

# OPRF MARINT Monthly Report

## March 2011



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“Overview of Security Environment in the East China Sea and the South China Sea”

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 March 2011.

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## Intelligence Summary in March 2011

**Maritime Security:** In March, there were two hijackings by Somali pirates. On the 16th, Somali pirates hijacked an Indonesian flagged-bulk cargo carrier owned by the Indonesian company, MV *Sinar Kudus*, approximately 320 nautical miles North East of the island of Socotra in the Somali Basin. Within 24 hours of being taken, she was used as the “mother boat.” On the morning of the 28th, a UAE-flagged and Kuwaiti-owned Crude Oil Tanker was hijacked by Somali pirates approximately 250 nautical miles South East of Salalah in the eastern part of the Gulf of Aden.

There were also hijackings in the South China Sea. According to the ReCAAP, on the 22nd, an Indonesian-registered tug boat towing a barge was boarded by a group of more than 10 men armed with knives and parangs when the vessel was underway at approximately 12 nm east of Pulau Tioman, Malaysia. Two days later, on the 24th, crew-members were found by the fishing boat passing by. All were saved while drifting after having been forced onto a life raft. The whereabouts of the tug and barge are still unknown.

On the other hand, Somali pirates released four vessels with hostages they had hijacked and held. Although information on ransom is not always known, a ransom for a cargo vessel which was operated by a German company and was released by pirates on the 2nd was said to have been \$3 million. Payment of a ransom seems to be making piracy a dangerous but lucrative business. According to Reuters dated the 10th, a 27-year-old pirate dressed in a sharp, Italian-made suit, riding on Toyota Land-cruiser, said he made \$2.4 million in 2010. According to him, the gangs have an agreed formula for splitting their loot -- hijackers receive 50 percent, investors get 35 percent, and guards on the ship get the remaining 15 percent.

There were four cases of detaining pirate action groups (PAG's) and capturing mother boats by naval forces of respective nations. On the early morning of the 5th, a U.S. Navy's guided missile destroyer assigned to multinational counter-piracy mission Combined Task Forces (CTF) 151 rescued a Japanese-related oil tanker, MV *Guanabara*, from pirate attack, and detained four suspected pirates.

In addition, on the evening of 12th, the Indian navy and coast guard intercepted a fishing vessel which had been used as Somali pirates' mother boat in the Arabian Sea about 600 nautical miles west of India, rescued 13 fishermen onboard [the fishing vessel], and detained 61 pirate suspects. Moreover, on the 27th, the Indian Navy and the Coast Guard thwarted a pirate attack in waters west of the Lakshadweep Islands, apprehending 16 pirate suspects and freeing 16 hostages.

Additionally, on 22nd to 25th March, Chinese navy's guided missile frigate *Maanshan* of the Chinese task force dispatched off Somalia, CTF-528, escorted the World Food Program (WFP) vessel *Amina* from Berbera to Bosasso.

**Military Developments:** Mark Helprin, a senior fellow at the U.S. think tank, The Claremont Institute, contributed an article titled “The Decline of U.S. Naval Power” to the U.S. newspaper,

*The Wall Street Journal*, dated March 2. In the article, Helprin gives a warning that, while the Chinese navy is being expanded, the U.S. Navy's world-wide bases and the number of the naval vessels continue to decrease. Helprin mentions, as China's navy rises and the U.S. Navy declines, not that far in the future the trajectories of showing a transition of naval powers of both nations will cross. In addition, Helprin says that, as the most-advanced technological nation, the United States can afford to build a fleet worthy of its

The Russian Navy has ordered maintenance of nearly 300 vessels, including large anti-submarine vessels, strategic submarines, the NF's flag vessel the nuclear powered battle cruiser *Pyotr Veliky*, and Russia's only aircraft carrier *Admiral Kuznetsov*, at the Zvezdochka shipyard outside Arkhangelsk in 2011.

The Chinese newspaper *China Daily* dated the 9th carried an article titled "Japan joins elite aircraft carrier club." In the article, it is reported that *the Military Balance (MB) 2010* issued by *the International Institute for Strategic Studies (IISS)* has classified the Japanese Maritime Self-Defense Force (JMSDF)'s defense ship *Hyuga* (13,500 tons) as an aircraft carrier, which means China now has four Asian neighbors with the giant vessels. Russia, India and Thailand are reported to each have at least one aircraft carrier in service.

Thomas G. Mahnken at the United States Naval War College and Andrew Shearer at the Australia's Lowy Institute for International Policy jointly contributed an article entitled "Leading in the Indian Ocean" to the U. S. newspaper, *The Wall Street Journal*, on the 10th. Authors advocate that, if Beijing challenges freedom of navigation in the Indo-Pacific, the United States and Australia should rally regional countries in defense of keeping the world's crucial sea lanes open, and build a web of informal bilateral security arrangements between the U.S., Australia, India and Japan, to link these partners, and any others who would like to participate, in a seamless intelligence and surveillance network to monitor maritime security developments.

On the 21st, Indonesia's state-owned shipbuilder PT PAL delivered a landing platform dock ship KRI *Banda Aceh* to the Indonesian Defense Ministry. The 125-meter landing platform dock ship was designed specially as a military ship capable of carrying troops, combat and tactical vehicles and helicopters.

Thailand agreed to buy two second-hand Type 206A diesel electric submarines from Germany. Types 206A's are two of four submarines that the German navy retired in late 2010, which are 35 years old.

On 24th, the South Korea Navy's third Aegis destroyer, *Seoae Ryu Seong-ryong*, was launched at Hyundai Heavy Industries in Ulsan, being watched by military, government and business leaders including Defense Minister Kim Kwan-jin. The *Seoae Ryu Seong-ryong* is the same class as the two other Aegis destroyers, the *King Sejong the Great* and the *Yulgok Yi Yi*, already in service. With three of them, the South can monitor and track an entire area in the North.

**Maritime Boundaries:** On the 2nd, two Chinese patrol boats harassed a Philippine ship which had been deployed to secure the oil exploration activity at the Reed Bank of the Spratly Islands. Afterwards, the Philippine military deployed an OV-10 bomber plane and an Islander light

aircraft to the Reed Bank to undertake surveillance. Moreover, the Republic of the Philippines will install radar equipment on nine islands in the disputed Spratlys to monitor intrusions and deploy three patrol vessels to secure a government oil survey ship in the area where sovereignty is disputed with China. Additionally, according to the Philippine military, the Philippines have commenced works to upgrade military facilities on Manila-claimed Pag Asa in the Spratly Islands and to accelerate a gas exploration project in waters contested by both China and the Philippines.

On the other hand, on the 3rd, the Vietnamese Foreign Ministry (FM) has expressed indignation at the military drill conducted by China near Truong Sa (Spratly) Archipelago at the end of February. "The exercise is a gross violation of Viet Nam's sovereignty over the archipelago and runs totally against the Declaration of Conduct in the East Sea (DOC) signed by ASEAN and China in 2002," the FM said.

Against a series of these events, on the 8th, a Chinese foreign ministry spokesperson reiterated its claim over the Spratly islands after the Philippines and Vietnam protested to Beijing over the islands.

**Diplomacy and International Relations:** On the 4th, meeting with his Indonesian counterpart Marty Natalegawa in Jakarta, Timorese Foreign Minister (FM) Zacaria Albano da Cost has sent a formal application to join the Association of Southeast Asia Nation (ASEAN) to Indonesia as the current chair of the bloc. Indonesia fully supports Timor-Leste to join ASEAN.

Billy Tea, a journalist and strategic analyst, has contributed a full page article titled "Unstringing China's strategic pearls" to the Asian Times Online, Web edition dated 11th. Regarding the so-called China's "String of Pearls," the article concludes that the "String of Pearls" theory comes undone, based on his verification of ascertaining the truth of each "pearl." It is significant that all governments of the nations concerned, where the ports of "pearls" are located, have strongly refuted speculation that China would be allowed to use their sovereign port as military bases, present or future.

**Shipping, Shipbuilding and Harbors:** On the 23rd, Norway's big shipping enterprise - the Wilh. Wilhelmsen group - has launched the largest class roll-on roll-off (ro-ro-) ship, MV *Tønsberg*. The *Mark V* class roll-on roll-off ship is the largest one of this kind, with a length of 265 meters, offering a cargo volume of 138,000 cubic meters. Four roll-on roll-off vessels will be built at Mitsubishi Heavy Industries in Nagasaki, Japan. The second vessel will be delivered in August and two vessels in 2012.

**Ocean Resources, Energy, Sea Environment and Others:** In Indonesia, a new shipping regulation, under which all vessels operating in its waters have to be registered in the country and use the Indonesian flag, was enforced in January. The regulation takes effect May 7, 2011 and will be applied to shipping related to oil and natural gas. Indonesia still requires foreign vessels to support its upstream (production) business, vessels for probe, offshore drilling, jack-up rigs, semi submersible rigs, deepwater drilling and tender assist rigs, among others. According to

Indonesia's upstream regulator of oil and natural gas, BPMigas, Indonesia needs 138 special needs vessels to support its upstream business in 2011, and the figure will increase to 235 units by 2015. Indonesia may lose \$7.3 billion in revenue annually from the oil and gas sector once a new shipping regulation is applied. In addition, it is worried that \$188 million of seismic survey activity commitments and another \$2.8 billion in exploration and development block commitments will be delayed.

**Intelligence Assessment:** On February 16-17, 2011, the Ocean Policy Research Foundation (OPRF) chaired the first two-day international conference on "The Security Environment in the East Asia Sea" which was initiated as a researching program in 2010. This international conference was held with a purpose of having a common understanding of security environment in East Asian maritime domain which has been destabilized by international confrontations over sovereignty of the islands, and border-demarcation of the exclusive economic zones (EEZ) and continental shelves, an expansion of Chinese naval power, and its intensification of activities among others through presentations and discussions by experts at home and abroad. The meeting was also intended for another purpose of studying the status of international tackling toward stabilization of the situation. Seventeen researchers and analysts at home and abroad, as core members, participated in the conference. At the introductory session in the international meeting Mr. Hideshi UENO, Adviser at the OPRF, made the presentation of the brief entitled "The Security Environment in the East Asia Sea" as one of core-members. In the intelligence assessment we have carried an outline of the presentation, adding a review with some comments.

# 1. Information Digest

## 1.1 Maritime Security

### March 2 “Somali pirates free German-operated ship” (Reuters, March 2, 2011)

On the 2nd, Somali pirates have released a German-operated (and Antigua and Barbuda-flagged) cargo ship, MV *Ems River* (5,200DWT). The vessel was hijacked off Oman en route to the Suez Canal on 27 December 2010. A ransom is said to have been \$3 million.

An outline of the article: On the 2nd, Somali pirates have released a German-operated (and Antigua and Barbuda-flagged) cargo ship, MV *Ems River* (5,200DWT). The vessel was hijacked off Oman en route to the Suez Canal on December 27. It is said that a pirate who was involved in hijacking MV *Ems River* told Reuters he got a \$3 million ransom.

Refer to the article: Somali pirates free German-operated ship

<http://www.reuters.com/article/2011/03/02/somalia-piracy-idUSLDE7210TQ20110302>



MV *Ems River*

Source: EU NAVFOR Public Affairs Office, Press Release, December 28, 2010

### March 5 “U.S. Navy’s ship deters pirate attack on Japanese-related vessel to detain suspected pirates” (Combined Maritime Forces, March 6, 2011)

On the early morning of the 5th, a U.S. Navy’s guided missile destroyer, the USS *Bulkeley* (DDG 84) assigned to multinational counter-piracy mission Combined Task Forces (CTF) 151, rescued a Japanese-related oil tanker, MV *Guanabara* (57,000 DWT), from pirate attack, and detained four suspected pirates.

An outline of the article: On the early morning of the 5th, a U.S. Navy’s guided missile destroyer, the USS *Bulkeley* (DDG 84) assigned to multinational counter-piracy mission Combined Task Forces (CTF) 151, rescued a Japanese-related oil tanker, MV *Guanabara* (57,000DWT), from pirate attack, and detained four suspected pirates. According to the U.S. Navy, the Bahamian –flagged MV *Guanabara* operated by the Japan’s Shosen Mitsui was under attack and boarded by Somali pirates when it was 328 nautical miles south east of Duqm, Oman. A total of 24 crew members comprising 18 Filipinos, and two Croatians, Montenegrins, and Rumanians respectively had taken refuge in the ship’s “citadel”[before the tanker was hijacked]. Upon receipt of a rescue signal from the MV *Guanabara*, the USS *Bulkeley*(DDG 84) was directed

to the scene to intercept the *Guanabara*. The *Bulkeley* was supported by the Turkish frigate TCG *Giresun* of NATO's counter-piracy task force. Embarking the MV *Guanabara*, the boarding team from the U.S. Navy ship rescued its crew members and detained four suspected pirates who had surrendered.

Refer to the article: CMF ship USS *Bulkeley* frees ship and crew from pirates

<http://combinedmaritimeforces.com/2011/03/06/cmf-ship-uss-bulkeley-frees-ship-and-crew-from-pirates/>



Suspected pirates indicate their surrender on the bow of Japanese-owned commercial oil tanker MV *Guanabara*.

Source: <http://cmf24.files.wordpress.com/2011/03/110306-n-5324w-3091.jpg>

### **March 5 “French warship holds PAG” (EU NAVFOR Public Affairs Office Press Release, March 7, 2011)**

On the 5th, the EU NAVFOR French frigate FS *Nivose* held a Pirate Action Group (PAG) off Somali coast. Although the boarding team of the FS *Nivose* detained three suspected pirates, they were returned to the whaler to be released, as there was insufficient evidence to pursue a prosecution.

An outline of the article: On the 5th, the EU NAVFOR French frigate FS *Nivose* held a Pirate Action Group (PAG) off Somali coast. On the morning of 4th March, a merchant vessel reported being chased by one skiff about 350 Nautical Miles south of Mogadishu. Upon receipt of a position report, the FS *Nivose* rushed to the scene. An EU NAVFOR Maritime Patrol Reconnaissance Aircraft (MPRA) which is supplied by Luxembourg and based in The Seychelles sighted the PAG and guided the FS *Nivose* to the scene. A helicopter launched from the FS *Nivose* fired warning shots to force the whaler to stop. The crew of the whaler had already been filmed by the MPRA throwing equipment overboard. The boarding team of the FS *Nivose* detained three suspected pirates on board. As there was insufficient evidence to pursue a prosecution, they were returned



to the whaler to be released.

Refer to the article: EU NAVFOR Disrupts Suspected Pirate Group off the Coast of Somalia

<http://www.eunavfor.eu/2011/03/eu-navfor-disrupts-suspected-pirate-group-off-the-coast-of-somalia/>

### **March 10 “Somali pirates: I made \$2.4 mln from ransoms in 2010” (Reuters, March 10, 2011)**

According to Reuters dated the 10th, a 27-year-old pirate dressed in a sharp, Italian-made suit, riding on Toyota Land-cruiser, said he made \$2.4 million in 2010. According to him, the gangs have an agreed formula for splitting their loot -- hijackers receive 50 percent, investors get 35 percent, and guards on the ship get the remaining 15 percent.”

An outline of the article: A Somali pirate said to Reuters that he became a dollar multi-millionaire only two years after deciding to join in the piracy. According to Reuters dated the 10th, a 27-year-old pirate dressed in a sharp, Italian-made suit, riding on Toyota Land-cruiser, said he made \$2.4 million in 2010. He said he made \$1.2 million for hijacking British-flagged MV *Asian Glory* (on January 1, 2010 to be released on June 11); another \$700,000 for hijacking Saudi-flagged tanker MT *Al Nisr Al Saudi* (on March 1, 2010 to be released on December 7), and \$500,000 for hijacking Bulgarian-flagged vessel MV *Panega* (on May 11 to be released on September 9). Moreover, investing in two operations and personally participating in a separate hijacking, he was successful in both cases. He says pirate-work is a business involving the risk of his life, and nine of his friends are said to have lost their lives in the counter-piracy operations by the navies of respective nations. He said he had spent some of the cash earned on weapons, private bodyguards, trucks, a boat and three villas. According to him, the gangs have an agreed formula for splitting their loot -- hijackers receive 50 percent, investors get 35 percent, and guards on the ship get the remaining 15 percent.

Refer to the article: Somali pirate: I made \$2.4 mln from ransoms in 2010

<http://www.reuters.com/article/2011/03/10/uk-somalia-piracy-idUSLNE72906Q20110310>

### **March 10 “Somali Pirates free SVG-flagged vessel” (Xinhua, March 10, 2011)**

Somali pirates freed a Ro-Ro ship registered by Saint Vincent and the Grenadines (SVG), MV *RAK Africana*, on the 10th. MV *RAK Africana* was hijacked about 280 nautical miles west of Seychelles.

An outline of the article: According to the Indian Foreign Ministry, Somali pirates freed a Ro-Ro ship registered by Saint Vincent and the Grenadines (SVG), MV *RAK Africana*, on the 10th. MV *RAK Africana* was hijacked about 280 nautical miles west of Seychelles. It has 23 crew members, including 11 Indians.

Refer to the article: 11 Indian hostages freed by Somali pirates

[http://news.xinhuanet.com/english2010/world/2011-03/10/c\\_13770665.htm](http://news.xinhuanet.com/english2010/world/2011-03/10/c_13770665.htm)

**March 12 “Indian navy detained 61 pirate suspects” (NDTV.com, March 14, 2011)**

On the evening of 12th, the Indian navy’s water jet fast attack craft (a missile corvette) INS *Kalpeni* intercepted a fishing vessel, FV *Vega 5*, which had been used as Somali pirates’ mother boat, in the Arabian Sea about 600 nautical miles west of India. The *Kalpeni* rescued 13 fishermen onboard the fishing vessel, and detained 61 pirate suspects. Investigations of the fishing vessel revealed that the pirate suspects were carrying about 80 to 90 small arms/rifles and a few heavier weapons.

An outline of the article: According to the Indian navy, on the evening of 12th, the Indian navy’s water jet fast attack craft (a missile corvette) INS *Kalpeni* intercepted a fishing vessel, FV *Vega 5*, which had been used as Somali pirates’ mother boat, in the Arabian Sea about 600 nautical miles west of India. The *Vega 5* was a Mozambique-flagged fishing vessel, which had been hijacked on December 28, 2010. According to the Indian navy, when INS *Kalpeni* went on board the FV *Vega 5* which had been tracked by IN maritime patrol aircraft, the *Kalpeni* was fired by two skiffs launched from the pirate mother vessel. INS *Kalpeni* responded with limited firing. Thereafter it was observed that a fire had broken out on the *Vega 5*. Seventy-four personnel on board were seen jumping overboard. They were recovered by the missile corvette INS *Kalpeni*. Of 74, 13 were members of the original crew of the fishing vessel, and 61 were pirate suspects, who were detained. Investigations of the fishing vessel revealed that the pirate suspects were carrying about 80 to 90 small arms/rifles and a few heavier weapons.

Refer to the article: Indian Navy: 61 Somali pirates caught:

<http://www.ndtv.com/article/india/indian-navy-catches-61-pirates-91506>



FV Vega 5

Source: [https://lh6.googleusercontent.com/-08zcWbD7JGQ/TX4MNzmURcI/AAAAAAAAAK4w/](https://lh6.googleusercontent.com/-08zcWbD7JGQ/TX4MNzmURcI/AAAAAAAAAK4w/E3YTG9UglMI/s1600/PReI_110313_AP_Vega5-caught_Page_1_Image_0002.jpg)

[E3YTG9UglMI/s1600/PReI\\_110313\\_AP\\_Vega5-caught Page 1 Image 0002.jpg](https://lh6.googleusercontent.com/-08zcWbD7JGQ/TX4MNzmURcI/AAAAAAAAAK4w/E3YTG9UglMI/s1600/PReI_110313_AP_Vega5-caught_Page_1_Image_0002.jpg)



Indian naval officers distribute food to the captured pirates aboard an Indian naval ship in the Arabian Sea, off the coast of Kochi, India, on Sunday.

Source: [https://lh3.googleusercontent.com/-D05kihSnyX0/TX4MQeqv4cI/AAAAAAAAAK40/G7zdOmRpgE8/s1600/PReI\\_110313\\_AP\\_Vega5-caught\\_Page\\_2\\_Image\\_0001.jpg](https://lh3.googleusercontent.com/-D05kihSnyX0/TX4MQeqv4cI/AAAAAAAAAK40/G7zdOmRpgE8/s1600/PReI_110313_AP_Vega5-caught_Page_2_Image_0001.jpg)

### **March 14 “Somali pirates free Bangladesh-flagged ship” (The Daily Star, March 14, 2011)**

On the 14th, Somali pirates have released the Bangladesh-flagged bulk carrier MV *Jahan Moni*. The vessel was hijacked in the Arabian Sea off the coast of India on December 5, 2010.

An outline of the article: On the 14th, Somali pirates have released the Bangladesh-flagged bulk carrier MV *Jahan Moni*. The vessel was hijacked in the Arabian Sea off the coast of India on December 5, 2010. As a hijacking by Somali pirates, it has occurred in the closed area to the Indian coast. All of its 26 crew members are Bangladeshis. The owner of MV *Jahan Moni*, Brave Royal Ship Management Limited, denied paying any ransom, adding it did not have any information whether the government had paid any ransom.

Refer to the article: Crews, MV Jahan Moni freed

[http://www.thedailystar.net/newDesign/latest\\_news.php?nid=28881](http://www.thedailystar.net/newDesign/latest_news.php?nid=28881)

### **March 16 “Somali pirates hijack Indonesia flagged-vessel” (EU NAVFOR Public Affairs Office, Press Release, March 17, 2011)**

On the 16th, Somali pirates hijacked an Indonesian flagged-bulk cargo carrier owned by the Indonesian company, MV *Sinar Kudus*, approximately 320 nautical miles North East of the island of Socotra in the Somali Basin. The carrier has 20 Indonesian crew members. Within 24 hours of being taken, she was used as the “mother boat.”

An outline of the article: According to the EU NAVFOR, on the 16th, Somali pirates hijacked an Indonesian flagged-bulk cargo carrier owned by the Indonesian company, MV *Sinar Kudus*, approximately 320 nautical miles North East of the island of Socotra in the Somali Basin. The carrier has 20 Indonesian crew members. Within 24 hours of being taken, she was used as the “mother boat.” A skiff with five pirates aboard was launched from MV *Sinar Kudus*, and attacked another Liberian-flagged bulk cargo carrier, the MV *Emperor*, but was repelled by the armed

force from the merchant vessel.

Refer to the article: MV SINAR KUDUS is pirated in the North Arabian Sea and is almost immediately used as a mothership.

<http://www.eunavfor.eu/2011/03/mv-sinar-kudus-is-pirated-in-the-north-arabian-sea-and-is-almost-immediately-used-as-a-mothership/>



MV Sinar Kudus

Source: <https://lh3.googleusercontent.com/-wtOmiIrrUo/TYiILUcVqkI/AAAAAAAAAK5o/wsWmfgowvT8/s1600/Sinar.jpg>

### March 17 “Somali pirates free Tunisian ship” (AFP, March 17, 2011)

On the 17th, Somali pirates released a Panamanian-flagged chemical tanker owned by Tunisian shipping company, MT *Hannibal II*. The tanker’s 31 crew was hijacked in the Indian Ocean on November 11, 2010.

An outline of the article: According to Tunisia's transport ministry, on the 17th, Somali pirates released a Panamanian-flagged chemical tanker owned by Tunisian shipping company, *MT Hannibal II*. The crew is composed of 23 Tunisians, four Filipinos and one each from Croatia, Georgia, Russia and Morocco. A ransom of \$2 million was paid. The ship was hijacked in the Indian Ocean on November 11, 2010.

Refer to the article: Somali pirates free Tunisian ship 'for \$2 million'

<http://www.google.com/hostednews/afp/article/ALeqM5izqZz5edFn4kxtAYtIT9P1nc2bIg?docId=CNG.10c2a9a7a39711b211b57be1ac04db72.1d1>

### March 22 “Hijackings off Malaysia, Waters east of Tioman” (ReCAAP ISC, Press Release, March 22, 2011)

According to the ReCAAP, on the 22nd, an Indonesian-registered tug boat *Marina 26* towing barge *Marine Power 3301* was boarded by a group of more than 10 men armed with knives and parangs when the vessel was underway at approximately 12 nm east of Pulau Tioman, Malaysia. Having tied the crew-members, the pirates locked them in a cabin. Two days later, on the 24th, crew-members were found by the fishing boat passing by. All were saved while drifting after

having been forced onto a life raft. The whereabouts of the tug and barge are still unknown.

An outline of the article: According to the ReCAAP, on the 22nd, an Indonesian-registered tug boat *Marina 26* towing barge *Marine Power 3301* was boarded by a group of more than 10 men armed with knives and parangs when the vessel was underway at approximately 12 nm east of Pulau Tioman, Malaysia. Having tied the crew-members, the pirates locked them in a cabin. Two days later, on the 24th, crew-members were found by the fishing boat passing by. All were saved while drifting after having been forced onto a life raft. The whereabouts of the tug and barge are still unknown. This incident has been reported to the organs concerned in Malaysia, the Philippines and Singapore. The crew members were safe. According to the crew, the pirates appear to have painted the hull in green. According to the ReCAAP, from February to April in 2010, a tug boat was hijacked with a similar trick in the vicinity of this area.

Refer to the article: ReCAAP ISC, Incident Alert

[http://www.recaap.org/DesktopModules/Bring2mind/DMX/Download.aspx?Command=Core\\_Download&EntryId=191&PortalId=0&TabId=78](http://www.recaap.org/DesktopModules/Bring2mind/DMX/Download.aspx?Command=Core_Download&EntryId=191&PortalId=0&TabId=78)



Tug boat *Marina 26*



Barge *Marine Power 3301*

### **March 22-25 “Chinese task force off Somalia escorts WFP vessel” (EU NAVFOR Public Affairs Office, Press Release, March 28, 2011)**

According to the EU NAVFOR, on March 22 to 25, Chinese navy’s guided missile frigate *Maanshan* of the Chinese task force dispatched off Somalia, CTF-528, escorted the World Food Program (WFP) vessel *Amina* from Berbera to Bosasso.

An outline of the article: According to the EU NAVFOR, on March 22 to 25, Chinese navy’s guided missile frigate *Maanshan* of the Chinese task force dispatched off Somalia, CTF-528, escorted the World Food Program (WFP) vessel *Amina* from Berbera to Bosasso. This task was agreed at the meeting between COMEUNAVFOR and the Commander of the Chinese Force (CTF-529) which took place on February 15, resulting in the first historical WFP escort by a Chinese Naval warship.

Refer to the article: Coordination between EU NAVFOR and Chinese Navy produces successful results.

<http://www.eunavfor.eu/2011/03/coordination-between-eu-navfor-and-chinese-navy-produces-successful-results/>



Chinese Naval Ship *Maanshan* escorting the WFP vessel *MV Amina*

Source: EU NAVFOR Public Affairs Office, Press Release, March 28, 2011

### **March 25 “Dutch parliament approves navy troops to be deployed on merchant ships” (Defence Web, March 25, 2011)**

The Dutch parliament has approved the deployment of Dutch troops on board Dutch merchant ships in order to protect them from piracy.

An outline of the article: The Dutch parliament has approved the deployment of Dutch troops on board Dutch merchant ships in order to protect them from piracy. Thirty Dutch sailors will provide security on board two ships sailing under the Dutch flag and a crane ship sailing under the Panamanian flag, all bound for the United Arab Emirates. The sailors will embark in the Indian city of Mumbai on an escort mission. Another 20 Dutch sailors will protect a Dutch ship sailing from China to the Netherlands later this month. They will board the ship at Singapore and disembark in Djibouti after the 22 day journey. The Dutch Ministry of Defence and the shipping companies will share the escort cost

Refer to the article: Dutch troops to be deployed on Dutch merchant ships to protect against

piracy

[http://www.defenceweb.co.za/index.php?option=com\\_content&view=article&id=14390:dutch-troops-to-be-deployed-on-dutch-merchant-ships-to-protect-against-piracy&catid=51:Sea&Itemid=106](http://www.defenceweb.co.za/index.php?option=com_content&view=article&id=14390:dutch-troops-to-be-deployed-on-dutch-merchant-ships-to-protect-against-piracy&catid=51:Sea&Itemid=106)

### March 27 “India navy foils piracy, mother ship put in flame” (Sify News, March 27, 2011)

On the 27th, the Indian Navy and the Coast Guard thwarted a pirate attack in waters west of the Lakshadweep Islands, apprehending 16 pirate suspects and freeing 16 hostages.

An outline of the article: On the 27th, the Indian Navy and the Coast Guard thwarted a pirate attack in waters west of the Lakshadweep Islands, apprehending 16 pirate suspects and freeing 16 hostages. According to the report, on the 26th, upon receipt of a distress message from merchant ship *MV Maersk Kensington* sailing west of Lakshadweep, the Maritime Rescue Co-ordination Center (MRCC) alerted the ships patrolling the vicinity. A TU-142 maritime reconnaissance aircraft on patrol located the suspected pirate vessel, and the navy’s destroyer *INS Suvarna* went to the area to intercept the pirate vessel. Coast Guard Ship ICGS *Sangram*, also on patrol, was diverted to the scene. *INS Suvarna* identified the suspicious vessel as *FV Morteza*, an Iranian trawler hijacked by the pirates and being used as the mother vessel for piracy operations. When *INS Suvarna* ordered the vessel to stop, the pirates instead opened fire. *INS Suvarna* then engaged the pirate vessel in self-defense, resulting in *Morteza* catching fire due to the fuel drums. *INS Suvarna* rescued hostages and pirate suspects. Of 16 hostages, 12 were Iranians and four were Pakistanis.

Refer to the article: Another piracy attempt foiled, 16 pirates held

<http://www.sify.com/news/another-piracy-attempt-foiled-16-pirates-held-news-national-1d1tahciefb.html><http://3.bp.blogspot.com/-8nPC1fdrzI/TYz3WwOc7dI/AAAAAAAAAK6c/CmPbWdhfYi0/s1600/FV.jpeg>



*FV Morteza*

Source: <http://3.bp.blogspot.com/-8nPC1fdrzI/TYz3WwOc7dI/AAAAAAAAAK6c/CmPbWdhfYi0/s1600/FV.jpeg>

**March 28 “PNP deploys new gunboats to patrol western seas” (Manila Bulletin, March 28, 2011)**

Director General Raul Bacalzo, chief of the Philippine National Police (PNP), said the PNP deployed four patrol boats provided by the United States to Special Boat Unit (SBU) to commence patrols in Palawan and western part of Mindanao.

An outline of the article: Director General Raul Bacalzo, chief of the Philippine National Police (PNP), said the PNP deployed four patrol boats provided by the United States to Special Boat Unit (SBU) to commence patrols in Palawan and western part of Mindanao. The SBU is employed not only to focus on preventing drug shipments but also to be used for environmental protection, maritime law enforcement like operations against pirates and search and rescue during disasters at sea. The SBU will form part of a tri-lateral security system that will ensure maritime security in the international sea lanes in the waters off Palawan and in the Sulu-Sulawesi Sea, bordering the Philippines, Malaysia and Indonesia. The SBU, manned by 112 members of the PNP's Maritime Group, was activated in 2007 on the initiative of the US State Department under its International Criminal Investigative Training Assistance Program (ICITAP). In August 2010, the SBU formally received from the US government four 31-footer RBB-type gunboats. Each gunboat could reach speeds up to 51 knots. It is fully equipped with navigation, communication and weapons systems. A corresponding US ICITAP grant also provided the technical assistance and logistics for support facilities of the SBU. The Philippines hosts at least six international sea lanes that are integral segments of the global supply chain. Two of these pass through south and west portions of the Palawan. “As a party to many international treaties, the Philippines carries obligations for the protection of these international sea lanes and for responsible marine management including enforcement of provisions concerning environmental and safety issues,” Bacalzo added.

Refer to the article: New police gunboats to patrol western seas

<http://www.mb.com.ph/articles/311737/new-police-gunboats-patrol-western-seas>

**March 28 “Spanish warship detains 11 suspected pirates” (EU NAVFOR Public Affairs Office, Press Release, March 30, 2011)**

On the 28th, the Spanish navy's frigate ESPS *Canarias* held a suspected Pirate Action Group (PAG), consisting of a whaler-style boat and a skiff, 260 Nautical Miles North-West of the Seychelles.

An outline of the article: On the 28th, the Spanish navy's frigate ESPS *Canarias* held a suspected Pirate Action Group (PAG), consisting of a whaler-style boat and a skiff, 260 Nautical Miles North-West of the Seychelles. According to the EUNAVFOR, on the early morning of the 28th, the Seychellois-flagged fishing vessel reported that a whaler and a skiff had approached her in a suspicious manner with automatic weapons and a Rocket Propelled Grenade (RPG) clearly visible. Launching her SH-60B helicopter to investigate further, the EUNAVFOR ESPS *Canarias* immediately made her way to the scene. The helicopter observed the occupants of the whaler in the vicinity throwing items of equipment overboard. After the whaler and the skiff were stopped



by ESPS *Canarias*, a boarding team from the *Canarias* detained 11 suspected pirates, captured the whaler, and destroyed the skiff. The 11 suspected pirates were transferred to the Seychelles for prosecution.

Refer to the article: EUNAVFOR Spanish Warship disrupts suspected pirates North-West of Seychelles.

<http://www.eunavfor.eu/2011/03/eunavfor-spanish-warship-disrupts-suspected-pirates-north-west-of-seychelles/>

### **March 28 “Somali pirates hijack Kuwaiti tanker” (EU NAVFOR Public Affairs Office, Press Release, March 28, 2011)**

On the morning of the 28th, a UAE-flagged and Kuwaiti-owned Crude Oil Tanker, the MV *Zirku*, was hijacked by Somali pirates approximately 250 nautical miles South East of Salalah in the eastern part of the Gulf of Aden. The vessel was on its way to Singapore from Bashayer (Sudan). The MV *Zirku* has a crew of 29.

An outline of the article: On the morning of the 28th, a UAE-flagged and Kuwaiti-owned Crude Oil Tanker, the MV *Zirku*, was attacked and hijacked by Somali pirates in two skiffs firing RPGs and small arms approximately 250 nautical miles South East of Salalah in the eastern part of the Gulf of Aden. The *Zirku* has a crew of 29 (1 Croatian, 1 Iraqi, 1 Filipino, 1 Indian, 3 Jordanians, 3 Egyptians, 2 Ukrainians and 17 Pakistanis).

Refer to the article: MV ZIRKU pirated in the Eastern part of the Gulf of Aden

<http://www.eunavfor.eu/2011/03/mv-zirku-pirated-in-the-eastern-part-of-the-gulf-of-aden/>



*MV Zirku*

Source: EU NAVFOR Public Affairs Office, Press Release, March 28, 2011

## **1.2 Military Developments**

### **March 1-10 “Singapore, Malaysia conduct bilateral maritime exercise” (MINDF, Singapore, March 10, 2011)**

The Republic of Singapore Navy (RSN) and the Royal Malaysian Navy (RMN) conducted Exercise Malapura, a bilateral maritime exercise, from March 1 to 10, 2011.

An outline of the article: The Republic of Singapore Navy (RSN) and the Royal Malaysian Navy (RMN) conducted Exercise Malapura, a bilateral maritime exercise, from March 1 to 10, 2011. Hosted by Malaysia, this year's exercise is the 21st in the series held since 1984. During the exercise, both navies carried out joint planning and training at the Lumut Naval Base and conducted drills in conventional naval warfare and maritime security in the Malacca Strait. The RSN took part in the exercise with a frigate, a missile corvette and a patrol vessel, while the RMN participated with a corvette and two patrol vessels.

Refer to the article: Singapore and Malaysian navies conduct bilateral maritime exercise

[http://www.mindef.gov.sg/imindef/mindef\\_websites/atozlistings/navy/newsevents/ExMalapura.html](http://www.mindef.gov.sg/imindef/mindef_websites/atozlistings/navy/newsevents/ExMalapura.html)

### **March 2 “The Decline of U.S. Naval Power” (The Wall Street Journal, March 2, 2011)**

Mark Helprin, a senior fellow at the U.S. think tank, The Claremont Institute, contributed an article titled “The Decline of U.S. Naval Power” to the U.S. newspaper, *The Wall Street Journal*, dated March 2. In the article, Helprin gives a warning that, while the Chinese navy is being expanded, the U.S. Navy’s world-wide bases and the number of the naval vessels continue to decrease. Helprin mentions, as China's navy rises and the U.S. Navy declines, not that far in the future the trajectories of showing a transition of naval powers of both nations will cross. In addition, Helprin says that, as the most-advanced technological nation, the United States can afford to build a fleet worthy of its past and sufficient to its future.

An outline of the article: Mark Helprin, a senior fellow at the U.S. think tank, The Claremont Institute, contributed an article titled “The Decline of U.S. Naval Power” to the U.S. newspaper, *The Wall Street Journal*, dated 2 March. In the article, Helprin gives a warning that, while the Chinese navy is being expanded, the U.S. Navy’s world-wide bases and the number of the naval vessels continue to decrease, and mentions that the United States, as the most-advanced technological nation, could afford to build the naval forces required. The gist of his article is as follows:

- (1) First Britain and then the U.S. have been the guarantors of the open oceans. The nature of this task demands a strong, large blue-water fleet. With the loss of a large number of important bases world-wide, if and when the U.S. projects military power, it must do so most of the time from its own territory or the sea. Safe from insurgencies in the areas, the fleets are instruments of undeniable utility in support of allies and response to aggression. Forty percent of the world's population lives within range of modern naval gunfire, and more than two-thirds within easy reach of carrier aircraft. Nothing is better or safer than naval power and presence to preserve the often fragile reticence among nations, to protect American interests and those of our allies, and to prevent the wars attendant to imbalances of power and unrestrained adventurism.
- (2) However, we have the smallest navy in almost a century, declining in the past 50 years to 286 from 1,000 principal combatants. In particular, at the present it has been reduced by 17% since 1998, which applies to a navy that unlike its wartime predecessors was not previously built up. These are reductions upon reductions. Nor can there be comfort in the fact that modern ships

are more capable. So are the ships of potential opponents. And even if the capacity of a whole navy could be packed into a small number of super ships, they could be in only a limited number of places at a time, and the loss of just a few of them would be catastrophic.

- (3) As China's navy rises and ours declines, not that far in the future the trajectories will cross. Rather than face this, we seduce ourselves with redefinitions such as the vogue concept that we can block with relative ease the straits through which the strategic materials upon which China depends must transit. But in one blink this would move us from the canonical British/American control of the sea to the insurgent model of lesser navies such as Germany's in World Wars I and II and the Soviet Union's in the Cold War. If we cast ourselves as insurgents, China will be driven even faster to construct a navy that can dominate the oceans, a complete reversal of fortune of both nations.
- (4) The United States Navy need not follow the Royal Navy into near oblivion. The United States has five times the population and almost six times the gross domestic product (GDP) of the U.K., and unlike Britain we were not exhausted by the great wars and their debt, and we neither depended upon an empire for our sway nor did we lose one. Abdicating our more than half-century stabilizing role on the oceans, neglecting the military balance, and relinquishing a position we are fully capable of holding will bring tectonic realignments among nations. As the most-advanced technological nation with a GDP of \$14 trillion, the United States can afford to build a fleet worthy of its past and sufficient to its future.

Refer to the article: The Decline of U.S. Naval Power

<http://online.wsj.com/article/SB10001424052748704150604576166362512952294.html>

### **March 3 “Russian Navy to refurbish 300 vessels in 2011” (Barents Observer, March 3, 2011)**

The Russian Navy has ordered maintenance of nearly 300 vessels, including large anti-submarine vessels, strategic submarines, the NF's flag vessel- the nuclear powered battle cruiser *Pyotr Veliky*, and Russia's only aircraft carrier *Admiral Kuznetsov*, at the Zvezdochka shipyard outside Arkhangelsk in 2011.

An outline of the article: The Russian Navy has ordered maintenance of nearly 300 vessels,, at the Zvezdochka shipyard outside Arkhangelsk in 2011. The state order for 2011 is 71 percent higher than 2010. Zvezdochka will conduct maintenance on 208 vessels from the Northern Fleet (NF), including large anti-submarine vessels, strategic submarines, the NF's flag vessel- the nuclear powered battle cruiser *Pyotr Veliky*, and Russia's only aircraft carrier *Admiral Kuznetsov*. All vessels belonging to the NF will be repaired at Zvezdochka's plants in Severodvinsk and the Murmansk region. In addition to the NF vessels, Zvezdochka has also received orders for maintenance of 55 vessels from the Caspian Flotilla and 24 vessels from the Novorossiysk Naval base in the Black Sea, which will be handled the company's yards in Astrakhan and the Krasnodar Kray.

Refer to the article: Huge state orders for Zvezdochka shipyard

<http://www.barentsobserver.com/huge-state-orders-for-zvezdochka-shipyard.4892173-58932.html>

### **March 9 “China Daily: MB classifies JMSDF destroyer *Hyuga* as Aircraft Carrier” (China Daily, March 9, 2011)**

The Chinese newspaper *China Daily* dated the 9th carried an article titled “Japan joins elite aircraft carrier club.” In the article, it is reported that *the Military Balance* (MB) 2010 issued by the International Institute for Strategic Studies (IISS) has classified the Japanese Maritime Self-Defense Force (JMSDF)’s defense ship *Hyuga* (13,500 tons) as an aircraft carrier, which means China now has four Asian neighbors with the giant vessels. Russia, India and Thailand are reported to each have at least one aircraft carrier in service.

An outline of the article: The Chinese newspaper *China Daily* dated the 9th carried an article titled “Japan joins elite aircraft carrier club.” In the article, it is reported that *the Military Balance* 2010 issued by the International Institute for Strategic Studies (IISS) has classified the Japanese Maritime Self-Defense Force (JMSDF)’s defense ship *Hyuga* (13,500 tons) as an aircraft carrier, which means China now has four Asian neighbors with the giant vessels. Russia, India and Thailand are reported to each have at least one aircraft carrier in service. The gist of the report is as follows:

- (1) Gary Li, an expert on Asian military affairs at the IISS and chief researcher of the East Asia section of *Military Balance* 2011, said, “The *Hyuga* is not yet as powerful as the JMSDF would like it to be, mainly because there are no F-35s (fighter jets) as yet. However, once Japan acquires F-35s or another suitable short take-off aircraft for the *Hyuga* class, it will have a greatly increased expeditionary capability, and can operate in conjunction with the United States more and more in regional security operations.” Li said the JMSDF is “very powerful” in terms of capabilities. “Its assets are arguably the second best after the US. The ships are modern, powerful, and with a wide range of services. However they suffer from the same problems as the Chinese navy in that it lacks expeditionary capabilities and also the crew lacks real battle experience.”
- (2) Christian Le Miere, research fellow for Naval Forces and Maritime Security at the IISS, said Japan's naval power is superior to China's. He said Beijing's “main strategy” is still to “deter or prevent US intervention into Taiwan contingency for as long as possible.” Japan already launched the second of the vessels, the *Ise*, as early as 2009. (Regarding the overseas reports when the *Hyuga* was launched, refer to the OPRF MARINT Monthly Report, August 2007, 1. 2 Military.)

Refer to the article: Japan joins elite aircraft carrier club

[http://www.chinadaily.com.cn/cndy/2011-03/09/content\\_12139002.htm](http://www.chinadaily.com.cn/cndy/2011-03/09/content_12139002.htm)

### **March 10 “US-Australian Cooperation in the Indian Ocean needed” (The Wall Street Journal, March 10, 2011)**

Thomas G. Mahnken at the United States Naval War College and Andrew Shearer at the Australia’s Lowy Institute for International Policy jointly contributed an article entitled “Leading in the Indian Ocean” to the U. S. newspaper, *The Wall Street Journal*, on the 10th. Authors advocate that, if Beijing challenges freedom of navigation in the Indo-Pacific, the United States

and Australia should rally regional countries in defense of keeping the world's crucial sea lanes open, and build a web of informal bilateral security arrangements between the U.S., Australia, India and Japan, to link these partners, and any others who would like to participate, in a seamless intelligence and surveillance network to monitor maritime security developments.

An outline of the article: Thomas G. Mahnken at the United States Naval War College and Andrew Shearer at the Australia's Lowy Institute for International Policy jointly contributed an article entitled "Leading in the Indian Ocean" to the U. S. newspaper, *The Wall Street Journal*, on the 10th. Two authors advocate in the article that the necessity of military cooperation between the United States and Australia is increasing to maintain the freedom of navigation in the Indian Ocean, the gist of which is as follows:

- (1) Now U.S. and Australian interest in the Indian Ocean is taking on a new dimension. China's current military focus may be on the Western Pacific areas, including the South China and East China Sea which have a dispute over territorial rights. There are already signs, however, that the Asian maritime competition triggered by China's rapid military modernization is spilling over into the Indian Ocean.
- (2) China's deployment of a task force off Somalia is pricking concerns in India, which was already sensitive to reports China is seeking to develop ports in Burma, Sri Lanka and Pakistan—the so-called "string of pearls." But it pricked concerns in New Delhi, which was already sensitive to reports China is seeking to develop ports in Burma, Sri Lanka and Pakistan—the so-called "string of pearls." In time, China's development of a blue-water navy could jeopardize India's longstanding preeminence within its eponymous ocean.
- (3) The U.S. and Australia, both as maritime democracies, cannot regard these events with equanimity. China's growing military reach and assertiveness are fuelling neighbors' uncertainty about its strategic intentions. As a result, a web of informal bilateral security arrangements is springing up between the U.S., Australia, India and Japan. But Beijing's challenge to freedom of navigation in the Indo-Pacific means these countries should be thinking about bringing together their proliferating bilateral maritime security links in a collective arrangement, one that could pool resources to mount rapid responses to natural disasters and other contingencies and work together to keep Asia's vital sea lanes open. Given its geography as the keystone of the Association of Southeast Asian Nations (ASEAN), Indonesia could be a key player in such a grouping.
- (4) The U.S. and Australia should rally regional countries in defense of keeping the world's crucial sea lanes open. A vital first step would be to link these partners, and any others who would like to participate, in a seamless intelligence and surveillance network to monitor maritime security developments. America and Australia should also encourage Asian partners to develop compatible capabilities in key areas such as undersea warfare and exercise those capabilities collectively. Moreover, Australia should ensure that its new submarines are interoperable with counterparts from the U.S. and Japan and can operate from forward bases such as Guam. And Australia should not take off the table the option of acquiring U.S.-built nuclear-powered submarines if they offer the best fit with Australia's future needs. Providing

greater access for major U.S. naval and air assets—perhaps ports and airports on Australia's Indian Ocean coast—would be a good place to start.

Refer to the article: Leading in the Indian Ocean

[http://online.wsj.com/article/SB10001424052748704132204576190052669099280.html?mod=WSJ\\_Opinion\\_LEFTTopBucket](http://online.wsj.com/article/SB10001424052748704132204576190052669099280.html?mod=WSJ_Opinion_LEFTTopBucket)

### **March 18 “India, Singapore hold war game”(News One, March 24, 2011)**

The Indian Navy and Singaporean counterpart conducted a week-long annual, joint war game in the South China Sea dubbed the ‘Simbex’ exercise, which began March 18.

An outline of the article: The Indian Navy and Singaporean counterpart conducted a week-long annual joint war game in the South China Sea dubbed the ‘Simbex’ exercise, which began March 18. The exercise is the 18th in a series that began in 1994. Hosted by Singapore this year, the exercise is witnessing joint naval warfare training involving air, surface and sub-surface dimensions, aimed at enhancing the interoperability and mutual understanding between the two navies.

Refer to the article: Indian, Singaporean navies hold war game in China’s backyard

<http://www.inewsone.com/2011/03/24/indian-singaporean-navies-hold-war-game-in-chinas-backyard-2/38190>

### **March 21 “Indonesia: PT PAL delivers landing ship to navy” (Baird Maritime, March 24, 2011)**

On the 21st, Indonesia’s state-owned shipbuilder PT PAL delivered a landing platform dock ship KRI *Banda Aceh* to the Indonesian defense ministry. The 125-meter landing platform dock ship was designed specially as a military ship capable of carrying troops, combat and tactical vehicles and helicopters.

An outline of the article: On the 21st, Indonesia’s state-owned shipbuilder PT PAL delivered a landing platform dock ship KRI *Banda Aceh* to the Indonesian defense ministry. The 125-meter landing platform dock ship was designed specially as a military ship capable of carrying troops, combat and tactical vehicles and helicopters. Before being handed over, the ship had already undergone a series of tests sailing to judge its performance. “All the targets set according to contracts tested have been met,” said the President of PT PAL. “Some capabilities have even surpassed targets such as the ship’s speed set in the contract at 15 knots but in the test the ship could sail up to 15.2 knot.” KRI *Banda Aceh* is the fourth of its kind produced by PT PAL in partnership with Daewoo in South Korea.

Refer to the article: Indonesia: PT PAL delivers warship to defense ministry

[http://www.bairdmaritime.com/index.php?option=com\\_content&view=article&id=9669:indonesia-pt-pal-delivers-warship-to-defence-ministry&catid=73&Itemid=65](http://www.bairdmaritime.com/index.php?option=com_content&view=article&id=9669:indonesia-pt-pal-delivers-warship-to-defence-ministry&catid=73&Itemid=65)

### **March 21 “Thailand buys 2 second-hand German subs” (Jane’s, March 23, 2011)**

Thailand agreed to buy two second-hand Type 206A diesel electric submarines from Germany.

Types 206A's are two of four submarines that the German navy retired in late 2010, which are 35 years old.

An outline of the article: On the 21st, a senior officer from the Royal Thai Navy (RTN) said Thailand agreed to buy two second-hand Type 206A diesel electric submarines from Germany. Types 206A's are two of four submarines that the German navy retired in late 2010, and they are 35 years old. Payment for the purchase is understood to be about USD220 million, which are expected to be sourced from defense budget for Fiscal Year 2012 (FY12), which commences in October. The RTN also held discussions with Swedish shipbuilder Kockums about the availability of *Gotland*-class class submarines.

Refer to the article: Thailand agrees to German submarine procurement

[http://www.janes.com/products/janes/defence-security-report.aspx?ID=1065929236&pu=1&rd=janes\\_com#](http://www.janes.com/products/janes/defence-security-report.aspx?ID=1065929236&pu=1&rd=janes_com#)

### **March 24 “Korean Navy launches 3rd Aegis Destroyer” (The Chosun Ilbo, March 25, 2011)**

On 24th, the South Korea Navy's third Aegis destroyer, *Seoae Ryu Seong-ryong*, was launched at Hyundai Heavy Industries in Ulsan, being watched by military, government and business leaders including Defense Minister Kim Kwan-jin. The *Seoae Ryu Seong-ryong* is the same class as the two other Aegis destroyers, the *King Sejong the Great* and the *Yulgok Yi Yi*, already in service. With three of them, the South can monitor and track an entire area in the North.

An outline of the article: On 24th, the South Korea Navy's third Aegis destroyer, *Seoae Ryu Seong-ryong*, was launched at Hyundai Heavy Industries in Ulsan, being watched by military, government and business leaders including Defense Minister Kim Kwan-jin. The *Seoae Ryu Seong-ryong* is the same class as the two other Aegis destroyers, the *King Sejong the Great* and the *Yulgok Yi Yi*, already in service. South Korea has now three Aegis destroyers. The *Seoae Ryu Seong-ryong* is equipped with anti-submarine weapons and carries 16 Hongsangeo (Red Shark) Korean-made torpedoes with a range of 20 km, two Lynx anti-submarine helicopters, and Korean-made Chungsangeo (Blue Shark) light torpedoes. Like the *King Sejong the Great*, the *Seoae Ryu Seong-ryong* is capable of tracking North Korean ballistic missiles up to 1,000 km away. In April 2009, the *King Sejong the Great* accurately tracked the trajectory a North Korean long-range missile launched from Musudan-ri in North Hamgyong Province. Aegis destroyers are tasked to detect ballistic missiles as soon as the North launches them. With three of them, the South can monitor and track an entire area in the North. But they cannot yet intercept incoming ballistic missiles. The military is considering the purchase of SM-6 missiles once the U.S. finishes developing them.

Refer to the article: Korea Launches 3rd Aegis Destroyer

[http://english.chosun.com/site/data/html\\_dir/2011/03/25/2011032501098.html](http://english.chosun.com/site/data/html_dir/2011/03/25/2011032501098.html)

## 1.3 Maritime Boundaries

### March 2 “China harasses Philippine oil exploration ships around Spratly Islands” (Star Advertiser, March 3, 2011)

According to the Philippine military, on the 2nd, two Chinese patrol boats harassed a Philippine ship which had been deployed to secure the oil exploration activity at the Reed Bank of the Spratly Islands. Afterwards, the Philippine military deployed an OV-10 bomber plane and an Islander light aircraft to the Reed Bank to undertake surveillance.

An outline of the article: According to Lt. Gen. Juancho Sabban who heads the military's Western Command, on the 2nd, two Chinese patrol boats harassed a Philippine ship which had been deployed to secure the oil exploration activity at the Reed Bank of the Spratly Islands. The Chinese boats maneuvered close at least twice, apparently trying to show that they would ram the Philippine vessel only to turn away when they got close. Philippine officials said the Reed Bank is clearly within Philippine territory. Afterwards, the Philippine military deployed an OV-10 bomber plane and an Islander light aircraft to the Reed Bank to undertake surveillance.

Refer to the article: Philippines sends warplanes near disputed islands

<http://www.staradvertiser.com/news/breaking/117310943.html>

### Water Wars

Competing territorial claims have led to maritime disputes off Asia.



Source: The Wall Street Journal, March 4, 2011



**【Related Story】****“RP to install radars on Manila-claimed islands in Spratlys” (Manila Standard Today, March 8, 2011)**

The Republic of the Philippines (RP) will install radar equipment on nine islands in the disputed Spratlys to monitor intrusions and deploy three patrol vessels to secure a government oil survey ship in the area where sovereignty is disputed with China.

An outline of the article: On the 7th, RP's Western Command chief Lt. Gen. Juancho Sabban said the military will install radar equipment on nine islands in the disputed Spratlys to monitor intrusions and deploy three patrol vessels to secure a government oil survey ship in the area where sovereignty is disputed with China.

Refer to the article: Military to install radars on nine Spratly islands

<http://www.manilastandardtoday.com/insideNews.htm?f=2011/march/8/news1.isx&d=2011/march/8>

**March 3 “Viet Nam protests against China's military drill” (Viet Nam News, March 4, 2011)**

On the 3rd, the Vietnamese Foreign Ministry (FM) has expressed indignation at the military drill conducted by China near Truong Sa (Spratly) Archipelago at the end of February. “The exercise is a gross violation of Viet Nam's sovereignty over the archipelago and runs totally against the Declaration of Conduct in the East Sea (DOC) signed by ASEAN and China in 2002,” the FM said.

An outline of the article: On the 3rd, the Vietnamese Foreign Ministry (FM) has expressed indignation at the military drill conducted by China near Truong Sa (Spratly) Archipelago. “The exercise is a gross violation of Viet Nam's sovereignty over the archipelago and runs totally against the Declaration of Conduct in the East Sea (DOC) signed by ASEAN and China in 2002,” the FM said. The FM demanded that China strictly implement the DOC, helping maintain peace in the East Sea (South China Sea). According Chinese news agency Xinhua dated February 24, China sent a detachment of the Chinese navy to conduct an exercise designed to combat piracy at sea in the waters around Truong Sa (Spratly) Archipelago.

Refer to the article: Viet Nam expresses outrage over China's military drill

<http://vietnamnews.vnagency.com.vn/Politics-Laws/208985/Viet-Nam-expresses-outrage-over-Chinas-military-drill.html>

**【Related Story】****“China reiterates its claim over Spratly islands” (Channel News Asia, March 9, 2011)**

On the 8th, a Chinese foreign ministry spokesperson reiterated its claim over the Spratly islands after the Philippines and Vietnam protested to Beijing over the islands.

An outline of the article: On the 8th, a Chinese foreign ministry spokesperson reiterated its claim over the Spratly islands after the Philippines and Vietnam protested to Beijing over the

islands. “China holds indisputable sovereignty over the South China Sea (SCS) islands and their adjacent waters,” the spokesperson said. “We have been committed to dialogue and consultation to properly solve the SCS dispute and work with relevant countries to safeguard peace and stability in the SCS.”

Refer to the article: China stakes claim on disputed islands after spats

[http://www.channelnewsasia.com/stories/afp\\_asiapacific/view/1115202/1/.html](http://www.channelnewsasia.com/stories/afp_asiapacific/view/1115202/1/.html)

### **March 31 “RP refurbishing facilities at Pag Asa in Spratlys” (The Straits Times, March 31, 2011)**

According to Philippine military chief Eduardo Oban, the Philippines have commenced works to upgrade military facilities on Manila-claimed Pag Asa in the Spratly Islands and to accelerate a gas exploration project in waters contested by both China and the Philippines. China protested that that oil and gas exploration activities by any country or company in the waters under China's jurisdiction without permission of the Chinese government constitute a violation of China's sovereignty, rights and interests.

An outline of the article: According to Philippine military chief Eduardo Oban, the Philippines have commenced works to upgrade military facilities on Manila-claimed Pag Asa in the Spratly Islands and to accelerate a gas exploration project in waters contested by both China and the Philippines. The Philippine armed forces announced that it will start repairs on its deteriorating runway on Pag Asa Island, the largest of nine areas occupied by the Philippines in the Spratlys. “We shall continue our presence in the area, most particularly in the protection of our maritime resources within our territory,” Oban said. Regarding exploitation of energy, an expert on Philippine maritime issues, Professor Rommel Banlaoi, said: “The search for energy security is propelling claimants to behave more aggressively in proving and strengthening their ownership of disputed features in the South China Sea.” On the other hand, on the 25th, a spokesperson of China's foreign ministry China said: “Oil and gas exploration activities by any country or company in the waters under China's jurisdiction without permission of the Chinese government constitute a violation of China's sovereignty, rights and interests.” Professor Banlaoi visited Pag Asa Is in 2009.

Refer to the article: Philippines stirs waters off Spratlys

<http://www.asianewsnet.net/home/news.php?id=18218&sec=1>



Pag Asa (Thitu) Island

Source: Presentation Slide by Prof. Rommel Banlaoi at the International Conference on Maritime Security Environment in East Asian Waters organized by the Ocean Policy Research Foundation (OPRF), on February 16-17, 2011

## 1.4 Diplomacy and International Relations

### March 4 “Timor-Leste sends formal application to join ASEAN” (People’s Daily Online, March 4, 2011)

On the 4th, meeting with his Indonesian counterpart Marty Natalegawa in Jakarta, Timorese Foreign Minister (FM) Zacaria Albano da Cost has sent a formal application to join the Association of Southeast Asia Nation (ASEAN) to Indonesia as the current chair of the bloc. Indonesia fully supports Timor-Leste to join ASEAN.

An outline of the article: On the 4th, meeting with his Indonesian counterpart Marty Natalegawa, Timorese Foreign Minister (FM) Zacaria Albano da Cost has sent a formal application to join the Association of Southeast Asia Nation (ASEAN) to Indonesia as the current chair of the bloc. Indonesia fully supports Timor-Leste to join ASEAN. According to Indonesian FM Marty Natalegawa, there is a serious effort of ASEAN for many years to reach economic integration by addressing development gap between original ASEAN member states and the CLNV (Cambodia, Laos, Myanmar and Vietnam). Minister da Costa said, “I understand that there are problems of gap in some ASEAN countries, but I believe that we would not be a burden for ASEAN. For the last three consecutive years, Timor-Leste has been gaining economic growth of double digit. Our natural resources will sustain our economy.”

Refer to the article: Timor-Leste sends formal application to join ASEAN

<http://english.peopledaily.com.cn/90001/90777/90851/7308694.html>

**March 11 “Unstringing China’s strategic pearls” (Asia Times Online, March 11, 2011)**

Billy Tea, a journalist and strategic analyst, has contributed a full page article titled “Unstringing China's strategic pearls” to the Asian Times Online, Web edition dated 11th. Regarding the so-called China’s “String of Pearls,” the article concludes that the “String of Pearls” theory comes undone, based on his verification of ascertaining the truth of each “pearl.” It is significant that all governments of the nations concerned, where the ports of “pearls” are located, have strongly refuted speculation that China would be allowed to use their sovereign port as military bases, present or future.

An outline of the article: Billy Tea, a journalist and strategic analyst, has contributed a long article titled “Unstringing China's strategic pearls” to the Asian Times Online, Web edition dated 11th. Regarding so-called “String of Pearls” or a series of “pearls (bases)” that China has been deploying along its Sea Lines of Communication (SLOC) stretching from the South China Sea (China) to the Indian Ocean, it has called for speculation, in various ways, that Beijing may have a strategy with an outlook on military use in future. In the article, the author mentions truth and fiction over each “pearl”, an outline of which is as follows:

- (1) Bangladesh's Chittagong port is the country's principal seaport, currently handling around 92% of its import-export trade. Bangladeshi authorities along with their Chinese counterparts set out an \$8.7 billion development plan to raise bulk cargo handling capacity to 100 million tons and containers handling of three million 20 feet equivalent unit containers annually by 2055. The plan also involves the development of a deep sea port and a road connecting Bangladesh to China via Myanmar. The strengthening of Sino-Bangladeshi relations is a matter of strategic concern for both India and the US. Bangladesh Foreign Minister Dipu Mani said that Bangladesh was acting as a “bridge” between China and India and would never let its territory be used for military purposes.
- (2) Myanmar's Sittwe port is situated approximately 265 kilometers south of Chittagong. It was India - not China- that agreed to a contract with Myanmar in April 2009 for the development of the so-called Kaladan Transport Project, which includes plans for the development of the Sittwe port. The Indian company Essar Projects is currently building a coastal port at Sittwe and a river jetty at Paletwa. Additionally, as part of the same project, 120 kilometers of road will be built in Myanmar from the river terminal in Paletwa to the India-Myanmar border in the northeast. The project is scheduled for completion in three years at a cost of between \$75 and \$120 million, which will be financed entirely by New Delhi.
- (3) China’s main interest in Myanmar is in the Kyaukphyu port and its access to the Bay of Bengal in order to pipe oil and gas from the Middle East and Africa to its land-locked southern and western hinterlands. Beijing is currently building two parallel oil and gas pipelines that will connect Kyaukphyu port to the Chinese city of Kunming in southern Yunnan province. It will allow China to avoid the potential strategic choke point of the Malacca Strait. The estimated construction cost of both pipelines is \$3.5 billion, in addition to the development of an offshore gas field worth \$3 billion, both of which will be financed

largely by China. (Regarding construction of pipe lines, refer to the OPRF MARINT Monthly Report, October 2010, 1. 5 Shipping, Shipbuilding and Harbors.)

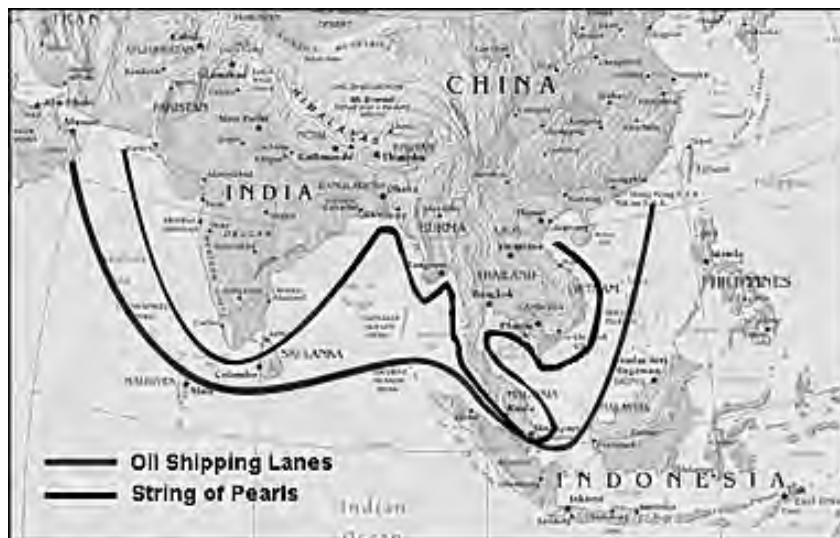
- (4) Myanmar's Coco Islands (located north of Nicobar Islands), another supposed "pearl", have been allegedly used by China to gather signal Intelligence (SIGINT) and electronic Intelligence (ELINT) in the east Indian Ocean. Moreover, recent news reports have claimed China intends to build naval bases on the islands in order to observe Indian naval and missile launch facilities in the Andaman and Nicobar Islands to the south and movements of the Indian navy and other navies throughout the eastern Indian Ocean. Because of the controversy, China and Myanmar invited Indian officers to visit the contentious premises. In 2006, Indian naval delegations were unable to find any evidence to confirm these intelligence-gathering suspicions. The radars they inspected on the islands were characterized as "rudimentary". In September 2009, Vice Admiral Anup Singh, flag officer commanding-in-chief of India's Eastern Naval Command, stated that up until then there had been no signs of Chinese naval movements in the region. A 2008 report entitled "Burma's Coco Islands: Rumors and Realities in the Indian Ocean" written by Myanmar security expert Andrew Selth argued that the lack of verifiable data regarding China's involvement in the Coco Islands had complicated the issue, and led to the "myth" of a Chinese military base on the Coco Islands. As of late 2009, there was no tangible evidence of China's military presence in the region and its supposed use of the Sittwe port for military activities.
- (5) Regarding Sri Lanka's Hambantota port, Sri Lankan government has proposed to build a modern port facility near the existing harbor and first pitched the idea in 2005 to India. But New Delhi was not interested in the project. China later agreed to fill the financing gap. In February 2007, Sri Lanka and China signed eight agreements, including the Hambantota project. By 2023, Hambantota is projected to have a liquefied natural gas refinery, aviation fuel storage facilities, three separate docks to give the port a transshipment capacity and dry docks for ship repairs and construction. The Hambantota project is part of a larger \$6 billion post-war infrastructure revitalization drive and China is among many countries now actively investing in the country. However, Sri Lankan government has strongly repudiated any hints that China was given preferential treatment over other bidders.
- (6) Pakistan's Gwadar port is considered the last on the chain of "pearls". Although China contributed an estimated 80% of Gwadar's construction costs, the port has actually been run by the Port of Singapore Authority (PSA) since 2007 and contractually will be for the next 40 years. In 2009, Gwadar port handled about \$700 million in cargo, less than half of its capacity, and PSA has apparently not invested any of the agreed \$525 million it pledged in its agreement with the government. The dispute has sparked rumors about a possible Chinese "takeover" of the port. On the other hand, India helped to construct Chabahar port in Iran, partly due to its proximity. It is easier to get to Afghanistan and Central Asian Republics (CAR) from Chabahar than from Gwadar. So far, China has preferred to use the port facilities at Karachi rather than Gwadar for rest and replenishment for the ships involved in anti-piracy operations. This seems to undermine the hypothesis that it plans to eventually

use Gwadar as a military facility. (Regarding competition between China and India for Gwadar port and Chabahar port, refer to the OPRF MARINT Monthly Report, January 2011, 1. 4 Diplomacy and International Relations.)

- (7) Judging from the current status of respective “pearls” mentioned above, the “String of Pearls” theory quickly comes undone. With the exception of Hainan Island, where China has built a military base in Sanya on its own territory – first “pearl”, there is no clear sign that China has military base ambitions in Chittagong, Gwadar, Hambantota, or Sittwe. It is significant that governments in all the concerned countries have strongly refuted speculation that China would be allowed to use their sovereign ports as military bases, present or future. It is in each of the Indian Ocean countries' interest to balance Chinese, Indian, and US influence in the region. And all the evidence available so far indicates that's precisely what they are doing.

Refer to the article : Unstringing China's strategic pearls

<http://www.atimes.com/atimes/China/MC11Ad02.html>



Source: Asia Times Online, March 11, 2011

Notes : The term “String of Pearls” has come to be used frequently since it was first reported in the article titled “China builds up strategic sea lanes” in the U.S. Newspaper, *The Washington Times* (WT) dated 18 January 2005. The WT carried an outline of the paper, whose copy the WT had obtained from the source. The original paper titled “Energy Futures in Asia” had been made by Booz Allen Hamilton Inc. at the request of the Advisor to the Secretary of Defense for Net Assessment for its internal use. (Refer to OPRFMARINT Monthly Report, March 2006, 3. Special Report.)

## 1.5 Shipping, Shipbuilding and Harbors

### March 23 “Norway launches largest ro-ro-ship” (The Wilh. Wilhelmsen, Press Release, March 23, 2011)

On the 23rd, Norway’s big shipping enterprise - the Wilh. Wilhelmsen group - has launched the largest class roll-on roll-off (ro-ro-) ship, MV *Tønsberg*. The *Mark V* class roll-on roll-off ship is the largest one of this kind, with a length of 265 meters, offering a cargo volume of 138,000 cubic meters. Four roll-on roll-off vessels will be built at Mitsubishi Heavy Industries in Nagasaki, Japan. The second vessel will be delivered in August and two vessels in 2012.

An outline of the article: On the 23rd, Norway’s big shipping enterprise - the Wilh. Wilhelmsen group - has launched the largest class roll-on roll-off (ro-ro-) ship, MV *Tønsberg*. The *Mark V* class ro-ro-ship is the largest one of its kind, with a length of 265 meters, offering a cargo volume of 138,000 cubic meters over six fixed and three hoisting decks. Four ro-ro-ships will be built at Mitsubishi Heavy Industries in Nagasaki, Japan. The second vessel will be delivered in August and two vessels in 2012.

Refer to the article: Wilh. Wilhelmsen launches next generation cargo vessel

[http://www.wilhelmsenasa.com/media/pressreleases/Documents/Press\\_release\\_Tonsberg.pdf](http://www.wilhelmsenasa.com/media/pressreleases/Documents/Press_release_Tonsberg.pdf)



MV *Tønsberg*

Source: The Wilh. Wilhelmsen, HP, March 23, 2011

## 1.6 Ocean Resources, Energy, Marine Environment and Others

### March 3 “Indonesia may lose income due to new shipping law implementation” (Platts Commodity News, March 3, 2011)

In Indonesia, a new shipping regulation, under which all vessels operating in its waters have to be registered in the country and use the Indonesian flag, was enforced in January. The

regulation takes effect May 7, 2011 and will be applied to shipping related to oil and natural gas. Indonesia still requires foreign vessels to support its upstream (production) business, vessels for probe, offshore drilling, jack-up rigs, semi submersible rigs, deepwater drilling and tender assist rigs, among others. According to Indonesia's upstream regulator of oil and natural gas, BPMigas, Indonesia needs 138 special needs vessels to support its upstream business in 2011, and the figure will increase to 235 units by 2015. Indonesia may lose \$7.3 billion in revenue annually from the oil and gas sector once a new shipping regulation is applied. In addition, it is worried that \$188 million of seismic survey activity commitments and another \$2.8 billion in exploration and development block commitments will be delayed.

An outline of the article: In Indonesia, a new shipping regulation, under which all vessels operating in its waters have to be registered in the country and use the Indonesian flag, was enforced in January. The regulation takes effect May 7, 2011 and will be applied to shipping related to oil and natural gas. In the Indonesia's oil and natural gas down stream (transportation) sectors crude oil tankers, fuel tankers, LPG tankers and floating storage and offloading vessels are largely controlled by domestic players. However, Indonesia still requires foreign vessels to support its upstream (production) business, vessels for probe, offshore drilling, jack-up rigs, semi submersible rigs, deepwater drilling and tender assist rigs, among others. According to Indonesia's upstream regulator of oil and natural gas, BPMigas, Indonesia needs 138 special needs vessels to support its upstream business in 2011, and the figure will increase to 235 units by 2015. Indonesia's vessels cannot provide our needs, as this requires huge investment. One ship costs more than \$200 million, and Indonesia alone cannot provide that amount of money.

In Indonesia, about 32 % of the country's total crude and condensate production as well as about 60 % of gas production comes from offshore. In 2010, 75 % out of 24 oil and gas blocs were offshore. Indonesia may lose \$7.3 billion in revenue annually from the oil and gas sector once a new shipping regulation is applied. In addition, it is worried that \$188 million of seismic survey activity commitments and another \$2.8 billion in exploration and development block commitments will be delayed. Therefore, the energy and mines ministry proposed that parliament endorse the exemption on vessels used in oil and gas activities that would allow foreign-flagged vessels to be used when no Indonesian-flagged vessels existed for a particular purpose or when none are available.

Refer to the article: Indonesia May Lose \$7.3 Bil A Year Due To Shipping Law Implementation  
<http://www.platts.com/RSSFeedDetailedNews/RSSFeed/Shipping/8611615>



## 2. Intelligence Assessment

### **“Overview of Security Environment in the East China Sea and the South China Sea”**

(Review of the brief entitled “The Security Environment in the East Asia Sea” presented by Mr. Hideshi UENO, Adviser at the Ocean Policy Research Foundation, in the International Conference on February 16 -17, 2011)

On February 16 -17, 2011, the Ocean Policy Research Foundation (OPRF) chaired the first two-day international conference on “The Security Environment in the East Asia Sea” which was initiated as a researching program in 2010. This international conference was held with a purpose of having a common understanding of security environment in East Asian maritime domain which has been destabilized by international confrontations over sovereignty of the islands, and border-demarcation of the exclusive economic zones (EEZ) and continental shelves, an expansion of Chinese naval power, and its intensification of activities among others through presentations and discussions by experts at home and abroad. The meeting was also intended for another purpose of studying the status of international tackling toward stabilization of the situation. Seventeen researchers and analysts at home and abroad, as core members, participated in the conference. At the introductory session in the international meeting Mr. Hideshi UENO, Adviser at the OPRF, made the presentation of the brief entitled “The Security Environment in the East Asia Sea” as one of core-members.

Below is an outline of Mr. Ueno’s brief, on which I would like to add my review and some comments.

#### 1. Overview of presentation

##### (1) Geopolitical features in East Asia

From a geographical perspective of East Asia, in the Pacific Ocean which forms the eastern periphery of the Eurasian continent and extends eastwards, the islands which are composed of the Aleutian Islands, the Chishima (Kuril) Islands, Japan and Ryukyu Islands, Taiwan, and the Philippine islands are ranging continuously from north. In January 1950, before the start of the Korean War, the then US Secretary of State, Dean Acheson, called the lines running along the Aleutians to Japan and then going from the Ryukyus to the Philippines the defense perimeter of the United States, what is called “Acheson line.” The “Acheson line” can be overlaid what is called the Chinese “first island chain” which is shown in the Chart 1.

Looking at the chain of island nations, including Japan islands from the continental side, these islands constitute the barrier against the advance of the continental nations toward the Pacific Ocean. In the Cold War days, the United States regarded the Japanese islands as “a formidable defense shield” to control the Soviet advancements to the Pacific. Also, looking from

the Chinese side, it is undoubtedly the barrier to their exits into the Pacific. The United States is maintaining with these island nations either the ties by treaty or some forms of strategic partnership. Here comes the existence of Taiwan. Taiwan lies in the middle part on the “first island chain” and is situated in the strategically important position. The United States has a defense commitment with Taiwan under Taiwan Relations Act.

Although China is the third-largest country in the world in land size, Beijing has no proper islands in the waters far from its coast. Therefore, China has not generated a huge belt of exclusive economic zone (EEZ) as other nations have, among them the United States, Russia, Canada and Japan. The Chinese coast faces from north to south the Bohai, Yellow, East China and South China seas. While the Bohai Sea is skirted by Chinese land territory, the Yellow Sea faces China, South Korea, and North Korea. Facing the East China Sea, Japan and China have a longstanding disagreement over their respective EEZ borders there. Although South China Sea is the largest area bordering the Chinese coast, China has disagreements with respective nations over the sovereignty of the islands and national control of the maritime borders in the South China Sea. Michael Richardson, a researcher of the Singapore-based Institute of Southeast Asian Studies, says the South China Sea is the maritime heartland of Asia as well as China's sensitive underbelly.



Chart 1 So-called China’s First Island Chain & Second Island Chain

Source: US DOD, Military and Security Developments involving the PRC 2010, p.23

Looking from the United States, a group of island nations extending from north to south on the western periphery of the Pacific Ocean is positioned as a bridgehead to access to East Asia, which has a strategic significance.

In view of the relation between U.S. as a maritime nation and China as a continental nation, two nations are facing each other, sandwiching a group of island nations between them. From geopolitical strategy as a maritime nation, the United States has maintained its superiority in the maritime domain in East Asia to control the advance of the land nation into the ocean. Depending on the balance of naval power in this area, the maritime domain in East Asia could become an advantageous or disadvantageous maritime area. In this meaning, superiority of naval power in the Pacific has a vital importance for the United States.

In this point, a buildup of naval power and an expansion of its activities areas of China in recent are direct challenges for the supremacy of the U. S. naval power in the Pacific. The “Acheson line” is said to have increased anew its strategic importance.

**(2) Influence on security environment exerted by out-of-area deployment of Chinese Navy**

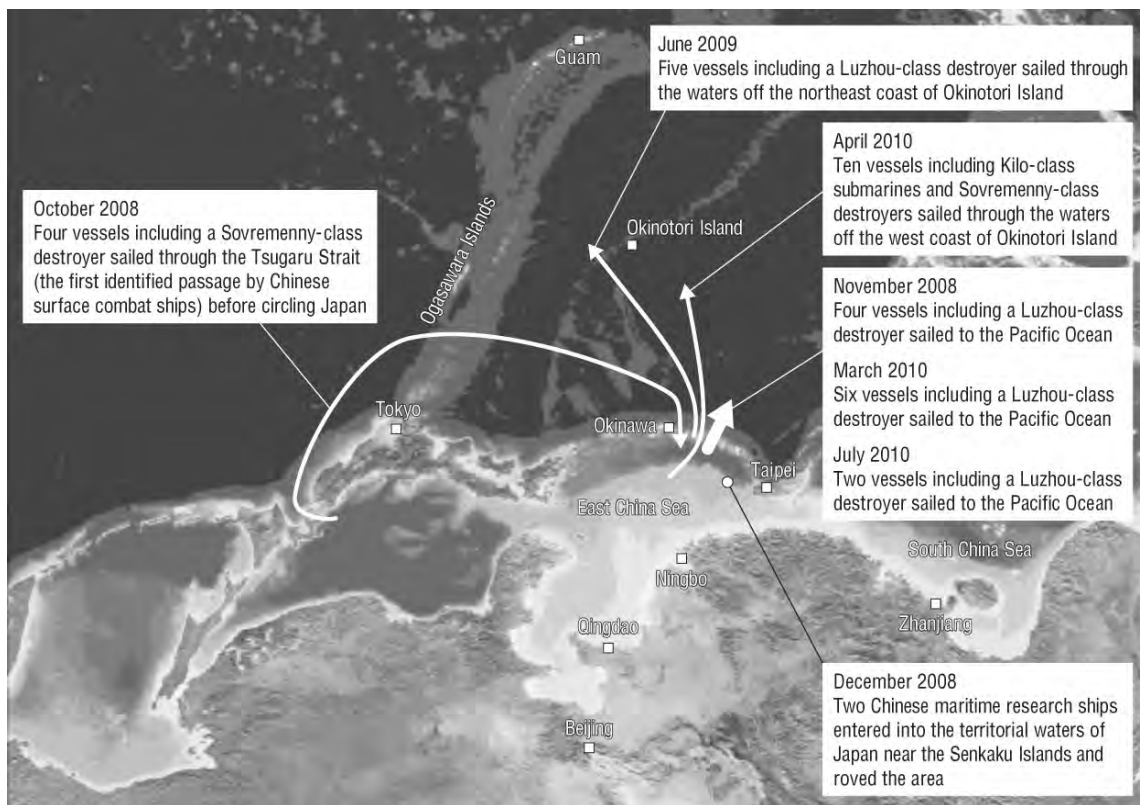


Chart 2 Example of Activities of Chinese Navy

Source: *Defense of Japan 2010*, p. 60

In the recent years, the Chinese Navy has been intensifying its activities in the areas from the East China Sea to the western Pacific. As shown in the Chart 2, in October 2008, four Chinese naval vessels, passing through the Tsugaru Strait, sailed south in the Pacific Ocean, and, entered the East China Sea through the Southwest Islands. In November 2008, four naval vessels passed the channel between Okinawa Island and Miyako Island and headed to the Pacific Ocean. In June 2009, it was confirmed that five naval vessels, after passing between Okinawa Island and Miyako Island, maneuvered in the waters northeast of Okinotori Island. In March 2010, six naval vessels

passed the channel between Okinawa Island and Miyako Island, and entered the Pacific Ocean. Furthermore, in April 2010, 10 naval vessels passed the channel between Okinawa Main Island and Miyako Island and headed to the west of Okinotori Island, before engaging in apparent exercise.

From the activities above-mentioned, it can be said that the Chinese Navy has acquired the capabilities to deploy their vessels to the western Pacific, that is, beyond the first island chain. In addition, the September 2010 collision incident between a Chinese fishing boat and Japanese coast guard ships in the territorial waters of Japanese Senkaku islands and China's subsequent high-key posture aroused an argument about Chinese threats not only in Japan but also in the surrounding nations. China has shown an extremely high-key posture to the surrounding nations in the South China Sea. From now on, there will be apprehensions that China may implement self-centered diplomacy of seeking national interests by positioning the East China Sea on the same level with the South China Sea.

### (3) South China Sea Issues

In the South China Sea, drawing the line which is called "nine-dotted line" or "U-shaped" line, China is claiming sovereignty, including territorial rights of islands, within the line, even though they are ambiguous. In countering the joint submission by Malaysia and Vietnam to the United Nations' Commission on the Limits of the Continental Shelf (CLCS) dated May 6, 2009, China used in its Verbal Note on May 7, 2009 the U-shaped line officially to defend its maritime territorial claim in the South China Sea (SCS). It is said to be the first time that China used "U-shaped" line to assert its sovereignty internationally. Also, the "U-shaped" line is carried on the maps of two online mapping service websites which have recently been opened by the China's State Bureau of Surveying and Mapping.

The "U-shaped" line cover about 80 percent of the SCS. China's claims of legal control over the sea space of the SCS are based in part on its assertion of territorial sovereignty over all of the islands in the SCS articulated in China's 1992 Law on the Territorial Sea and Contiguous Zone--under which China claims sovereignty over all islands -the Dongsha (Pratas) Islands, the Paracel Islands, the Zhongsha (Macclesfield Bank) Islands and the Spratly Islands. Incidentally, the 1992 Law also stipulates Chinese sovereignty over Senkaku Islands in the East China Sea. In addition, China has the "China's EEZ" law enacted in 1998, which asserts its claim to an EEZ extending 200 nautical miles from the baselines from which the breadth of the territorial sea is measured. Under these two Laws in 1992 and 1998, China can claim a Chinese EEZ covering nearly the entire SCS. Moreover, this entire area coincides with China's 'first island chain.' The Chart 3 shows "U-shaped" line and the contiguous zones claimed by the surrounding nations.



Chart 3 Claims by China in the South China Sea

Source: Hasjim Djalal, "Conflicting Territorial and Jurisdictional Claims in South China Sea," *The Indonesian Quarterly*, vol. 7, no. 1 (1979).

What was the position of the United States? At the annual US-ASEAN post-ministerial meeting of the ASEAN Regional Forum (ARF) held in Hanoi on July 23, 2010, U. S. Secretary of State Hillary Rodham Clinton said: "The United States has a national interest in freedom of navigation, open access to Asia's maritime commons, and respect for international law in the South China Sea." Since the United States actually advanced into Asia in the late 19th century as a result of the victory in the Spanish-American War, the United States has been: (a) securing commercial accesses to these areas; (b) maintaining freedom of navigation; and (c) preventing the rise of antagonistic hegemony states or powers as its traditional Asian policy.

China has reacted angrily to an announcement by Secretary of State Hillary Rodham Clinton. But ASEAN members, including Vietnam, supported her announcement. Most countries in Asia seem to be bandwagoning with the United States so as to balance against China's future power potential. If the United States supports multilateral negotiation rather than bilateral negotiation, the ASEAN members would be able to deal with China as a group, not bilaterally as China prefers, aiming to conclude "the code of conduct" and, after that, to solve the issue over the territorial rights.

With regard to the issue of territorial dispute in the South China Sea, the United States has kept a neutral position in principle. However, Chair Jim Webb of the US Senate Foreign Relations Committee testifies: "The United States is in peculiar position to support the settlement of the territorial disputes. Only the United States has the capabilities to address the unbalance which China is bringing out in the area." Therefore, it goes without saying that the future movement of the United States will exert great influence on the formation of maritime orders in East Asia. By

introducing an opposing diagram of confrontation between the “core interests” and “freedom of navigation” into the South China Sea (SCS), the issue in the SCS could be an effective political and military card of a “recurrence of the United States in Asia.”

Another significant event in the South China Sea (SCS) was Chinese harassment to the U. S. surveillance ship USNS *Impeccable* in the SCS 70 nautical miles south of Hainan Island in March 2009. Also, in the Yellow Sea another U. S. surveillance ship USNS *Victorious* was shadowed several times by the China-side. Prior to this incident, there were two cases in which the U.S. Navy’s surveillance ship USNS *Bowditch* and Chinese Navy’s frigate *Huangshi* collided within the Chinese exclusive economic zone (EEZ) in March 2001, and a U.S. electronic surveillance plane EP-3 collided with an approaching Chinese air force fighter plane off Hainan in April 2001, in which the Chinese aircraft crashed. These incidents occurred in the vicinity where it was believed that the military bases and submarines were operational. Although these accidents are caused by the problems over right or wrong of the surveillance activities for practical actions for securing military transparency or preventing accidental military collisions by mistake, they are taken up as issues of whether or not military activities in the EEZ are legally right or wrong. The United States believes that all waters seaward of the territorial seas are “international waters” where the ships and aircraft of all States enjoy the high seas freedom of navigation and over-flight. On the other hand, China respects Article 58 (3) in the United Nations Convention on the Law of the Sea (UNCLOS). Although the freedom of navigation of other States in the EEZ is referred to in Article 58, in exercising it, “States shall have due regard to the rights and duties of the coastal State and shall comply with the laws and regulations adopted by the coastal State....” Therefore, the United States enjoys the freedom of navigation and over-flight in the China’s EEZ, but its freedom is not unlimited. The U.S. ships and aircraft shall comply with the laws and regulations in accordance with the provisions of this Convention which have been adopted by China.

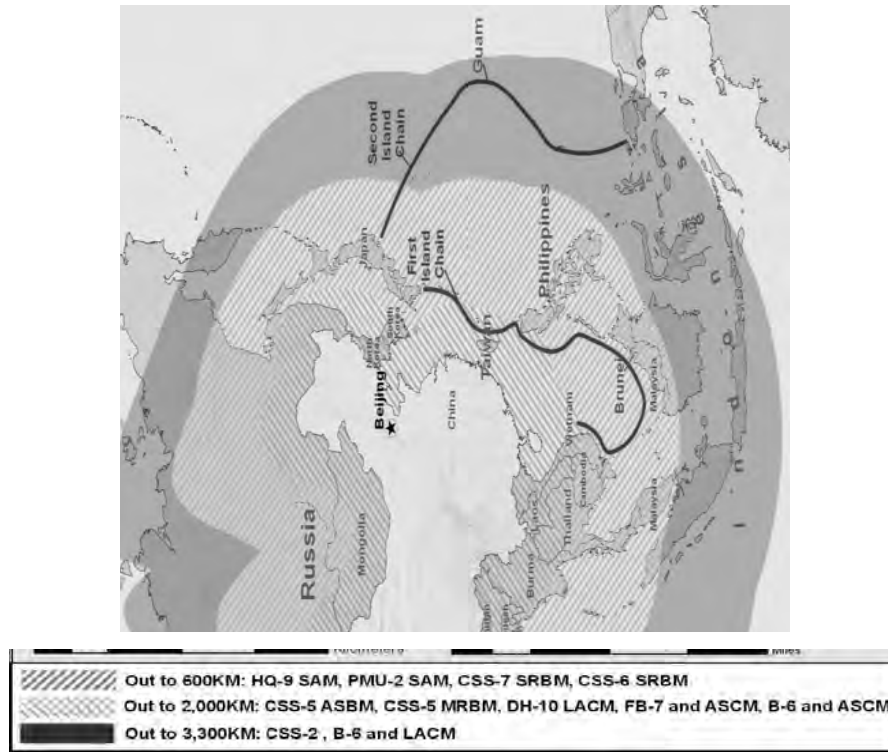
It may be not easy to fill the gaps of the positions between the United States and China, as they are derived from the military strategies of the two countries. First of all, it would be necessary for the two nations to aim to build up some kind of confidence-building measures which will secure the freedom of navigation of naval vessels and others in the sea outside the territorial waters and avoid accidental military collisions by mistake.

#### (4) U.S. Military reactions

A Chinese government official told the US government official who visited China in March 2010 that Beijing evaluates the South China Sea as “Core interests.” However, since then, China has not officially talked about “Core interests.” On the other hand, China has been strengthening anti-access (A2) / area-denial (AD) capabilities.

Carrying an illustration in the Chart 4, the Pentagon paper of “The Annual Report To Congress: Military and Security Developments Involving the People Republic of China 2010” released in August 2010 estimates: “China’s focus of anti-access/area-denial (A2/AD) capabilities appears oriented toward restricting or controlling access to China’s periphery, including the

western Pacific. With the anti-ship ballistic missiles (ASBM), submarines, surface combatants, and maritime attack-aircraft, China will provide the PLA with systems that can engage adversary surface ships up to 1,000 nautical miles from the PRC coast.”



Char 4 China's A2/AD capabilities

Source: US DOD Report, *Military and Security Developments involving the PRC 2010*, p.32

An expansion of operational area of naval and air force for strengthening A2/AD capabilities will bring about architecture of challenging the US forward deployment and power projection capabilities in the western Pacific, making regional military balance unstable. As U.S. military reactions to China’s strengthening of A2/AD capabilities, “a joint air-sea battle concept” is worthy of note.

The Quadrennial Defense Review (QDR) 2010 issued in February 2010 has embarked on the development “a new joint air-sea battle concept” as force program for deterrence of aggression and destruction under the environment of access-denial. Regarding “a new joint air-sea battle concept,” the QDR2010 says: “The Air Force and Navy together are developing a new joint air-sea battle concept for defeating adversaries across the range of military operations, including adversaries equipped with sophisticated anti-access and area denial (A2/AD) capabilities.

The concept will address how air and naval forces will integrate capabilities across all operational domains—air, sea, land, space, and cyberspace—to counter growing challenges to U.S. freedom of action.” In order to attain the goal, the defense build-up program lists major items as follows: These are to: (a) Expand future long-range strike capabilities; (b) Exploit advantages in subsurface operations (including the development of an unmanned underwater vehicle); (c)

Increase the resiliency of U.S. forward posture and base infrastructure; (d) Assure access to space and the use of space assets; (e) Enhance the robustness of key Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance (C4ISR) capabilities; (f) Defeat enemy sensor and engagement systems; and (g) Enhance the presence and responsiveness of U.S. forces abroad; among others.

In May 2010, a U.S. think tank, the Center for Strategic and Budgetary Assessments, released a report titled “*AirSea Battle: A Point-of-Departure Operational Concept*.” As shown in the Chart 5, the report points out the aims of “An air-sea battle concept” as follows: (a) preserving a stable military balance and maintaining crisis stability in East Asia during peace and war; (b) showing effective intervention capabilities of US military forces to deny enemy’s quick victory in conflicts; and (c) strengthening the reliability of the commitment of the US military forces. Therefore, the report mentions that the US military should strengthen anti-ballistic missile capabilities and push forward the force buildup program in the QDR. The report is expecting Japan to strengthen Japan’s defense posture, in particular, air defense, anti-missile defense capabilities, as Japan occupies an important strategic position in air-sea battle concept. Additionally, the report is expecting Tokyo to strengthen anti-submarine activities in cooperation with the US naval forces inside the 1st Island Chain and along Ryukyus and Luzon Straits.

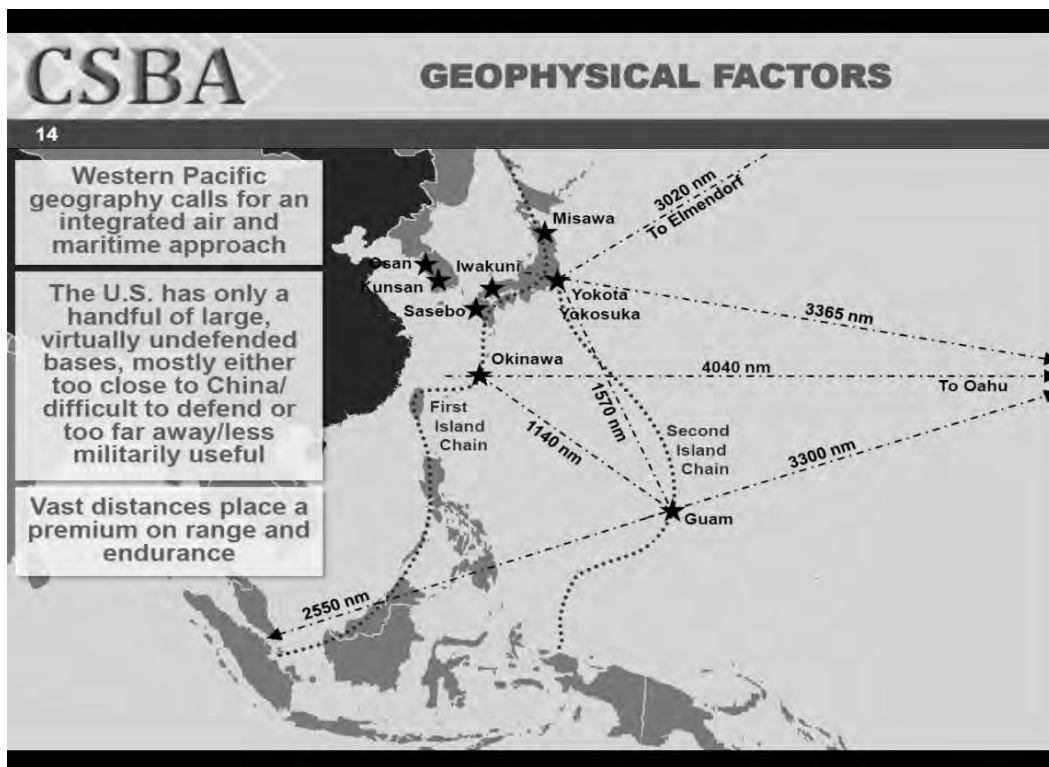


Chart 5 Air Sea Battle Concept

Source: CSBA AirSea Battle Slide, May 18, 2010

As for Japan, we should closely observe how the air-sea concept of the U.S. armed forces will be realized in future together with the force buildup program shown in the new defense guideline,



and make efforts to improve Japan-US joint defense capabilities.

**(5) Implication for Japan-US alliance**

In his article contributed to *Foreign Affairs* in 2010, by using an illustration shown in Chart 6, Robert D. Kaplan, a journalist of the U. S. magazine, *The Atlantic*, and a senior fellow of the Center for a New American Security (CNAS), discusses that, today, “a Greater China” is being formed in “the Eastern Hemisphere,” in which the Chinese Navy is a driving force. And the article questions in its conclusion, “So can the United States work to preserve stability in Asia, protect its allies there, and limit the emergence of a Greater China while avoiding a conflict with Beijing?”



Chart 6 A Great China in the Eastern Hemisphere (Netted Japan and India are regarded to withstand the influence of China upon them.)

Source: Robert D. Kaplan, “The Geography of Chinese Power,” *Foreign Affairs*, May / June, Vol. 89 Issue 3, p.27

The answer to this challenge would not be easy for the U.S. and Japan. If China will aim at the aggressive nation demanding regional hegemony, it will be a direct challenge against the traditional U.S. Asian policy. Therefore, under the circumstances where a Greater China is appearing, it goes without saying that the continued US military presence in East Asia is essential. It is because only the United States is a global maritime power with power and credibility to maintain the balance of power against Chinese power that supports two polar structures in East Asia. Except the United States, no country can replace this role. If the U.S. military presence were to withdraw from East Asia, it would inflict an immeasurable influence on the balance of power between the United States and China and in the region as a whole. The

United States is a global maritime power, and the status, in which U.S. power maintains a definite influence, will meet the national interests of Japan.

The Japan-US alliance guarantees the U.S. military presence in the eastern part of the Eurasian Continent. Japan is, and must be in future, a stable support base which has highly technological and human resources in order that the United States should maintain the military presence. Also, looking from geo-political points, Japan, as an anchor which is situated in the east side of the Eurasian Continent, together with the United Kingdom in the West, remains an essential anchor for the United States as a global sea power is. The U.S. military presence in Japan is not only required to defend Japan but to bring peace and stability to East Asia. Before considering an answer to Kaplan's question, we should bear in mind that the Japan-U.S. alliance will continue to become an important presence more than ever, as it decides the trends of Asia in future.

## 2. Review and Comments

This article by Mr. Hideshi UENO is taking a general view of the security environments over East Asia maritime domain accurately, based on his unique analyses of strategies of major players in the region. I consider this report will provide excellent information to those who study the Japanese and regional security policies. I would like to review the work and add a few comments on it as follows:

- (1) The security environment in East Asia is largely formed by land power from Asia-side and maritime power from the Pacific-side that will seize the chance to take the strategic offensive. In this point, geo-strategic observation becomes necessary. The map in Chart 7 is used when the United States shows America is a large island nation on earth floating on the largest oceans. The rise of America is born from the history of access to the Eurasian continent, "World Island" called by Sir Halford John Mackinder, from the Pacific Ocean and the Atlantic Ocean. Sea power has continued to be the largest national power to supports its national interests.

On the other hand, China that remained in the continental part of East Asia from the last years of Qing China (1644-1912) to 1980s has now emerged as one of the largest countries of shouldering the global economy, carrying on dynamic trade with other countries in the world. Sea-lane is exactly a nation's lifeline for China. Speaking from that meaning, China also needs sea-power. It is naval forces that will guarantee sea power. Staging China's naval activities in the ocean will by necessity bears a mechanism of competing with American sea power.

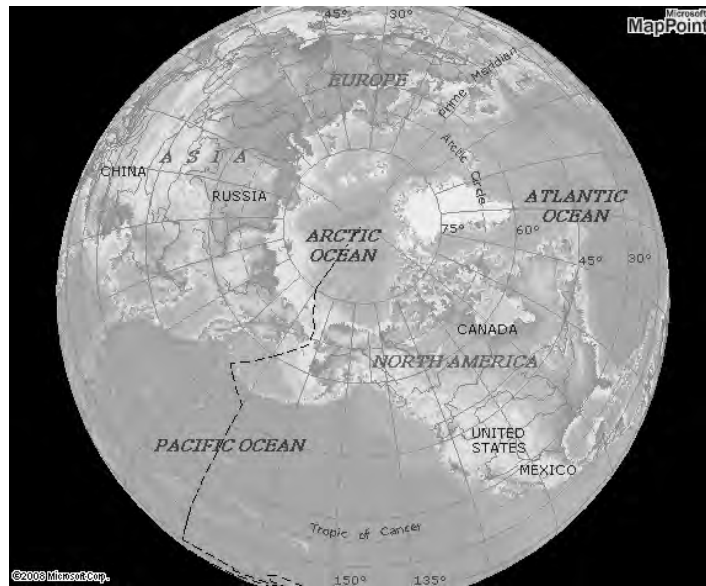


Chart 7 U.S. geographical position against “World Island”

Source: World Atlas

It is the first time since the Pacific War that a mechanism of confrontation of sea powers has appeared in the world. It can be said that East Asia has now entered the turbulent period of strategic environment.

- (2) In that situation, it would be necessary to recognize that the trend of the South China Sea issues will decide the security environment of East Asia in future. China has been repeating the self-centered claims to the South China Sea. Beijing has been repeating coercive diplomacy to surrounding nations since 2008. Militarily, there is a tendency to understand that China is intending to eliminate U.S. naval power by what America calls Anti-Access/Area Denial Concept in the South China Sea.

Looking at history of an offence and defense by sea power, emerging sea powers, in many cases, secure the militarily exclusive areas, using them as footholds for going out on the world's seas. Rome ventured the East Mediterranean Sea, and Spain ventured the Western Mediterranean Sea. Britain made the maritime area from the English Channel to West Africa a militarily exclusive zone. And America made the Caribbean Sea its militarily exclusive zone. If we were to look at today's China as a rising maritime nation, the South China Sea would not be merely a maritime area for the A2/AD for China. The South China Sea for Beijing may have a strategic significance which is different from what the Sea of Okhotsk for Moskva had during the Cold War.

- (3) Today, what kind of implication does a violent change of strategic environment appearing in the maritime area in the East Asia have in the Japan-US Alliance? It will be the biggest issue that Japan should think about for the security at present.

In the presentation, Mr. Ueno who is in charge of intelligence at the OPRF is pointing out

that the Japan-U.S. Alliance will continue to be an important issue more than ever from the standpoint that it will decide a future course in Asia.

Both the United States and Japan are maritime nations that commonly regard the sea-lanes as their lifelines, and commonly possess the fundamental values such as market economy based on democracy and freedom of the sea. In addition, the two nations can enjoy together the geopolitical interest by cooperating with each other. The United States is located at the eastern end of the Pacific Ocean, and, looking from the Pacific-side, Japan is located at the entrance of Asia. That is to say, by having alliance-relations, both nations can secure the sea-lanes in the Pacific and Indian oceans, and can guarantee the national security with each other. Keeping tight Japan-U.S. Alliance would be the answer to the question of Robert D. Kaplan which was quoted in this presentation.

(By Kazumine AKIMOTO)



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