective that ensuring the safe and stable use of the ocean through multinational cooperation in enhancing the capacity of littoral states in securing maritime safety will benefit the shared interest of the international community, Japan intends to continue its support for capacity-building in the form of defense exchanges and cooperation.
- (7) There is also the need to consider ways in which to prevent unforeseen accidents from occurring. In April 2010, when naval vessels of the People's Liberation Army Navy of China carried out what was seen as training activity in the East China Sea, a ship-based helicopter also engaged in flight training. At that time, the ship-based helicopter flew in extremely close to a Maritime Self-Defense Force escort ship, and this happened again out in the Pacific Ocean. These flights were seen as dangerous to the safe navigation of our ships. At last

- November's Japan-China defense ministerial meeting in Tokyo, the two countries agreed to have exchanges between our defense authorities on establishing a maritime communications mechanism linking Japan and China's defense organizations.
- (8) The ocean, as a global commons, is the foundation of prosperity for those of us living in the Asia-Pacific region. Looking toward the future, I believe we all need to makes efforts so that everyone can enjoy the ocean's blessings. Japan for its part will continue to make efforts not only on its own, but also in various forms of cooperation with the countries in the region such as capacity-building, joint exercises and activities like Pacific Partnership.

Refer to the article on the Web site: For full text of the statement by Minister of Defense of Japan Toshimi Kitazawa, refer to the homepage of the Ministry of Defense of Japan;

http://www.mod.go.jp/j/press/youjin/2010/06/05a.html

For English text, refer to the Web site below;

http://www.mod.go.jp/j/press/youjin/2010/06/05b.html

€ Topic 2 ≰ €

Training scenes of PLA Navy

June "Training scenes of PLA Navy Marine Corps" (PLA Daily, Net Edition, June 1, 2, 5, 19, and 24, 2010)

According to the PLA Daily, the PLA Navy Marine Corps is said to be training every day, based on a new guideline. Photographs below show the scenes at the time.



In mid-June, the Marine Corps of the South Sea Fleet is said to have undergone training, including survival on an isolated island and maneuvering 5,000 meters on the sea under arms, and others. The photograph shows a scene of training in damage repairs at sea conducted on June 17.

http://www.chinamil.com.cn/jfjbmap/content/2010-06/19/content 31023.htm



http://www.chinamil.com.cn/jfjbmap/content/2010-06/01/content 29373.htm



Marin Corps landing troops are embarking the "Xuefengshan" in Zhanjian on June 23 before conducting landing exercise on an island.

http://www.chinamil.com.cn/jfjbmap/content/2010-06/24/content_31457.htm

June "PLA Navy's exercise scene in the South China Sea" (PLA Daily, Net Edition, June 3, 5, 6, 8, 14, 15, 21, and 30, 2010)



In early June, the destroyer flotilla of the South Sea Fleet conducted a maritime exercise for 72 straight hours, involving about ten items of the anti-submarine warfare, day and night landing drills by helicopters, landing and parachuting of the marine troops, underway replenishment, and others. Photograph shows a scene of night landing drill by a helicopter.

http://www.chinamil.com.cn/jfjbmap/content/2010-06/14/content 30540.htm



A squadron of missile-frigates of the South Sea Fleet conducts an underway replenishment drill by ships steaming in a column line on June 2.

http://www.chinamil.com.cn/jfjbmap/content/2010-06/06/content 29823.htm



Beach-landing exercise by the troops of the South Sea Fleet conducted in early June http://www.chinamil.com.cn/jfjbmap/content/2010-06/15/content-30640.htm



The South Sea Fleet conducts the exercise under a simulation of entering the combat during the maritime patrol on June 24.

http://www.chinamil.com.cn/jfjbmap/content/2010-06/30/content 32009.htm



On June 2, the submarine force of the South Sea Fleet (SSF) conducted an exercise of loading torpedoes. According to the PLA Daily, the submarine of the SSF conducted an exercise, involving an exchange of equipment of same types and others irregularly based on the new guideline of the force.

 $\underline{http://www.chinamil.com.cn/jfjbmap/content/2010-06/06/content~29791.htm}$

1.3 Maritime Boundaries

June 22 "RI, Malaysia agree to reopen discussions to settle dispute over Ambalat territory" The Jakarta Post, June 23, 2010)

On the 22nd, Indonesia and Malaysia agreed to reopen diplomatic discussions to settle the dispute over the 15,000-square-kilometer Ambalat territory, located off the coast of East Kalimantan. The two governments will reactivate a joint commission consisting of work groups in four fields until November, involving related ministries and state institutions.

An outline of the article: On the 22nd, Indonesia and Malaysia agreed to reopen diplomatic discussions to settle the dispute over the 15,000-square-kilometer Ambalat territory, located off the coast of East Kalimantan. Indonesian Foreign Ministry spokesman said the two governments had agreed to reactivate a joint commission consisting of work groups in four fields. He said there would be meetings held by each working group until November, involving related ministries and state institutions. Both Indonesia and Malaysia have laid claim to the area, believed to consist of two blocks of potentially huge oil and gas reserves. According to Geologist Andang Bachtiar, just one of the Ambalat blocks could hold as much as 764 million barrels of oil and 1.4 trillion cubic feet of gas.

Refer to the article on the Web site: RI, Malaysia to avoid force in Ambalat row http://www.thejakartapost.com/news/2010/06/23/ri-malaysia-avoid-force-ambalat-row.html



Source: The Jakarta Post, June 23, 2010

1.4 Diplomacy and International Relations

June 9 "'New Great Game' between India and China – India and Sri Lanka signed economic and diplomatic deals" (Guardian.co.uk, June 9, 2010)

On the 9th, India and Sri Lanka signed an agreement on a series of economic and diplomatic deals, which range from loans for major infrastructure construction projects to agreements to boost cultural exchanges. Most of Indian economic assistance to Sri Lanka is focused on the northern parts of Sri Lanka which has been dominated by the country's ethnic Tamil minority and devastated by years of a civil war. In addition to Tamil-dominated city of Jaffna, Delhi will also open its consulate in Hambantota. In Hambantota, a deep-water port is under construction with the assistance of the Chinese government. Indian experts are watching with interest the move in an assistance struggle between New Delhi and Beijing for influence over Sri Lanka, as dubbed "the new Great Game" for primacy in the Indian Ocean is set to be one of the major themes of the coming decades. Sri Lanka's geographic position is its main draw.

An outline of the article: On the 9th, India and Sri Lanka signed an agreement on a series of economic and diplomatic deals, which range from loans for major infrastructure construction projects to agreements to boost cultural exchanges. A series of agreements signed on the first day of a visit by the Sri Lankan president, Mahinda Rajapaksa, covers an extensive area ranging from loans to major infrastructure construction projects in Sri Lanka to promotion of cultural exchanges. Among the deals was a £300m loan for the construction of railways to be carried out by companies owned by India's Ministry of Railways. Most of Indian economic assistance to Sri Lanka is focused on the northern parts of Sri Lanka which has been dominated by the country's ethnic Tamil minority and devastated by years of a civil war. In addition to Tamil-dominated city of Jaffna, Delhi will also open its consulate in Hambantota. In Hambantota, a deep-water port is under construction with the assistance of the Chinese government. Indian strategists believe the port, expected to be completed by 2020, is a key link in a chain of such projects from Burma to Pakistan, the so-called "string of pearls."

Brahma Chellaney, professor of strategic studies at Delhi's Center for Policy Research, regards that "the new Great Game" for the primacy in the Indian Ocean will be a primary theme in the relations between China and India in the next ten years. "China wants to be the pre-eminent power in Asia and whether Asia ends up multipolar or unipolar will be determined by what happens in the Indian Ocean. Currently there is a power vacuum there and the Chinese want to fill it," said Brahma Chellaney. Although Sri Lankan ministers downplay the extent of Chinese influence, few observers doubt that the Indians have lost ground to their rivals in recent years. "India is caught in a strategic quandary regarding Sri Lanka," said Iskander Rehman at Delhi's Institute for Defence Studies and Analysis. "Its sizeable Tamil population means that it feels a natural sense of solidarity with the Tamil civilian population but it knows that if it criticizes the government too harshly it may risk losing even more strategic space to the Chinese."

Refer to the article on the Web site: India's deals with Sri Lanka heighten stakes in 'Great Game' with Beijing

http://www.guardian.co.uk/world/2010/jun/09/sri-lanka-india-china-great-game

GAN Topic & GAN

Toward a Power-Sharing Alliance:

Joint Statement on the Enhanced Agenda for the U.S.-Japan Partnership "Memorial Symposium for the 50th Anniversary of the Treaty of Amity and Commerce between Japan and the U.S. and the 50th Anniversary of the Japan-U.S. Security Treaty"

On 17 to 18 June 2010, in Washington D. C., four institutions – the Ocean Policy Research Foundation (OPRF), The Nippon Foundation, Center for a New American Security (CNAS), and the U. S. Sasakawa Peace Foundation – joined together to hold a symposium entitled 150 Years of Amity & 50 Years of Alliance: Toward a Power-Sharing Alliance.

Thirty 30 persons from each country, totaling 60 scholars, politicians, and officials, attended the symposium, which was also joined by a large audience including more than 300 persons from two countries on each day. In the conference, they discussed reviewing the U. S.-Japan relations during the past 150 years, and/or 50 years after the conclusion of the Japan-U. S. Security Treaty and the issues in each area which would make the Japan-US alliance, which is invaluable to the prospects for the situation in Asia, the Pacific Ocean and the world as well as the peace and stability of the two countries and the region, sustainable. Through the discussions participants realized anew the necessity of deepening, strengthening and developing the extensive Japan-US relations.

The items in the discussions at the symposium were summarized by Richard Danzid of CNAS and Masahiro Akiyama of OPRF, who co-chaired the conference, and were announced as a joint statement at the end of the symposium. The statement was handed over to the foreign minister and defense minister respectively on 9 July.

The joint declaration is as follows:

Toward a Power-Sharing Alliance: Joint Statement on the Enhanced Agenda for the U.S.-Japan Partnership

By Masahiro Akiyama and Richard Danzig June 18, 2010

Recalling that the U.S.-Japan alliance, with the Treaty of Mutual Cooperation and Security between the United States and Japan at its core, has been the cornerstone of regional security, economic vitality, and democratic ideals for the past 50 years,

Noting that the Joint Declaration on Security of 17 April 1996 helped to prepare us for the next fifty years of the alliance;

Noting further that the Security Consultative Committee, which identified the regional and global common strategic objectives of the alliance on 19 February 2005, recommended roles,

missions, and capabilities on 29 October 2005 and provided a roadmap for the realignment of U.S. forces in Japan on 1 May 2006,

Recognizing that a future global system effectively shaped by this alliance that allows people, capital, goods, knowledge, and ideas to move across borders more freely is the best path to global progress and stability,

Acknowledging that the expansion and the modernization of military capabilities in the region increase unpredictability and uncertainty despite the fact that deepened interdependence in the globalized economy has reduced the risk of large-scale armed conflicts,

Acknowledging further that new challenges that have no respect for borders—such as the proliferation of weapons of mass destruction, transnational terrorism and organized crime, economic upheaval, a deepening divide between the urban wealthy and rural poor, climate change and worsening environmental threats, massive disasters, food safety and security, energy scarcity, and pandemic diseases—could threaten regional and global stability in the near future,

Recognizing that the alliance needs to engage with emerging Asian powers and other regional partners,

Recognizing further that the alliance is essential for regional security architecture and needs to optimize existing frameworks such as the Six-Party Talks, the ASEAN Regional Forum, the Asia-Pacific Economic Cooperation, and the United Nations,

Aware of the fact that today's vibrant global economy heavily rests on free and fair access to the sea, air, space and cyberspace and that every nation's security also requires stability in these global commons,

Reaffirming the importance of sustained efforts to expand the role of Japan in regional and global security issues,

Emphasizing the importance of a U.S. military presence in Japan while realizing that the people of Okinawa bear a disproportionate burden related to the presence of U.S. forces,

We would like to recommend the following items as an enhanced agenda for the U.S.-Japan alliance:

- 1. Work together to improve the global strategic environment by promoting nuclear reduction, non-proliferation, and nuclear security, while enhancing the credibility of U.S. extended deterrence;
- 2. Maintain our leading-edge conventional military capabilities, while enhancing their capacity to defeat asymmetric threats;
- 3. Coordinate U.S. and Japanese policies toward China to better respond to its rise;
- 4. Expand strategic cooperation with other leading regional democracies, including the Republic of Korea, Australia and India;
- 5. Defend the global commons, while cooperating on the creation of regional and global regimes to sustain their openness and stability;
- 6. Create and export a new business model based on renewable energy and environmentally-friendly technologies to sustain long-term economic growth;

- 7. Conclude an Economic Partnership Agreement to expand trade and investment between Japan and the United States;
- 8. Build an inclusive regional architecture that enables cooperation on functional issues like disaster relief, counter-piracy, and public health;
- 9. Work together toward a reform of the United Nations, including the Security Council, to make this universal organ more effective and more democratic;
- 10. Get alliance fundamentals right by developing new mechanisms to manage the alliance that reflect a changed political situation in Tokyo and by reinforcing Japanese domestic support for the alliance by enhancing both government's public outreach;
- 11. Increase bilateral investment in Okinawa's infrastructure and educational system while making the U.S. military footprint on Okinawa more sustainable and handling the relocation of U.S. forces in a flexible manner

1.5 Shipping, Shipbuilding and Harbors

June 7 "UKHO completes China charts" (Fairplay Daily News, June 7, 2010)

On the 7th, the UK Hydrographic Office (UKHO) announced the completion of Chinese coastal coverage under its Admiralty Vector Chart Service (AVCS). Users of the service can now access electronic navigation charts covering the Chinese mainland as far as the Pearl River, the Coast of Hainan Island and major ports such as Changhai, Shenzhen and Qingdao.

An outline of the article: On the 7th, the UK Hydrographic Office (UKHO) announced the completion of Chinese coastal coverage under its Admiralty Vector Chart Service (AVCS). Users of the service can now access electronic navigation charts covering the Chinese mainland as far as the Pearl River, the Coast of Hainan Island and major ports such as Changhai, Shenzhen and Qingdao. The charts have been released under a deal between the UK and China's Naval Guarantee Department. Therefore, the current release is a significant event.

Refer to the article on the Web site: UKHO completes China charts; Access is available to subscribers only.



UKHO electronic navigation charts Source: Fairplay Daily News, June 7, 2010

June 7 "STX Europe receives order for LNG powered PSV" (STX Europe, News Release, June 7, 2010)

On the 7th, STX Europe announced it had been awarded a contract with Solstad Rederi AS to build an innovative LNG-powered Platform Supply Vessel (PSV). According to the announcement, the vessel is of STX Europe PSV 12 LNG design. The vessel is scheduled for delivery in the fourth quarter of 2011. The vessel is designed with focus on low fuel consumption, and will be able to run on Liquefied Natural Gas (LNG), Biofuel and ordinary marine diesel oil. The ship has deadweight at max draught of approx. 5,000 tons.

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be able to run on Liquefied Natural Gas (LNG), Biofuel and ordinary marine diesel oil. STX Europe's gas tank solution is unique, and the LNG tank does not reduce the cargo capacity on board; rather the new design has a higher cargo capacity than other vessels of the same size. The ship has deadweight at max draught of approx. 5,000 tons, overall length of approx. 94. 3m, and breadth molded approx. 8. 3m.

Refer to the article on the Web site: STX EUROPE TO BUILD LNG POWERED PLATFORM SUPPLY VESSEL FOR SOLSTAD

http://www.stxeurope.com/?page=580&xml=S/134984/PR/201006/1421903



The image of STX Europe PSV 12 LNG Source: Marine Log, June 7, 2010

June 10 "Suez Canal posts higher revenues and increasing passages" (Fairplay Daily News, June 10, 2010)

The Suez Canal Authority has posted a 15.3% year-on-year jump in revenues to \$394.8M for May. Last month's revenues were the authority's highest since November 2009. The total was also 5.3% higher than the previous month's. On the other hand, the number of vessels passing through the waterway reached 1,562 in May 2010, compared with 1,466 in April and 1,468 in May 2009.

An outline of the article: According to the Information Handling Services (HIS) Global Insight, the Suez Canal Authority has posted a 15.3% year-on-year jump in revenues to \$394.8M for May. Last month's revenues were the authority's highest since November 2009. The total was also 5.3% higher than the previous month's. On the other hand, the number of vessels passing through the waterway reached 1,562 in May 2010, compared with 1,466 in April and 1,468 in May 2009. Cumulative Suez Canal revenues were \$1.87Bn for the first five months of 2010, which was a 13% increase compared with the year 2009. According to HIS Global Insight, the short-term growth outlook for the canal remains positive, owing to the recent deepening in the waterway and a rebound in world trade activity.

Refer to the article on the Web site: Suez Canal posts higher revenues; Access is available to subscribers only.

June 15 "Austal releases Wind Express Series" (Austal Media Release, June 15, 2010)

On the 15th, Australia's world renowned shipping company Austral released its new offshore wind farm transport vessels - four types of Wind Express series of vessels.

An outline of the article: On the 15th, Australia's world renowned shipping company Austral released its new offshore wind farm transport vessels - four types of Wind Express series of vessels. According to the company, they are the platforms that have the capacity to operate in rougher waters at higher speeds and greater efficiency. Access to specifications and images of four types is available on the Web site as follows: Wind Express 17, Wind Express 19, Wind Express 28, Wind Express 28 – Tri SWATH.

Refer to the article on the Web site: Austal Launches Wind Express Series http://www.austal.com/index.cfm?objectid=1F6087DB-65BF-EBC1-206977D8EF30568F



Wind Express Series

Source: Austal HP

http://www.austal.com/index.cfm?objectid=1F6087DB-65BF-EBC1-206977D8EF30568F

June 21 "Calls of cruise ships sharply decreasing: Blows to tourism in Kenya" (Business Daily, June 21, 2010)

Statistics from the Kenya Ports Authority (KPA) indicate that between January and April in 2010, only four cruise ships arrived compared to 12 in 2009 and 11 in 2008. The first four months of the year are the peak season. So far, only 1,506 passengers have arrived on cruise liners compared to 11,487 in 2009. This has occurred under the influence of Somali piracy.

An outline of the article: Statistics from the Kenya Ports Authority (KPA) indicate that between January and April in 2010, only four cruise ships arrived compared to 12 in 2009 and 11 in 2008. The first four months of the year are the peak season. So far, only 1,506 passengers have arrived on cruise liners compared to 11,487 in 2009. This has occurred under the influence of Somali piracy. Although the number of attacks in the first quarter dropped to 18 compared to 21 last year, the range has increased to approximately 1,000 nautical miles from Somali coast.

The gloomy picture comes at a time the KPA has invited bids for engineering works at berths 1

and 2 to convert them for cruise ships. The bids were closed on April 28.

Refer to the article on the Web site: Growing piracy attacks deal cruise tourism a blow http://www.businessdailyafrica.com/Company%20Industry/Growing%20piracy%20attacks%20 deal%20cruise%20tourism%20a%20blow/-/539550/942786/-/1auwibz/-/

June 22 "Hanjin Shipping receives first 10,000TEU containership" (Seatrade Asia Online, June 22, 2010)

On the 22nd, Hanjin Shipping received its first 10,000TEU class containership named "Hanjin Korea." It is the first of the series of five 10,000TEU class ships ordered from Samsung Heavy Industries. The vessel will be deployed in Asia-Europe trade soon after the delivery, sometime in the beginning of July. Meanwhile, the rest of the series are scheduled to be delivered by year 2011.

An outline of the article: On the 22nd, Hanjin Shipping received its first 10,000TEU class containership named "Hanjin Korea." It is the first of the series of five 10,000TEU class ships ordered from Samsung Heavy Industries. "Hanjin Korea" is equipped with a fuel-efficient and eco-friendly engine that can reduce both fuel consumption and CO2 emission. According to Hanjin Shipping, the vessel will be deployed in Asia-Europe trade soon after the delivery, sometime in the beginning of July. Meanwhile, the rest of the series are scheduled to be delivered by year 2011.

Refer to the article on the Web site: Hanjin takes delivery of its first 10,000 TEU vessel http://www.seatradeasia-online.com/News/5758.html



"Hanjin Korea"
Source: Seatrade Asia Online, June 22, 2010

1.6 Ocean Resources, Energy, Marine Environment and Others

June 3 "Low-lying Pacific islands 'growing not sinking'" (BBC News, June 3, 2010)

The study, published in the magazine *the New Scientist*, the June 5 issue, predicts that the islands of Tuvalu, Kiribati and the Federated States of Micronesia are among those which have grown because of coral debris and sediment, and are growing, not sinking. These islands will still be there in 100 years' time. However it is still unsure whether many of them will be inhabitable.

An outline of the article: According to the magazine *the New Scientist*, the June 5 issue, the result of new geological study has shown that low-lying Pacific islands are growing, not sinking.

Tuvalu, Kiribati and the Federated States of Micronesia are among those which have grown because of coral debris and sediment.

The study predicts these islands will still be there in 100 years' time. However it is still unsure whether many of them will be inhabitable. The geologist who took part in the study found that, as a result of the study of 27 islands over the last 60 years by using historical photographs and satellite imaging, 80% of the islands had either remained the same or got larger due to the build-up of coral debris and sediment, and to land reclamation - in some cases, dramatically so. A researcher from New Zealand who took part in the study said, "We have now got the evidence to suggest that the physical foundation of these countries will still be there in 100 years, so the islands are not in immediate danger of extinction." However, it does not mean the islands will be inhabitable in the long-term, and the scientists believe further rises in sea levels pose a significant danger to the livelihoods of people living in Tuvalu, Kiribati and the Federated States of Micronesia.

Refer to the article on the Web site: Low-lying Pacific islands 'growing not sinking' http://news.bbc.co.uk/2/hi/world/asia_pacific/10222679.stm



Low-lying Tuvalu is one of many Pacific states worried by climate change Source: BBC News, June 3, 2010

June 9 "Norway bans new drilling" (Trade Winds, June 9, 2010)

On the 9th, Norway announced they banned any new deepwater drilling until a full inquiry is conducted into the Deepwater Horizon oil spill disaster before they have sufficient knowledge about the accident on U. S. side in the Gulf of Mexico. , Norway is first nation that has made such a decision outside the United States.

An outline of the article: On the 9th, Norway announced they banned any new deepwater drilling until a full inquiry is conducted into the Deepwater Horizon oil spill disaster before they have sufficient knowledge about the accident on U. S. side in the Gulf of Mexico. Norway is first nation that has made such a decision outside the United States, which has placed a six month ban on deepwater drilling in the Gulf of Mexico. On the other hand, the UK's department of energy announced it would increase its inspection of drilling rigs and monitoring of offshore compliance. Also Energy Secretary has also asked a new oil industry group to report back on its findings on the UK's ability to prevent and respond to oil spills.

Refer to the article on the Web site: Norway bans new drilling; Access is available to subscribers only.

2. Intelligence Assessment

Outline of Annual Long-Range Plan for Construction of U.S. Navy

In the last May 2010 issue of the OPRF MARINT Monthly Report we introduced to you an article entitled "The Geography of Chinese Power" by Robert D. Kaplan, a senior fellow of the U.S. Center for a New American Security (CNAS) which he had contributed to the U.S. magazine, Foreign Affairs, May/Jun issue. In the article, Kaplan discusses the background of the Chinese advance into the oceans from geo-political perspective. He mentions that, at present, "a Greater China" is being formed in "the Eastern Hemisphere," in which the People's Liberation Army Navy (PLAN) is a driving force. On the other hand, an expansion of the Chinese influence will be in touch with the Indian and Russian borders, and, above all, with operational areas of the United States Navy in an unstable form. For the United States as the maritime power, the Pacific Ocean could become an area which is either advantageous or disadvantageous for the United States, depending upon how the balance of naval power is shifted. Therefore, it goes without saying that the buildup of naval power is of importance, in order to compete with China for its advances into the oceans.

In February 2010, the United States Navy submitted the Report to Congress on Annual Long-Range Plan for Construction of Naval Vessel for FY 2011 (hereafter FY2011 Plan)¹. Responding to the FY 2011 Plan, the United States Congressional Budget Office (CBO) released in May a report which assesses the FY2011, particularly, from a financial perspective (hereafter CBO Report)². Based on these reports, we will introduce discuss about an outline of the FY2011 Plan as follows.

1. Outline of shipbuilding plan over 30 years in FY2011 Plan

The United States Navy is required by law to submit a report to the Congress each year that projects the service's shipbuilding plans and costs among others over the coming 30 years. The FY2010 Plan of the Obama Administration submitted in February 2010 is based upon the 2010 Quadrennial Defense Review (QDR), which was submitted simultaneously. The FY2011 Plan uses the "313-Ship Force" as its baseline, as the FY2009 Plan that was submitted by the Bush Administration. (Additionally, the FY2010 Plan makes no reference to the long-range plan.)

According to the FY2011 Plan, the "313-Ship Force" was set forth in the FY2005 Naval Force Structure Assessment. Regarding the reason of maintaining the "313-Ship Force," the FY2011 Plan mentions, "This battle force inventory is designed to provide the global reach; persistent

Report to Congress on Annual Long-Range Plan for Construction of Naval Vessels for FY 2011 http://www.militarytimes.com/static/projects/pages/2011shipbuilding.pdf

² An Analysis of the Navy's Fiscal Year 2011 Shipbuilding Plan, May 2010 http://www.cbo.gov/ftpdocs/115xx/doc11527/05·25·NavyShipbuilding.pdf

presence; and strategic, operational, and tactical effects expected of naval forces within reasonable levels of funding."

The FY2011 Plan divides 30 years of construction plan until 2040 into three periods as follows.

(1) Near-Term

The near-term covers the period from FY2011 to FY2020. In the near-term planning period, the Department of the Navy begins to significantly ramp up production of those ships necessary to support persistent presence, maritime security, irregular warfare, joint sealift, humanitarian assistance, disaster relief, and partnership building missions, namely the Littoral Combat Ship and the Joint High Speed Vessel. In this term, a total of 102 vessels are planned to be built, which means 10.2 vessels on average will be built per year, as shown in Table 1-1.

Table 1. FY 2011-2040 Long-Range Naval Vessel Construction Plan

1-1. Near-Term (FY2011 - FY2020)

Fiscal Year	11	12	13	14	15	16	17	18	19	20
Aircraft Carrier			1					1		
Large Surface Combatant	2	1	2	1	2	1	2	1	2	1
Small Surface Combatant	2	3	4	4	4	3	3	3	3	2
Attack Submarines	2	2	2	2	2	2	2	1	2	2
Ballistic Missile Submarines									1	
Amphibious Warfare Ships	1	1				1	1		1	
Combat Logistics Force							1		1	
Support Vessels	2	1	3	2	4	2	3	3	3	4
Total New Construction Plan	9	8	12	9	12	9	12	9	13	9

Source: Calculated from data in FY2011, Table 4, p.18.

(2) Mid-Term

The mid-term covers the period between FY2021 and FY2030. In the mid-term planning period, the recapitalization plan for the current Fleet Ballistic Missile Submarine SSBM) inventory begins to fully manifest itself. In this term building eight SSBN (X)s are planned. Therefore, it will influence upon building other types of vessels and the total number of ships built per year will inevitably fall. In this term, a total of 86 vessels are planned to be built, which means 8.6 vessels on average will be built per year, as shown in Table 1-2.

1-2. Mid-Term (FY2021 – FY2030)

Fiscal Year	21	22	23	24	25	26	27	28	29	30
Aircraft Carrier			1					1		
Large Surface Combatant	2	1	2	1	1	2	2	1	2	1
Small Surface Combatant	2	2	2	2	1	2	1	2	1	2
Attack Submarines	2	2	1	1	1	1	1	1	1	1
Ballistic Missile Submarines		1		1	1	1	1	1	1	1
Amphibious Warfare Ships	2		1		2		1		2	
Combat Logistics Force	1	1	1	1	1	1	1	1	1	1
Support Vessels	2	3	3	2	1			1		2
Total New Construction Plan	11	10	11	8	8	7	7	8	8	8

(3) Far-Term

The far-term covers the period between FY2031 and FY2040. The production run of SSBN (X)s will come to an end in FY2033. In this term, a total of 88 vessels are planned to be built, which means 8.8 vessels on average will be built per year, as shown in Table 1-3.

1-3. Far-Term (FY2031 – FY2040)

Fiscal Year	31	32	33	34	35	36	37	38	39	40
Aircraft Carrier			1					1		
Large Surface Combatant	2	2	2	2	2	2	2	2	2	2
Small Surface Combatant	1	2	1	2	2	2	2	2	2	2
Attack Submarines	1	1	1	1	2	1	2	1	2	1
Ballistic Missile Submarines	1	1	1							
Amphibious Warfare Ships	1		2		1		1	1	1	
Combat Logistics Force	1	1	1	1	1		1		1	
Support Vessels	1	1	2	2	2	2	2	2	2	2
Total New Construction Plan	8	8	11	8	10	7	10	9	10	7

2. Construction plan of major vessels viewed in FY2011 Plan

In the FY2011 plan, as shown in the Table 1, the number of naval vessels to be constructed over the next 30 years totals 276 vessels, of which 198 vessels are aircraft carriers, attack and ballistic missile submarines, large and small surface combatants, amphibious warfare ships, and the 78 vessels are combat logistics force and support vessels. The construction plan of major vessels is viewed as follows.

(1) Aircraft Carriers

Aircraft carriers are the centerpiece of the U.S. navy's combat striking power. In the FY2011

Plan a minimum of 10-11 nuclear-powered aircraft carriers (CVNs) are required to maintain forward posture and surge requirements for war-fighting. In the Plan, as shown in Table 1, the U.S. Navy intends to buy six USS *Gerald R. Ford* class (CVN-78) aircraft carriers every five years over the next 30-year period. (Building one carrier every five years is commonly referred to as "five-year cost centers.") According to the FY2011 Plan, under the construction plan, because of decommissioning of the carrier that has reached its retirement age, it is said that the number of the aircraft carriers will be temporarily reduced to a force of 10 during the 33-month period from November 2010 to September 2015.

According to the Plan, although the USS *Kitty Hawk* (CV-63) was retired in the spring of 2009, the USS *George H. Bush* (CVN-77) was commissioned in FY2009. However, the USS *Gerald R. Ford* (CVN-78) which is scheduled to be commissioned in September 2015 is not timely interconnected with the USS *Enterprise* (CVN-65) which is scheduled to be retired in 2013—after 52 years of service. The Navy has developed a response strategy including deployment cycle length, rescheduled ship maintenance plan and others to minimize operational impacts in order to minimize operational impacts during the period in which the force drops to 10 carriers.

According to the CBS Report, the USS *Gerald R. Ford* (CVN-78) would not be commissioned until 2015. Any delays would extend the period in which the Navy had only 10 carriers. According to the CBO report, the CVN-78 is only about 10 percent complete. Usually, cost growth in shipbuilding programs is expected to occur when a ship is more than half finished—particularly in the later stages of construction, when all of a ship's systems must be installed and integrated.

(2) Attack and Ballistic Missile Submarines

Regarding the attack submarine (SSN) inventory, the Navy plans to inactivate three USS *Los Angeles* class attack submarines at the end of their 33-year useful service lives. A fourth Los Angeles class attack submarine, USS *La Jolla* (SSN 701), will be converted to a moored training ship. As to the SSNs, construction of 44 vessels in planned for the period of 30 years. The Navy plans to build two *Virginia* class SSNs per year during the period between FY 2011 and FY2022 except FY2018 in an effort to mitigate mid-to-far term inventory shortfalls.

Regarding the Fleet Ballistic Missile Submarine (SSBN) inventory, the *Ohio* class ballistic missile submarine (SSBN) will begin retiring in FY 2027. Therefore, the design of a new type of SSBN (X) must be started in FY2015, and the lead unit should be deployed no later than FY2019 in order to maintain a posture of 12 operational SSBNs, which is necessary for accomplishing the strategic nuclear deterrence mission. By FY2033 construction of 12 SSBN (X) is planned.

Although four *Ohio* class SSBNs were converted to guided missile submarines (SSGN) in FY2008, this plan has not been continued in FY2011. The SSGN, with 154 guided-missiles and Special Forces on board, has powerful combat capabilities, but the Navy is studying other alternatives because of increasing converting cost.

(3) Large Surface Combatants

In the FY2011 Plan, a new-design CG (X) which will replace the current guided-missile cruiser

Ticonderoga class CG-47 was cancelled. Instead, the Navy has restarted the Arleigh Burke class DDG-51 construction program with eight DDG-51s with improved missile defense capability during the period between FY2011 and FY2015. According to the CBO report, the Navy's first 28 existing DDG-51 destroyers, which are designated Flight I or II, did not include a hangar for embarking helicopters. The next 34 ships, which were designated Flight IIA, included a hangar and thus the ability to carry two helicopters or several ship-launched unmanned aerial vehicles. During the period between FY2016 and FY2031 Navy plans to build 24 DDG-51 Flight III incorporating the new Air and Missile Defense Radar (AMDR).

(4) Small Surface Combatants

In FY2011 Plan, a force of 55 Littoral Combatant Ships (LCSs) is required to support the Navy's long-term war fighting and operating needs. According to the CBO Report, the production program of the LCS is divided into two components – the sea frame (the ship itself) and mission packages (the main combat systems). It says Navy expects to use the sea frame for three types of mission packages: countering mines, submarines, or surface ships. In the next 30 years, 66 LCSs are planned to be built.

(5) Amphibious Warfare Ships

In FY2011 Plan the requirement for 33 amphibious warfare ships is expected. A 33-ship force is comprised of 11 LHA/D amphibious assault ships and a mix of 11 LPD 17 amphibious transport docks and 11 LSD (X) dock landing ships. In the next 30 years construction of 20 ships is planned.

3. Change of number of warship inventories over the next 30 years in FY2011 Plan

Table 2 shows a comparison of two assessments between the required numbers of ships by type/class for a "313-Ship Fleet" in FY 2009 Plan and the required numbers of ships by types/class in FY2011 Plan. According to the FY2011 Plan, a significant change is noted in Maritime Pre-positioning Force (Future) (MPF (F)). The MPF (F) concept envisioned a forward-deployed squadron of ships to enable rapid closure to areas of interest, at-sea assembly, and tactical employment of forces to areas of interest in the event of crisis. Although applicable in the lower end of the war-fighting spectrum, this squadron was primarily designed for use in major combat operations. In FY2011 Plan, due to refocusing of priorities and cost, this concept has been restructured and replaced with alternatives which enhance the existing capabilities of the Maritime Pre-positioning Squadron (MPS). Thereby, the LHA 6 class amphibious assault ships previously designated for the MPF (F) has been moved to the Amphibious Warfare category. Also, the Joint high-speed vessel (JHSV) is drastically increasing. This is because Combatant Commanders have made clear to the Navy their desire for high-speed, shallow draft vessels that can execute unique operations with partner nations throughout each of their areas of responsibility.

Table 2. The Navy's Evolving Force-Structure Requirements

Type/Class	Requirements for a	Requirements
	313-ship Fleet in	Implied in FY2011
	FY 2009 Plan	Plan
Aircraft Carriers	11	10-11
Large Surface Combatants		
Cruisers	19	0
Destroyers	69	88
Small Surface Combatants	55	55
Attack Submarines	48	48
Guided Missile Submarines	4	0
Ballistic Missile Submarines	14	12
Amphibious Warfare Ships	31	33
Combat Logistics Ships	30	30
Maritime Prepositioning Force (Future)	12	0
Support Ships		
Joint high-speed vessels	3	23
Others	17	23
Total Battle Force Level	313	322-323

Source: Calculated from data in "The Navy's Evolving Force-Structure Requirements" in CBO Report, Table 1, p.2

The transition of battle force inventory over the next 30 years in FY2011 is as shown in the Table 3.

Table 3. FY 2011-2040 Naval Battle Force Inventory

3-1. Near-Term (FY2011 - FY2020)

Fiscal Year	11	12	13	14	15	16	17	18	19	20
Aircraft Carrier	11	11	10	10	11	11	11	11	11	12
Large Surface Combatant	84	84	85	86	88	90	91	93	94	96
Small Surface Combatant	42	41	37	32	28	32	33	37	37	39
Attack Submarines	53	54	55	55	54	51	51	50	51	49
Cruise Missile Submarines	4	4	4	4	4	4	4	4	4	4
Ballistic Missile Submarines	14	14	14	14	14	14	14	14	14	14
Amphibious Warfare Ships	29	30	30	30	31	33	33	33	33	33
Combat Logistics Force	29	29	29	30	30	30	30	30	30	30
Support Vessels	18	20	23	24	25	27	31	33	37	38
Total Naval Force Inventory	284	287	287	285	285	292	298	305	311	315

Source: Calculated from data in FY2011, Table 5, p.22

3-2. Mid-Term (FY2021 - FY2030)

Fiscal Year	21	22	23	24	25	26	27	28	29	30
Aircraft Carrier	12	12	11	11	12	12	12	11	11	12
Large Surface Combatant	96	95	94	94	92	89	87	85	81	77
Small Surface Combatant	39	41	39	40	41	43	45	46	48	49
Attack Submarines	49	48	48	46	45	44	43	41	40	39
Cruise Missile Submarines	4	4	4	4	4	2	1			
Ballistic Missile Submarines	14	14	14	14	14	14	13	13	13	12
Amphibious Warfare Ships	34	34	35	36	35	36	35	36	34	33
Combat Logistics Force	31	29	29	28	28	28	26	26	25	25
Support Vessels	39	41	45	47	46	45	46	46	44	44
Total Naval Force Inventory	318	318	319	320	317	313	308	304	296	291

3-3. Far-Term (FY2031 – FY2040)

Fiscal Year	31	32	33	34	35	36	37	38	39	40
Aircraft Carrier	12	11	11	11	12	11	11	11	11	11
Large Surface Combatant	73	71	69	67	68	70	72	74	76	76
Small Surface Combatant	51	52	53	54	55	56	56	56	56	55
Attack Submarines	41	41	42	43	44	45	46	45	45	45
Cruise Missile Submarines										
Ballistic Missile Submarines	12	12	12	12	12	12	12	12	12	12
Amphibious Warfare Ships	33	32	31	33	30	30	29	29	29	30
Combat Logistics Force	24	25	26	26	25	26	27	27	28	28
Support Vessels	44	44	44	44	44	44	44	44	44	44
Total Naval Force Inventory	290	288	288	290	290	294	297	298	301	301

The number of the vessels in FY2011 is 284³. If the number is realized as planned, in the near-term covering the period between FY2011 and FY2020, it will reach the level of "313-Ship Force" in FY2020. However, the number of vessels remains at this level during the period of seven years only, and it will gradually decline to reach 288 vessels in FY2032 – FY2033 eventually. Thereafter, the number of vessels will increase slightly to reach 301 in FY2039. After all, during the planning period of 30 years, it will not reach the level of 322-323, which is the required level implied in FY2011 Plan.

³ If only the number of vessels is compared, the number of 284 ships slightly surpasses about 274 ships of the People's Liberation Army Navy in 2009. According to information of US Naval Intelligence Office in August 2009, the detail of 274 ships is composed of 53 conventional submarines SSs), six SSNs, three SSBNs, 26 destroyers, 48 frigates, 58 landing vessels, and 80 (+) missile patrol craft.

The People's Liberation Army Navy: A Modern Navy with Chinese Characteristics, U.S. Navy Office of Naval Intelligence, August 2009, p.18.

http://www.fas.org/irp/agency/oni/pla-navy.pdf

According to the FY2011 Plan, 12 SSBN (X)s are planned during the period from FY2019 to FY2033. During this period *Los Angeles* class SSNs, *Ticonderoga* class CG-47s, *Arleigh Burke* class DDG-51s, and LSD-41/49 Dock Landing Ships that have reached the age will be retired. In order to cover the retirement of the combatants built in 1980s and 1990s, the Navy needs to build at least 10 vessels per years. However, the costs of building SSBN (X)s will have influence over the construction of other vessels. As seen in the mid-term and far-term construction plans in the Table 1, the number of ships to be constructed between FY2031 and FY2032 is shifting between 7 and 8. It has an effect on the inventory after FY2031.

As a result, according to the FY2011 Plan, the number of large surface combatants in FY2040 marks 76 ships, which are about 14 percent fewer than 88 ships which are estimated to be required. The SSNs will be decreased to 39 in FY2030, but will be increased to 45 by FY2040. However, it is still three vessels fewer than 48 which are required for 313-ship fleet. The amphibious warships will reach their peak of 36 in FY2024, FY2026 and FY2028, but they will decline to 30 ships in FY2040, lacking by three, compared to the requirements implied in FY2011 Plan. Additionally, the number of combat logistics force in FY2040 is 28, which is short of two, compared to the requirements implied in FY2011 Plan. Consequently, the inventory in FY2040 comprises 301 ships, but compared with 322-323 ships required in FY2011 Plan, the Navy is still short of more than 20 ships.

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