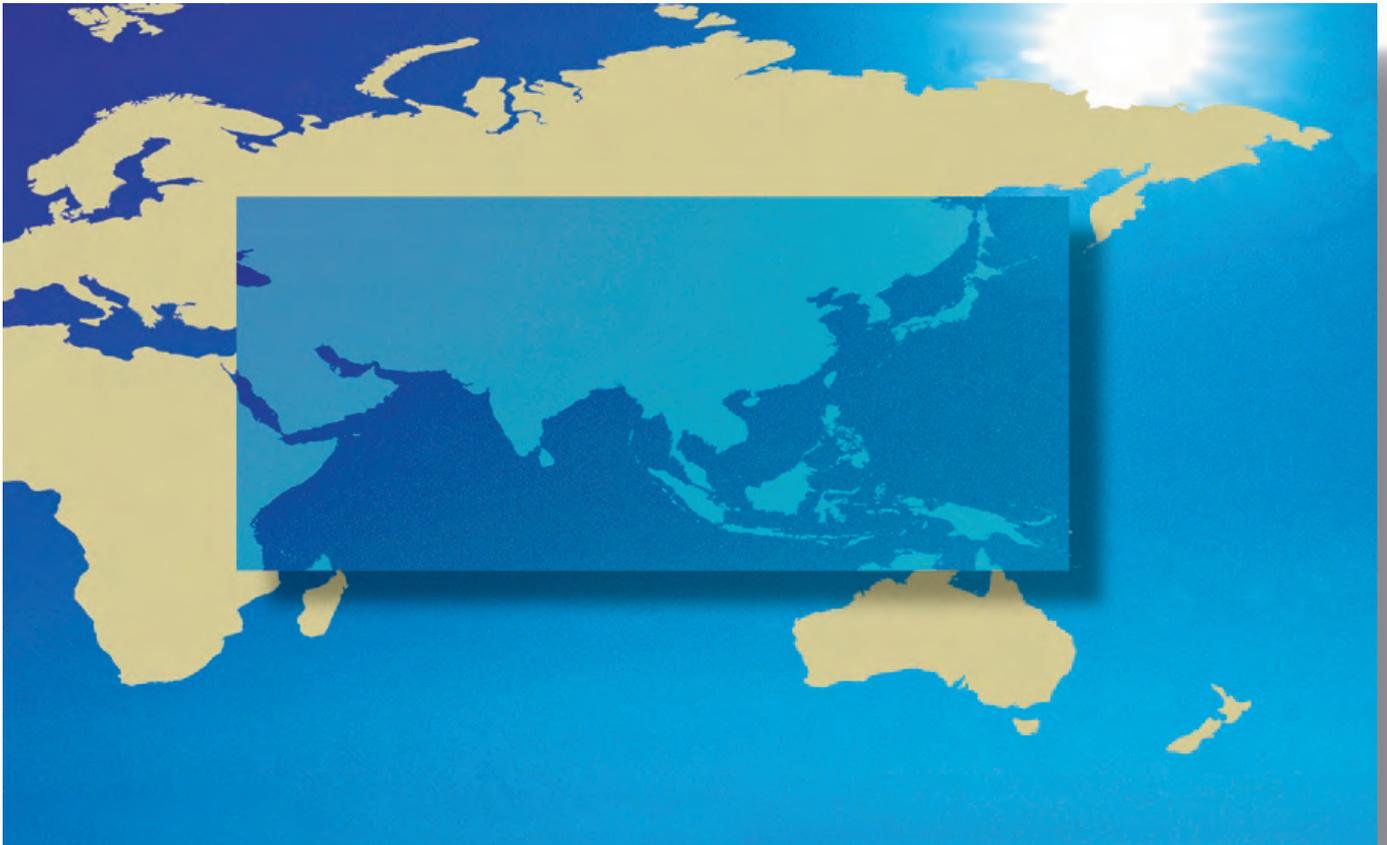


# OPRF MARINT Monthly Report

## June 2012



### CONTENTS

#### 1. Information Digest

- 1.1 Maritime Security
- 1.2 Military Developments
- 1.3 South China Sea-related Events
- 1.4 Diplomacy and International Relations
- 1.5 Shipping, Shipbuilding and Harbors

#### 2. Intelligence Assessment

- 2.1 Recommendations of the Commission on the Limits of the Continental Shelf (CLCS) and Strategic Importance of Okinotori-shima ~ Japanese Response to the Chinese A2/AD Strategy ~
- 2.2 The Current State of Maritime Security and CWS Role in the Celebes and Sulu Seas ~ The RAND Cooperation: from Non-Traditional Threats and Maritime Domain Awareness in the Tri-Border Area of Southeast Asia ~

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

Each source of information is described as an internet link in a bracket, which is available as URL online as of the end of June 2012.

Editor: Masahiro Akiyama

Staff writers:

Kazumine Akimoto, Masami Kawamura, Wakana Mukai, Satoru Nagao, Eiji Sakai,

Daisuke Sekine, Yuko Takada, Takehisa Tomomori, Hideshi Ueno, Daiju Wada

---

All rights reserved.

This report, or parts thereof, must not be produced in any form without permission in writing of the publisher.

# 1. Information Digest

## 1.1 Maritime Security

### June 5 “Somali pirates free Greek vessel” (Somalia Report, June 8, 2012)

On the 5th, the MT *Liquid Velvet* (5,998GT), a Marshall Islands-flagged chemical tanker operated by a Greek company, hijacked on 31 October 2011, has finally been freed by Somali pirates. The vessel carried 21 Filipino crew members. The pirate gang who released the tanker claim to have received a \$4 million ransom for the vessel.

Refer to the article: MT Liquid Velvet Released

[http://www.somaliareport.com/index.php/post/3429/MT\\_Liquid\\_Velvet\\_Released](http://www.somaliareport.com/index.php/post/3429/MT_Liquid_Velvet_Released)



MT *Liquid Velvet*

Source: Somalia Report, June 8, 2012

### June 11, “Dutch-registered ships: no armed private security guard” (Dutch News.nl, June 13, 2012)

There will be no armed private security guards on Dutch ships sailing the coast of East and West Africa where piracy is rife, the Dutch defence minister told parliament on the 11th. It was reacting to calls by insurers and ship owners who say if they cannot hire armed guards, ships will be registered under the flags of countries where they can. This would be detrimental to the government as ship owners would pay tax to the country under whose flag they sail. The Dutch government does not allow ship owners to have armed guards on board, but it does provide marines as protection. However, ship owners and insurers say there are not enough of them.

Refer to the article: No armed guards on ships, says minister

[http://www.dutchnews.nl/news/archives/2012/06/no\\_armed\\_guardes\\_on\\_ships\\_says.php](http://www.dutchnews.nl/news/archives/2012/06/no_armed_guardes_on_ships_says.php)

## **June 12 “Indonesia opposes armed private security guard” (The Jakarta Post, June 13, 2012)**

The Indonesian transportation minister told that Indonesia opposes the proposed recruitment of private armed security guards (PCASP) on ships aimed to ensure security and safety on international waters. The transportation minister said, “But the government will consistently oppose the proposal due to the absence of national and international legal instruments,” Mangindaan said during the opening of the International Transport Workers’ Federation’s Asia-Pacific regional conference in Jakarta on the 12nd. In addition, the minister told that the government preferred to boost bilateral, regional and international cooperation in the fight against piracy. He cited as an example the multilateral cooperation between Indonesia, Malaysia and Singapore in patrolling the busy Malacca Strait and South China Sea. The government announced recently that it would continue to support the Marine Electronic Highway project to help improve maritime security and safety on the Malacca Strait and that it had established a national data center as an important step toward improving safety and environmental protection at sea.

Refer to the article: RI says no to private armed guards aboard vessels

<http://www.thejakartapost.com/news/2012/06/13/ri-says-no-private-armed-guards-aboard-vessels.html>

## **1.2 Military Developments**

### **June 2 “Singapore will host 4 littoral combat ships” (Navy Times, Jun 2, 2012)**

On the 2nd, the Singapore military has agreed in-principle to allow the U.S. Navy to deploy up to four littoral combat ships on a rotational basis. The announcement came after a meeting between Singapore’s Defense Minister Ng En Hen and U.S. Defense Secretary Leon Panetta at the Shangri-La Dialogue. The LCS will not be based or homeported in Singapore and U.S. crews will live on board the ships for the duration of their deployment. “Secretary Panetta reaffirmed that the LCS deployment would strengthen U.S. engagement in the region, through the port calls at regional ports, and engagement of regional navies through activities such as exercises and exchanges,” the statement said.

Refer to the article: Singapore will now host 4 littoral combat ships

<http://www.navytimes.com/news/2012/06/navy-singapore-host-4-littoral-combat-ships-060212d/?utm>

### **June 3 “U.S. Defense Secretary Panetta visits Cam Ranh Bay” (The Washington Post, June 3 and 4, 2012)**

On the 3rd, U.S. Defense Secretary Panetta visits Cam Ranh Bay in Vietnam. After the end of the Vietnam War, he became the first U.S. secretary of defense to visit the bay where was a vital

naval base for the United States during the war. Secretary Panetta said, on the flight deck of the USNS *Richard E. Byrd* at anchor, “We’ve come a long way, particularly with regards to our defense relationship. The United States works with our partners like Vietnam to be able to use harbors like this.” Since 2003, 20 U.S. Navy ships have been allowed stops in Vietnam, but any combat ship has yet to make a call. Non-combat ships like USNS *Richard E. Byrd* call at a port so far. The *Byrd* is a cargo ship operated by the Navy’s Military Sealift Command; it has a largely civilian crew. It is used to move military supplies to U.S. forces around the world. Panetta suggested the United States may want to send more ships to Cam Ranh Bay in the future.

Refer to the article: From Vietnam, Pentagon chief sends China message that Washington will aid Asia-Pacific allies

[http://www.washingtonpost.com/world/asia\\_pacific/panetta-becomes-most-senior-us-official-to-visit-vietnams-cam-ranh-bay-since-the-war-ended/2012/06/02/gJQAQscHAV\\_story.html](http://www.washingtonpost.com/world/asia_pacific/panetta-becomes-most-senior-us-official-to-visit-vietnams-cam-ranh-bay-since-the-war-ended/2012/06/02/gJQAQscHAV_story.html)

Defense Secretary Leon Panetta highlights U.S. ties to Vietnam during visit

[http://www.washingtonpost.com/world/asia\\_pacific/defense-secretary-leon-panetta-highlights-us-ties-to-vietnam-during-visit/2012/06/03/gJQAOWcLBV\\_story.html](http://www.washingtonpost.com/world/asia_pacific/defense-secretary-leon-panetta-highlights-us-ties-to-vietnam-during-visit/2012/06/03/gJQAOWcLBV_story.html)

## **June 8 “India’s aircraft carrier starts sea trials in Russia” (RIA Novosti, June 8, 2012)**

The Indian Navy’s Russian-built aircraft carrier INS *Vikramaditya* (formerly *Admiral Gorshkov*) began sea trials early on the morning of the 7th in the White Sea - four years after it was originally due to take to sea again. The ship was refitted at the Sevmash shipyard in northern Russia. A mixed Russian-Indian crew is on board the vessel, with the Indian sailors learning how to operate the vessel. After initial sea trials in the White Sea the ship will sail to the Barents Sea for exercises with military aircraft. India and Russia signed a \$947 million dollar deal in 2005 for the purchase of the carrier, but delivery has already been delayed twice, pushing up the cost of refurbishing the carrier to \$2.3 billion.

The ship was laid down in 1978 at the Nikolayev South shipyard in Ukraine, launched in 1982, and commissioned with the Soviet Navy in 1987. It was renamed after the collapse of the Soviet Union in 1991. In 1995, it briefly returned to service but was finally withdrawn and put up for sale in 1996. The ship has a displacement of 45,000 tons, a maximum speed of 32 knots and an endurance of 13,500 nautical miles (25,000 km) at a cruising speed of 18 knots.

India has already started taking delivery of MiG-29K naval fighter aircraft for the *Vikramaditya*, as they were ready before the refit was completed. The MiG-29Ks will operate in STOBAR (short take-off but assisted recovery via arresting wires) mode.

Refer to the article: India’s Russian-built Aircraft Carrier Starts Sea Trials

[http://en.rian.ru/mlitary\\_news/20120608/173912191.html](http://en.rian.ru/mlitary_news/20120608/173912191.html)



India's Russian-built aircraft carrier *Vikramaditya* (formerly *Admiral Gorshkov*)

Source: RIA Novosti, June 8, 2012

### **June 12 “Iranian Naval officer: Tehran developing nuclear sub.” (The Jerusalem Post, June 12, 2012)**

A senior Iranian Navy commander claimed that the country is in the initial phases of domestically designing a nuclear-powered submarine. He asserted that nuclear-powered submarines are among the civilian uses of nuclear power all countries are entitled to use. In readiness for any potential war with the U.S. Navy and regional allies, Iran’s navy and Revolutionary Guard have poured resources into small gunboats and fleet in recent months and years.

Refer to the article: Iranian officer: Tehran developing nuclear sub.

<http://www.jpost.com/IranianThreat/News/Article.aspx?id=273572>

### **June 13 “Indian Navy ships visit China and Seychelles” (Defense News, June 15, 2012)**

The four Indian Navy ships, the *Rajput*-class guided missile destroyer INS *Rana*, the stealth frigate INS *Shivalik*, the *Kora*-class corvette INS *Karmukh*, and the supply vessel INS *Shakti*, belonging to the Eastern Fleet, entered Shanghai, China, on a four-day port visit, while another Indian warship, INS *Savitri*, is in Port Victoria, Seychelles. Last year, Indian warships dropped anchor at Nha Trang port in Vietnam, and currently the Indian Navy deploys its warships to ports in Indonesia, Malaysia, Singapore, the Philippines and the Gulf of Aden. Such long range deployments aim for a variety of purposes such as surveillance of the Exclusive Economic Zones (EEZ) and anti-piracy measures. The Indian Navy is also set to deploy four ships on an overseas deployment to the Horn of Africa, the Red Sea and the western Mediterranean.

Refer to the article: Indian Navy Ships visit China, Seychelles

<http://www.defensenews.com/article/20120613/DEFREG03/306130004/Indian-Navy-Ships-Visit-China-Seychelles?odyssey=tab|topnews|text|FRONTPAGE>

---

### **June 18 “Russia Sending 2 warships to Syrian port of Tartus” (Defense News, June 18, 2012)**

According to Interfax, on the 18th, Russia is preparing to send two major amphibious ships, The *Nikolai Filchenkov* and the *Tsezar Kunikov*, to the Syrian port of Tartus, where Moscow operates a strategic naval base. The *Tsezar Kunikov* can carry 150 landing troops, while the *Nikolai Filchenkov* can carry up to 1,500 tons of cargo and equipment. The crews such as Marines and rescue workers on the large ships could ensure security of Russian nationals and evacuate them.

Refer to the article: Report: Russia Sending 2 Warships to Syrian Coast

<http://www.defensenews.com/article/20120618/DEFREG01/306180005/Report-Russia-Sending-2-Warships-Syrian-Coast?odyssey=mod|newswell|text|FRONTPAGE|s>

### **June 19 “The United States and New Zealand sign defense cooperation accord” (Defense News, June 19, 2012)**

The United States and New Zealand signed an agreement to expand defense cooperation on the 19th but the deal does not alter Auckland’s longstanding ban on port visits by nuclear-armed American warships. The accord was the latest in a series marking U.S. attempts to shift its strategic focus to the Asia-Pacific, as Washington keeps a wary eye on China’s rising power. The accord called for a security dialogue as well as joint exercises and other collaborative efforts between the two countries’ armed forces. In concrete terms, the partnership will include security cooperation in areas such as maritime security cooperation, humanitarian assistance and disaster relief, and peacekeeping support operations. The agreement calls the sharing of intelligence in maritime safety. The United States wants to maximize cooperation with New Zealand while remaining existing principles

Refer to the article: U.S., New Zealand Sign Defense Cooperation Accord

<http://www.defensenews.com/article/20120619/DEFREG02/306190010/U-S-New-Zealand-Sign-Defense-Cooperation-Accord?odyssey=tab|topnews|text|FRONTPAGE>

### **June 23 “U.S. minesweepers arrive in Arabian Gulf” (Reuters, June 25, 2012)**

Four U.S. minesweepers have arrived in the Arabian Gulf to bolster the U.S. Fifth Fleet and ensure the safety of shipping routes on the 23rd that Iran might try to block the Strait of Hormuz to defend its interests. The four additional mine countermeasures (MCM) are scheduled for a seven-month deployment in an area of operations that includes the Gulf, Gulf of Oman, Red Sea and parts of the Indian Ocean.

Refer to the article: Four U.S. Navy minesweepers arrive in the Gulf

<http://www.reuters.com/article/2012/06/25/us-gulf-navy-mines-idUSBRE85O0C920120625>

**June 25 “Indian Navy sets to complete nuclear triad” (The Economic Times, June 25, 2012)**

With the Indian Navy poised to attain a retaliatory nuclear strike capability, India will soon have a “credible and invulnerable” deterrent nuclear triad in place, Navy Chief Admiral Nirmal Verma said here on the 25th. Verma said such a nuclear triad was required in view of India’s ‘no first-use’ policy. India is developing a retaliatory strike capability through weapon systems from land, air and sea. It is believed that it already has the capability to do so from land and air. It will have the capability to do so with the induction of the indigenous INS *Arihant* nuclear submarine which is expected to be launched for sea trials in near future.

Refer to the article: Indian Navy set to complete nuclear triad: Admiral Verma

[http://articles.economictimes.indiatimes.com/2012-06-25/news/32409195\\_1\\_nirmal-verma-indigenous-aircraft-carrier-nuclear-triad](http://articles.economictimes.indiatimes.com/2012-06-25/news/32409195_1_nirmal-verma-indigenous-aircraft-carrier-nuclear-triad)

**June 26 “India actively develops naval diplomacy” (Press Information Bureau, Government of India, 13 June 2012)**

According to an announcement by the Indian government by the 13th, the Indian Navy’s Eastern Fleet deploys the four IN ships *Rana*, *Shivalik*, *Karmukh* and *Shakti* under the command of Flag Officer Commanding Eastern Fleet to the South China Sea and North West Pacific, and conducts the first Bi-lateral maritime exercise between India and Japan ‘JIMEX 12’. Around the same time, INS *Savitri* is deployed in Port Victoria, Seychelles, and planned to be deployed for about two months to undertake surveillance of the Exclusive Economic Zones (EEZ) of Seychelles and Mauritius. India continues to maintain one Dornier in Seychelles to provide aerial surveillance for the Seychellois EEZ. Another Dornier is actively flying to meet Maldivian requirements of EEZ surveillance and anti piracy patrols. On the other hand, Indian Navy’s Western Fleet plans to deploy four ships on an overseas deployment to Horn of Africa, Red Sea and the Western Mediterranean. Such long range deployments, covering the IOR and beyond, bear testimony to the blue water capabilities and operational readiness of the Indian Navy.

Refer to the article: Indian Navy’s Pan ‘IOR’ Operations Demonstrate Reach of India’s Maritime Diplomacy

<http://pib.nic.in/newsite/erelease.aspx?relid=84863>

 **TOPIC** 

Speech of U.S. Secretary of Defense Panetta and Indian Minister of Defence Antony  
~ Asia Security Summit ~

### 1. Speech of U.S. Secretary of Defense Panetta

On the 2nd, U.S. Secretary of Defense Panetta announced at the 11th IISS Asia Security Summit, The Shangri-La Dialogue, in Singapore that the United States would expand U.S. military deployment capabilities in the Asia-Pacific region for the next five to ten years. Below is the summary of his speech.

- (1) President Obama has stated the United States will play a larger role in this region over the decades to come. We take on this role not as a distant power, but as part of the Pacific family of nations. Our goal is to work closely with all of the nations of this region to confront common challenges and to promote peace, prosperity, and security for all nations in the Asia-Pacific region.
- (2) We have rightly chosen to make this region a priority. Our approach to achieving the long-term goal in the Asia-Pacific is to stay firmly committed to a basic set of shared principles as follows.
  - a. The first is the shared principle that we abide by international rules and order. This is not a new principle. Adherence to them will help support peace and prosperity in this region. These rules include the principle of open and free commerce, a just international order that emphasizes rights and responsibilities of all nations and a fidelity to the rule of law; open access by all to their shared domains of sea, air, space, and cyberspace; and resolving disputes without coercion or the use of force. Backing these principles has been the essential mission of the United States military in the Asia-Pacific for more than 60 years and it will be even a more important mission in the future. My hope is that in line with these rules and international order that is necessary that the United States will join over 160 other nations in ratifying the Law of Seas Convention this year.
  - b. The second principle is one of partnerships. Key to this approach is our effort to modernize and strengthen our alliances and partnerships in this region. The United States has key treaty alliances with Japan, South Korea, Australia, Philippines and Thailand. We have key partners in India, Singapore, Indonesia, and other nations. And we are working hard to develop and build stronger relations with China. As we expand our partnerships, as we strengthen our alliances, the United States-Japan alliance will remain one of the cornerstones for regional security and prosperity in the 21st century. For that reason, our two militaries are enhancing their ability to train and operate together, and cooperating closely in areas such as maritime security and intelligence, surveillance and reconnaissance. We are also jointly developing high-tech capabilities, including the next generation missile defence interceptor, and exploring new areas of cooperation in space and in cyberspace.

- c. The third shared principle is presence. While strengthening our traditional alliances in Northeast Asia and maintaining our presence there, as part of this rebalancing effort we are also enhancing our presence in Southeast Asia and in the Indian Ocean region. A critical component of that effort is the agreement announced in November 2011 for a rotational Marine Corps presence and aircraft deployments in northern Australia. The first detachment of Marines arrived in April, and this Marine Air-Ground Task Force will be capable of rapidly deploying across the Asia-Pacific region, thereby enabling us to work more effectively with partners in Southeast Asia and the Indian Ocean and tackle common challenges such as natural disasters and maritime security. We are energizing our alliance with the Philippines. In May in Washington I joined Secretary Clinton in the first-ever “2+2” meeting with our Filipino counterparts. Another tangible manifestation of our commitment to rebalancing is our growing defence relationship with Singapore. Our ability to operate with Singaporean forces and others in the region will grow substantially in the coming years when we implement the forward deployment of the Littoral Combat Ships to Singapore.

As we take existing alliances and partnerships in new directions, this rebalancing effort also places a premium on enhancing partnerships with Indonesia, Malaysia, India, and Vietnam, and New Zealand. In the coming days I will travel to Vietnam to advance bilateral defence cooperation, building off of the comprehensive memorandum of understanding that our two nations signed in 2011. I will travel to India to affirm our interest in building a strong security relationship with a country I believe will play a decisive role in shaping the security and prosperity of the 21st century.

As the United States strengthens these regional partnerships, we will also seek to strengthen a very important relationship with China. We believe China is a key to being able to develop a peaceful, prosperous, and secure Asia-Pacific in the 21st century. Both of our nations recognize that the relationship – this relationship between the United States and China is one of the most important in the world. We are working with China to execute a robust military-to-military engagement plan for the rest of this year, and we will seek to deepen our partnership in humanitarian assistance, counter-drug, and counter-proliferation efforts. We have also agreed on the need to address responsible behavior in cyberspace and in outer space. We must establish and reinforce agreed principles of responsible behaviour in these key domains. Many in the region and across the world are closely watching the United States-China relationship. Some view the increased emphasis by the United States on the Asia-Pacific region as some kind of challenge to China. I reject that view entirely. Our effort to renew and intensify our involvement in Asia is fully compatible with the development and growth of China. In this context, we strongly support the efforts that both China and Taiwan, both have made in recent years trying to improve cross-strait relations. We have an enduring interest in peace and stability across the Taiwan Strait. The United States remains firm in the adherence to a one-China policy based on the Three Communiqués and the Taiwan Relations Act. China

also has a critical role to play in advancing security and prosperity by respecting the rules-based order that has served the region for six decades. Another positive step towards furthering this rules-based order is Asia's deepening regional security architecture. The United States believes it is critical for regional institutions to develop mutually agreed rules of the road that protect the rights of all nations to free and open access to the seas. We support the efforts of the ASEAN countries and China to develop a binding code of conduct that would create a rules-based framework for regulating the conduct of parties in the South China Sea, including the prevention and management of disputes. On that note, we are obviously paying close attention to the situation in Scarborough Shoal in the South China Sea. The U.S. position is clear and consistent: we call for restraint and for diplomatic resolution; we oppose provocation; we oppose coercion; and we oppose the use of force. We do not take sides when it comes to competing territorial claims, but we do want this dispute resolved peacefully and in a manner consistent with international law.

- d. The final principle – shared principle that we all have is force projection. This budget is the first in what will be a sustained series of investments and strategic decisions to strengthen our military capabilities in the Asia-Pacific region. And by 2020 the Navy will reposture its forces from today's roughly 50/50 percent split between the Pacific and the Atlantic to about a 60/40 split between those oceans. That will include six aircraft carriers in this region, a majority of our cruisers, destroyers, Littoral Combat Ships, and submarines. Our forward-deployed forces are the core of our commitment to this region and we will, as I said, sharpen the technological edge of our forces. These forces are also backed up by our ability to rapidly project military power if needed to meet our security commitments. Therefore, we are investing specifically in those kinds of capabilities – such as an advanced fifth-generation fighter, an enhanced *Virginia*-class submarine, new electronic warfare and communications capabilities, and improved precision weapons – that will provide our forces with freedom of manoeuvre in areas in which our access and freedom of action may be threatened. We recognize the challenges of operating over the Pacific's vast distances. That is why we are investing in new aerial-refuelling tankers, a new bomber, and advanced maritime patrol and anti-submarine warfare aircraft.

In concert with these investments in military capabilities, we are developing new concepts of operation which will enable us to better leverage the unique strengths of these platforms and meet the unique challenges of operating in Asia-Pacific. In January 2012, the department published a Joint Operational Access Concept which, along with these related efforts like Air-Sea Battle, are helping the Department meet the challenges of new and disruptive technologies and weapons that could deny our forces access to key sea routes and key lines of communication. It will take years for these concepts and many of the investments, but we are making those investments in order that they be fully realized. Make no mistake – in a steady, deliberate, and sustainable way the United States military is rebalancing and bringing an enhanced capability development to this vital region.

Refer to the article: The US Rebalance Towards the Asia-Pacific, delivered by Leon Panetta,

Secretary of Defense, United States

<http://www.iiss.org/conferences/the-shangri-la-dialogue/shangri-la-dialogue-2012/speeches/first-plenary-session/leon-panetta/>

## 2. Indian Minister of Defence Antony

Indian Minister of Defense Antony appealed to people to secure maritime freedom based on the international law, because the sea is not only for certain countries, with the South China Sea in mind, and expressed India's stance to promote cooperative international relations through anti-piracy measures and efforts to eliminate conflicts. Below is the summary of his speech.

- (1) I begin with a reflection on the genesis of the maritime freedoms debate which has become so salient in our security discourse today. The interplay between the concepts of the Closed Seas and the Open Seas was linked to the changing needs of the powers which sought to control maritime trade. Large parts of the common seas cannot be declared exclusive to any one country or groups. We must find the balance between the rights of nations and the freedoms of the world community in the maritime domain. Like individual freedoms, the fullness of maritime freedoms can be realized only when all states, big and small, are willing to abide by universally agreed laws and principals.
- (2) There may be different perspectives of maritime freedoms in history, but for us in the 21st century, it is important to reaffirm the importance of maritime security and freedom of navigation for all, in accordance with relevant universally agreed principals of international law, including the United nations Convention on the Law of the Sea. This is the essence of maritime freedoms in the age of interdependence and globalization. These freedoms are needed by all and their observance is in the interests of all, given the multifarious threats to maritime freedoms.
- (3) Today, the threats and challenges to maritime security and maritime freedoms arise from piracy, terrorism and organized crime and also, from the conflicting interests of countries. A significant percentage of our global mercantile trade – almost 90% by volume and 77% by value – is carried by sea. India has a coast line of over 7500 kilometres, cover more than 600 islands. Our EEZ is more than 2.5 million square kilometres and the mining areas allotted to us under UNCLOS are about 2000 km from our southern most tip. Given India's geographical location, the evolving asymmetric threats in the form of maritime terrorism, piracy and drug trafficking, maritime security issues have become a strategic priority for us. In our own case, particularly in the aftermath of the Mumbai attack, we have taken a number of measures to develop our coastal and maritime security capabilities.
- (4) However, as countries seek to bolster their capabilities to respond to perceived challenges in the maritime domain, there also arises a need to avoid conflict and build consensus. In this connection, keeping in view the issues which have arisen with regard to the South China Sea, India has welcomed the efforts of the parties concerned in engaging in discussions and the recently agreed guidelines on the implementation of the 2002 Declaration of the Conduct of Parties between China and the ASEAN. We hope that the issues will be resolved through

dialogue and negotiation.

- (5) The growing menace of piracy needs to be thwarted and suppressed by robust anti-piracy operations, as well as through speedy prosecution of the guilty. I am encouraged by the cooperative approaches we have seen between nations against the activities of pirates, whether in the Malacca Strait or in the Gulf of Aden. There is a need to extend this spirit of cooperation to de-conflict contentious areas in the maritime domain. This is possible only through the process of dialogue and consensus building, within the framework of accepted principles of international law. In particular, it is essential to remain sensitive to the problems of smaller nations and ensure that their rights, as equal members of the global community, are not overlooked or compromised. India is actively engaged in the process of constructive dialogue on security issues with a number of countries, especially with the ASEAN community, many members of which are our immediate maritime neighbours. We will continue to contribute to the strengthening of forums like the ARF, the ADMM Plus, the IOR-ARC and the IONS. India has vital interests in the maritime domain and we will make our contribution, as a responsible member of the international community, for the evolution of an open, transparent and inclusive maritime security architecture that would ensure the protection and preservation of maritime freedoms.

Refer to the article: Protecting Maritime Freedoms, delivered by A K Antony, Minister of Defence, India

<http://www.iiss.org/conferences/the-shangri-la-dialogue/shangri-la-dialogue-2012/speeches/second-plenary-session/a-k-antony/>

## 1.3 South China Sea-related Events

### June 4 “China’s growing fishing industry and regional maritime security” (RSIS Commentaries, No. 091, June 4, 2012)

The S. Rajaratnam School of International Studies (RSIS), Nanyang Technological University, ran an article titled “China’s Growing Fishing Industry and Regional Maritime Security” written by a senior research fellow of RSIS, Zhang Hongzhou, in *RSIS Commentaries*, No 091 dated the 4th. The author stated the summary of the article as below, saying that the shift from inshore to offshore fishing might cause fishery disputes for the regional maritime security, while such disputes could be turned into opportunities for regional cooperation.

#### (1) China’s Demand and Supply Imbalance for Aquatic Products

China’s rapid economic development has contributed to substantial increase in the real incomes of its people, and higher income has spurred greater demand for aquatic products. Per capita consumption of aquatic product of the Chinese has increased from 5 kg in 1970 to 25 kg in 2010. Considering the expansion of China’s total population, significant rise in per capita consumption of aquatic product means an even greater demand for aquatic products. Marine catch from its inshore waters used to account for more than half of the country’s fishery production, yet overfishing and heavy pollution has led to rapid depletion of China’s fishery resources in the inshore waters. In addition, fishery agreements between China and neighboring countries have further reduced the marine fishery resources available for the Chinese fishermen. As a result, millions of Chinese fishermen are trapped in the inshore waters with no fish.

#### (2) Government Efforts to Address the Imbalance

Chinese government has made serious efforts to address this imbalance. The top priority has been given to promote inland and marine fish farming. This strategy has been quite successful in that production of aquaculture is currently accounting for over 70% of total production of aquatic products in China. With regards to marine catch sector, in order to cap overfishing and preserve fishery resources, serious steps have been taken at both central and local level to downsize China’s fishing fleet and transfer fishermen. However the number of ships as well as China’s fishing workforce continues to expand although the production of marine catch was stabilized. There are several reasons why Chinese government’s attempt to downsize fishing fleet and fishing workforce has achieved only limited success. First, the fiscal budget allocated to fishing sector has been too small and poorly targeted. Second, conflicts of interest between central and local governments also hindered the effectiveness of the downsizing efforts. Third, it is very difficult for the fishermen to transfer to other sectors due to lack of education and training as well as accustomed lifestyle in seas. Fourth, it continues to attract inflow of investment and workforce, particularly poor farmers from the inland provinces, which leads to overcapacity in China’s marine catch sector.

### (3) Implications for Regional Maritime Security

The dramatic shift from inshore to offshore fishing is leading to growing fishing operation of Chinese fishermen in waters which now belong to neighboring countries' EEZs and disputed areas. When the fishery dispute involving Chinese fishermen are politicized or handled by neighboring countries' law enforcement agency in a tough and unilateral manner, escalation of violence occurs and fishery disputes become triggers for regional diplomatic and security tensions. While growing fishing disputes have become catalysts for maritime conflicts in the region, these challenges could be turned into opportunities for regional cooperation. The region's fishing industry has some common enemies such as illegal fishing, overfishing, maritime piracy and degradation of marine environment. Given the nature of these threats, efforts from one single country could not succeed and bilateral and multilateral cooperation are needed. Fishery cooperation could become a very useful instrument for regional countries to build mutual trust and understanding, which is crucial for safeguarding regional maritime security.

### (4) Looking Ahead

Facing depleting fishery resources in China's inshore water and excess fishing capacity, the shift from inshore to offshore fishing will continue in the years to come. This means that fishery disputes between China and regional countries will continue and intensify. Both national and regional efforts are needed to manage fisheries disputes and prevent fishery disputes from escalating into regional diplomatic and security conflicts. While China need to step up efforts to address the demand and supply imbalances, regional cooperation and coordination is key to preventing fishery disputes from escalating. If the structural shifts of China's fishing industry could be well managed, the fishing sector could be the starting point for regional maritime cooperation which could then have a "spillover effect" into other areas of cooperation.

Refer to the article: China's Growing Fishing Industry and Regional Maritime Security

<http://www.rsis.edu.sg/publications/Perspective/RSIS0912012.pdf>

### **June 5 "China and Philippine vessels pull out of Scarborough Shoal" (Inquirer.net, AFP, June 5, 2012)**

The Philippine Department of Foreign Affairs (DFA) announced on the 5th that government vessels from the Philippines and China have pulled out of the disputed Scarborough Shoal. The DFA spokesperson said China moved out two government ships from a lagoon at the center of the rock formation of the shoal and a research ship from the Philippine's Bureau of Fisheries and Aquatic Resources did the same. "But there are still 30 Chinese fishing vessels inside," he said. According to the spokesman, two Chinese vessels joined six other Chinese ships just outside the lagoon, while the Philippine vessel was now with a second Philippine ship stationed outside. At Malacañang, a presidential spokesman said the repositioning of the Chinese and Philippine vessels will eventually ease the standoff in the disputed waters.

Refer to the article: Chinese, PH vessels pull out of Scarborough Shoal – DFA

<http://globalnation.inquirer.net/38907/chinese-ph-vessels-stay-away-from-panatag-shoal-dfa>

### **【Related article 1】**

#### **“Philippines president orders patrol ships back” (The Washington Post, AP, June 16, 2012)**

Philippine Foreign Secretary Del Rosario said on the 16th that President Benigno Aquino III has ordered their two coast guard ships at Scarborough Shoal back to port because of a passing typhoon. The foreign secretary said they have not decided whether to send the ships back to the area after the weather clears.

Refer to the article: Philippines pulls out ships from disputed shoal in South China Sea because of bad weather

[http://www.washingtonpost.com/world/asia\\_pacific/philippines-pulls-out-ships-from-disputed-shoal-in-south-china-sea-because-of-bad-weather/2012/06/16/gJQAU1fVgV\\_story.html](http://www.washingtonpost.com/world/asia_pacific/philippines-pulls-out-ships-from-disputed-shoal-in-south-china-sea-because-of-bad-weather/2012/06/16/gJQAU1fVgV_story.html)

### **【Related article 2】**

#### **“Philippines confirms Chinese fishing boats in Scarborough Shoal” (Inquirer.net, June 26, 2012)**

Philippines Department of Foreign Affairs on the 26th confirmed that Chinese fishing boats have returned inside the lagoon of the disputed Scarborough Shoal. “It has been confirmed by the Philippine Navy that, as of two days ago, there were no more ships inside the lagoon,” a DFA spokesperson said. On the 26th, however, a Navy admiral told reporters that as of the 25th afternoon, there were about 28 Chinese fishing and government vessels in the disputed area, 23 of which were inside the shoal. A Navy Islander aircraft was ordered to fly over the Panatag Shoal on the 25th afternoon to check on the situation. Large-scale Chinese fishing activities were allowed to go on in the shoal despite China’s supposed two-month fishing ban from May 16 to August 1 in parts of the West Philippine Sea (South China Sea). The Philippines has reciprocated by declaring its own fishing ban during the same period. But Filipino fishing boats have been prevented by Chinese maritime ships from going inside the lagoon.

Refer to the article: Chinese fishing boats back in shoal – DFA

<http://globalnation.inquirer.net/41507/chinese-fishing-boats-back-in-shoal-dfa>

#### **June 14 “Ian Storey: ASEAN countries have various views of China” (The Wall Street Journal, June 14, 2012)**

Ian Storey, a senior fellow at Institute of Southeast Asian Studies in Singapore, contributed an article titled “Asean Is a House Divided” to The American newspaper *The Wall Street Journal* dated the 14th. According to the Storey, ASEAN countries have various views of China, hence it is difficult for them to unite and resist China regarding the South China Sea dispute. At this rate, ASEAN will allow Beijing to pick off individual members. Below is the summary of his article.

(1) Since the tense naval standoff between the Philippines and China over ownership of the

Scarborough Shoal erupted on April 10, the lack of support for Manila from the Association of Southeast Asian Nations (ASEAN) has been striking. ASEAN's deafening silence is disappointing, but not surprising. The central fault line within ASEAN is between members who have significant economic and strategic interests in the South China Sea and those who do not. The first group, the littoral states, is composed of the four ASEAN members who make territorial claims in the South China Sea—Brunei, Malaysia, the Philippines and Vietnam—as well as Indonesia and Singapore.

- (2) Even within the littorals, opinions are divided. For Vietnam and the Philippines, their disputes with China over sovereignty of the Spratly Islands and other atolls have become major national security concerns and have driven their recent military modernization programs. Malaysia and Brunei, on the other hand, enjoy the luxury of distance from China and have tended to downplay the dispute. Moreover, the claims of Vietnam, the Philippines, Malaysia and Brunei overlap, preventing the four countries from presenting a united front. Then there are Indonesia and Singapore, who make no territorial claims in the South China Sea, but are alarmed at Beijing's expansive claims. Indonesia has formally challenged China's claims at the United Nations, while Singapore has called on China to clarify them.
- (3) The second group, the non-littorals, comprises Cambodia, Laos, Burma and Thailand, and they have been noticeably silent about the South China Sea issue. They do not see themselves as having a direct stake in the dispute and do not consider the Spratlys to be a pressing concern. Plus, over the past two decades China has cultivated close political, economic and security ties with these four countries, which their governments do not want to risk damaging by taking positions against Beijing.
- (4) Lack of support from within ASEAN has then led Hanoi and Manila to pursue additional strategies, including closer defense links with Washington. Debate over the role the United States should play in the South China Sea dispute exacerbates the divisions within ASEAN. Some members are concerned that a more proactive role by Washington will simply antagonize China and complicate the search for a resolution.
- (5) The South China Sea dispute has moved to the top of Asia's security agenda. Yet the compromises necessary to achieve a negotiated settlement are out of reach, as the claimants have moved to strengthen their jurisdictional claims. With tensions rising, the weight of expectations on ASEAN to become proactive and articulate solutions to the dispute will only become heavier. Regrettably, recent events show ASEAN cannot live up to those expectations and, on current trends, will allow Beijing to pick off individual members.

Refer to the article: Asean Is a House Divided

<http://online.wsj.com/article/SB10001424052702303734204577465861459787498.html>

### **June 17 “The Philippines to purchase maritime surveillance system from the United States” (Gulfnews.com, June 17, 2012)**

The Philippines and the United States have started to implement plans to erect a comprehensive surveillance system beamed at the South China Sea. The Philippine government

has put in place the purchase of a Landing Craft Utility (LCU), two Coast Watch System, 105 units of 20-watts vehicular configuration radio, three lots of night fighting system (NFS) and an aerial camera which could be used by the Philippine Navy as a surveillance system, said a spokesman of the Armed Forces of the Philippines on the 17th. At the same time, according to the spokesman, the Philippine government will also buy other equipment such as radars, apart from planned purchases of naval vessels and long range patrol aircraft. The surveillance system will be used to detect entrance of foreign vessels to Philippine territory and EEZ.

Refer to the article: Philippines, US erect National Coast Watch Centre

<http://gulfnews.com/news/world/philippines/philippines-us-erect-national-coast-watch-centre-1.1036579>

### **June 21 “China says Vietnam claim to islands is null and void” (Reuters, June 21, 2012)**

China on the 21st “vehemently opposed” a Vietnamese law asserting sovereignty over the South China Sea. The Chinese vice foreign minister summoned the Vietnamese ambassador in Beijing and told him that Hanoi’s new law claiming the contested Paracel and Spratly Islands was a “serious violation” and called for an “immediate correction”. “Vietnam’s Maritime Law, declaring sovereignty and jurisdiction over the Paracel and Spratly Islands, is a serious violation of China’s territorial sovereignty. China expresses its resolute and vehement opposition,” according to a Foreign Ministry statement. Vietnam’s National Assembly approved the law on the 21st. It says all foreign naval ships passing through the waters must notify Vietnamese authorities.

Refer to the article: China says Vietnam claim to islands “null and void”

<http://www.reuters.com/article/2012/06/21/us-china-vietnam-sea-idUSBRE85K0EM20120621>



Left: A Vietnamese floating guard station is seen on Truong Sa islands or Spratly islands.  
Right: Motorboats anchor at a partially submerged island of Truong Sa islands or Spratly islands.

Source: Reuters, June 21, 2012

**【Related article】****“China establishes Sansha city in South China Sea” (The Global Times, June 25, 2012)**

China’s Ministry of Civil Affairs announced on the 21st the establishment of Sansha city, which will administer Xisha, Zhongsha and Nansha islands. The idea of establishing Sansha city emerged as early as 2007, but was shelved due to protests by Vietnam. Now China has taken a concrete step. The new level of management carries more weight than the law of Vietnam in certain aspects of exercising jurisdiction. The establishment of Sansha city has made China’s presence in the South China Sea more tangible. The new city should be granted more diplomatic freedom. Local governments of South Korea and Japan are very active in diplomacy and have become independent diplomatic channels. China can learn from these examples. War is not the worst case scenario for the South China Sea disputes. An even worse situation is countries like Vietnam and the Philippines, backed by the United States, becoming more provocative against China. Establishing Sansha city should be a new development of China’s maneuvers in the South China Sea.

Refer to the article: Sansha new step in managing S.China Sea

<http://www.globaltimes.cn/content/716822.shtml>

**June 21 “Energy experts’ prediction: Chiba will drill deep ocean resources in South China Sea soon” (Reuters, July 21, 2012)**

*Reuters* dated the 21st reported that the locally built Haiyang Shiyou (Offshore Oil) 981 rig owned by China’s state-run oil company China National Offshore Oil Corporation (CNOOC) is currently drilling 320 km south of Hong Kong in an area within Beijing’s ambit. Chinese energy experts said Beijing will eventually move its rig to explore in deeper and more oil-rich waters further south in the South China Sea. Below is the summary of his opinion.

- (1) Chinese energy experts say Beijing will eventually move Haiyang Shiyou (Offshore Oil) 981 rig to explore in deeper and more oil-rich waters further south in the South China Sea, where China, Vietnam, the Philippines, Taiwan, Malaysia and Brunei have overlapping territorial claims. “With Chinese offshore drilling technology improving, it is just a matter of time for them to enter the central and southern part of the South China Sea,” said Liu Feng, senior researcher at the state-backed National Institute for South China Sea Studies. Asked whether CNOOC would move the rig to disputed waters, Lin Boqiang, professor and director of the China Center for Energy Economics Research at Xiamen University, said: “I feel they will ... If CNOOC does not do it, other countries will do it. So why (should) CNOOC not do it?”
- (2) The deepwater area of the South China Sea remains untapped, largely because tensions between rival claimants have made oil companies and private rig-builders reluctant to explore contentious acreage well away from sovereign coastlines. CNOOC called Haiyang Shiyou 981 “a mobile national territory” but it refrained from saying whether redeploying it to a troubled area. That sparked concerns that China’s quest for oil and gas to feed its

economy would push Beijing into the disputed zone of the South China Sea and potentially a confrontation with other claimants. “Large deepwater drilling rigs are our mobile national territory and strategic weapon for promoting the development of the country’s offshore oil industry,” the official Xinhua news agency quoted CNOOC Chairman Wang Yilin as saying. In response, Vietnam called for mutual respect of international law governing exploration in the South China Sea, which it calls the East Sea. “Activities in the East Sea by countries must abide by international laws ... and must not infringe upon sovereignty, sovereign rights and national jurisdiction of other countries,” said a spokesman for Vietnam’s foreign ministry.

- (3) Rich hydrocarbon resources are believed to lie below the centre and south of the South China Sea, which is in the disputed zone. Estimates for proven and undiscovered oil reserves in the entire sea range from 28 billion to as high as 213 billion barrels of oil, the U.S. Energy Information Administration said in a March 2008 report. That would be equivalent to more than 60 years of current Chinese demand, under the most optimistic outlook, and surpass every country’s proven oil reserves except Saudi Arabia and Venezuela, according to *the BP Statistical Review*. That is why Chinese state media have called the South China Sea “the second Persian Gulf”. In a report of May, *Xinhua* news agency said about 70 percent of the oil and gas resources in the South China Sea were believed to exist in deep water. Geologists have said most oil and gas resources likely lie in areas where the sea floor is between several hundred meters and 3,000 meters deep, although parts are up to 4,700 meters deep.
- (4) Using the 981 rig, China is capable of drilling for oil in waters as deep as 3,000 meters for the first time. The rig is now drilling at a depth of only 1,500 meters. China had to wait for its own ultra-deepwater rig as private rigs were unavailable for hire because of a global exploration boom. Utilization rates of deepwater rigs, including semi-submersibles and drill ships, have been in the range of 90-100 percent. The equipment shortage has also deterred foreign companies from exploring the deep water of the South China Sea, in addition to their reluctance to venture into disputed territory. “Chinese state media seemed to be excited by the rig, the technology,” said Li Mingjiang, an assistant professor and a China expert at Singapore’s Nanyang Technological University. “By playing up nationalism, it could help CNOOC gain more state policy support, more investment.” However, the big risk for CNOOC is that no one knows how hydrocarbon deposits are spread across the sea-bed. Discoveries near the coasts of Southeast Asian countries in recent years were mostly natural gas, reinforcing the belief among geologists and explorers there should be more gas than oil in the South China Sea. Natural gas is generally cheaper but costs much more than oil to produce, store and transport. “Aside from geopolitical risk, the bigger question is if 981 finds anything, is it more likely to be gas than oil?” CLSA’s Powell said. “If they find natural gas in 1 or 2 km (deep) waters, then it could very likely be stranded gas. In other words, it is uneconomic.”

Refer to the article: China tests troubled waters with \$1 billion rig for South China Sea

<http://www.reuters.com/article/2012/06/21/us-china-southchinasea-idUSBRE85K03Y20120621>

### **【Related article】**

#### **“CNOOC establishes blocks the seas around Vietnam” (The Wall Street Journal, June 27, Diplomat, June 27, and Bloomberg Business Week, June 28, 2012)**

The China National Offshore Oil Company (CNOOC) on the 23rd established nine new blocks in the South China Sea and announced they were now open to foreign oil companies for exploration and development. In response to this, Vietnam Oil & Gas Group, also known as PetroVietnam, will ask to cancel the develop project on the 27th. According to PetroVietnam, there are CNOOC blocks in Vietnam’s EEZ. Two of them overlap with Vietnamese areas that have been awarded by PetroVietnam to Exxon, Moscow-based Gazprom (OGZD), India’s Oil & Natural Gas Corp. and Talisman Energy Inc. (TLM).

The CNOOC blocks, in water 300 to 4,000 meters (1,000 to 13,000 feet) deep, cover an area of about 160,000 square kilometers (62,000 square miles). A Hong Kong expert thinks there is no way any foreign company will go there, due to Vietnam’s protest, and this is just CNOOC being used by the central government to make a statement.

M. Taylor Fravel, an Associate Professor of the Massachusetts Institute of Technology in the United States, contributed an article to a Web magazine *The Diplomat* dated the 27th, pointing out a few points as follows.

- (1) CNOOC blocks are located entirely within disputed waters in the South China Sea. As this map shows, they lie off Vietnam’s central coast and comprise of more than 160,000 square kilometers. The western edge of some blocks appears to be less than 80 nautical miles from Vietnam’s coast, well within that country’s Exclusive Economic Zone. All the blocks overlap at least partially with PetroVietnam’s, including potentially ones where foreign oil companies have ongoing exploration activities. Foreign companies may be unlikely to cooperate with CNOOC to pursue investments in disputed blocks.
- (2) However, CNOOC’s announcement is important in several respects. First, such an announcement of the blocks together with the establishment of Sansha city is a part of policy to strengthen China’s jurisdiction. CNOOC’s announcement undercuts efforts since the summer of 2011 to pursue a more moderate approach toward managing its claims in the South China Sea. Also, the location of the blocks implies that China (or at least CNOOC) may interpret the nine-dashed line on Chinese maps as reflecting China’s “historic rights” in the South China Sea. Such a claim would be inconsistent with the U.N. Convention on the Law of the Sea (UNCLOS), in which maritime rights can be claimed only from land features.

Refer to the article: Vietnam Spars With China Over Oil Plans

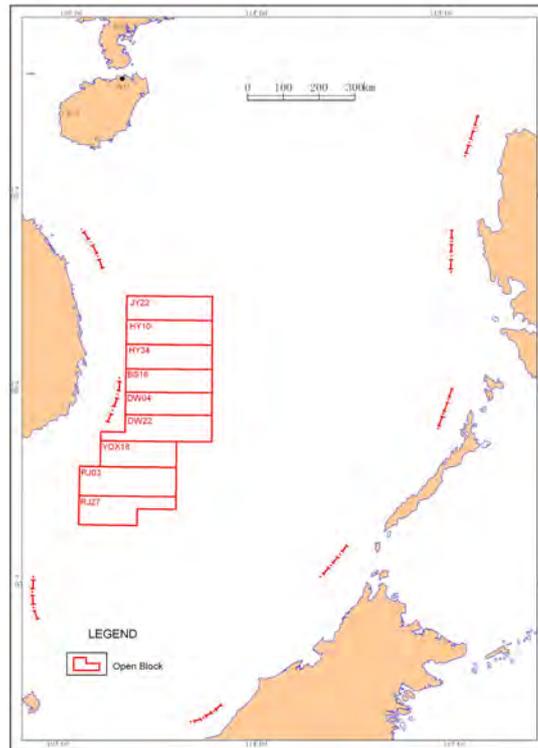
[http://online.wsj.com/article/SB10001424052702303649504577491823837421842.html?mod=wsj\\_share](http://online.wsj.com/article/SB10001424052702303649504577491823837421842.html?mod=wsj_share)

### Vietnam Spars With China Over Oil Plans

[http://online.wsj.com/article/SB10001424052702303649504577491823837421842.html?mod=wsj\\_share](http://online.wsj.com/article/SB10001424052702303649504577491823837421842.html?mod=wsj_share)

### Vietnam Warns China to Halt Oil Bids in Exxon-Awarded Area

<http://www.businessweek.com/news/2012-06-27/vietnam-warns-china-to-halt-oil-bids-in-area-awarded-to-exxon>



Notification of Part of Open Blocks in Waters under Jurisdiction of the People’s Republic of China Available for Foreign Cooperation in the Year of 2012

Source: CNOOC HP, Press Center, June 23, 2012

<http://en.cnooc.com.cn/data/html/news/2012-06-23/english/322127.html>

### June 26 “China sends patrol ships to South China Sea” (Xinhua, June 26, 2012)

A patrol team consisting of four China Marine Surveillance (CMS) ships on the 26th sailed from Sanya city, Hainan island, China, to the South China Sea to conduct regular patrols. According to an unnamed CMS official, the team is expected to travel more than 2,400 nautical miles (4,500 kilometers) during the patrols, adding that formation drills will be conducted “if maritime conditions permit.”

Refer to the article: China sends patrol ships to South China Sea

[http://news.xinhuanet.com/english/china/2012-06/26/c\\_131677621.htm](http://news.xinhuanet.com/english/china/2012-06/26/c_131677621.htm)



China Marine Surveillance Ships On Patrol In The South China Sea

Source: gCaptain, June 18, 2012

## 1.4 Diplomacy and International Relations

### June 6 “The United States and China woo India” (The Times of India, June 7, 2012)

With the Asia-Pacific region emerging as the theatre of escalating U.S.-China rivalry, India on the 6th found itself in a rare and enviable situation: of being wooed by the United States and China. Visiting U.S. defence secretary Leon Panetta said India would be “a linchpin” in America’s unfolding new defence strategy, while Chinese vice premier Li Keqiang told foreign minister SM Krishna that Sino-Indian ties would be the most important bilateral relationship in the 21st Century.

Panetta said, “America is at a turning point. After a decade of war, we are developing the new defence strategy. In particular, we will expand our military partnerships and our presence in the arc extending from the Western Pacific and East Asia into the Indian Ocean Region (IOR) and South Asia. Defence cooperation with India is a linchpin in this strategy.” Meanwhile, China, which after the over 5,000-km Agni-V missile’s test had sniggered at India for harbouring super-power ambitions, seems to have switched to a conciliatory tone and, suddenly, respectful of New Delhi’s strategic autonomy. The tactic found expression in *the People’s Daily* which gushingly proclaimed that India with an independent foreign policy could not be manipulated. The unfolding rivalry creates problems for India. Yet, it does not want to be seen as being part of any American grand design to contain China. India wants to further step up its defence cooperation with the United States on a bilateral basis but clearly does not want additional naval forces in an already-militarized IOR and surrounding regions.

Refer to the article: US, China woo India for control over Asia-Pacific

[http://articles.timesofindia.indiatimes.com/2012-06-07/india/32100282\\_1\\_asia-pacific-defence-cooperation-defence-secretary](http://articles.timesofindia.indiatimes.com/2012-06-07/india/32100282_1_asia-pacific-defence-cooperation-defence-secretary)

 **TOPIC** **U.S. Senate Hearing on U.S. Accession to UNCLOS**

U.S. Senate Committee on Foreign Relations held the second Senate hearing on U.S. accession to the United Nations Convention on the Law of the Sea (UNCLOS) on June 14. Below is the summary of a statement of Chief of Naval Operations Admiral Jonathan Greenert, and a testimony of Commandant of the U.S. Coast Guard Admiral Robert Papp.

**1. Chief of Naval Operations Admiral Greenert**

- (1) As the world's preeminent maritime power, the United States will benefit from the support UNCLOS provides to our operations. Our ability to deter aggression, contain conflict, and fight and win our nation's wars depends upon our ability to freely navigate the world's oceans. The rules inherent in UNCLOS support worldwide access for military and commercial ships and aircraft without requiring permission of other countries, such as in the archipelagic waters of countries like Indonesia, or in the Arctic where receding ice is opening new routes for transit. The Convention affords our submarines the right to transit submerged and aviation-capable ships to transit while conducting flight operations through international straits; establishes broad navigational rights and freedoms for our ships and aircraft in the exclusive economic zones of other nations and on the high seas; and reinforces the sovereign status of our vessels. The Convention affords navigational rights for ships without regard to cargo or means of propulsion, an extremely important right given our extensive use of nuclear power.
- (2) UNCLOS provides a formal and consistent framework for the peaceful resolution of maritime disputes. It defines the extent of control nations can legally assert at sea and prescribes procedures to counter excessive maritime claims. Acceding to UNCLOS will increase our credibility in invoking and enforcing the treaty's provisions and maximize our influence in the interpretation and application of the law of the sea. Recent interference with our operations in the Western Pacific and rhetoric by Iran to close the Strait of Hormuz underscore the need to use the Convention to clearly identify and respond to violations of international law that seek to constrain access to international waters. As a party to the Convention, we will bolster our position to press the rule of law and maintain the freedom to conduct military activities in these areas.
- (3) Virtually every major ally of the U.S. is a party to UNCLOS, as are all other permanent members of the U.N. Security Council and all other Arctic nations. Our absence could provide an excuse for nations to selectively choose among Convention provisions or abandon it altogether, thereby eroding the navigational freedoms we enjoy today. Accession would enhance multilateral operations with our partners and demonstrate a clear commitment to the rule of law for the oceans.

- (4) UNCLOS does not limit U.S. military operations. I would not support UNCLOS if I thought it limited our nation's military options. The Navy's ability to retain access across the maritime domain, especially the strategic maritime crossroads, would be enhanced by accession to UNCLOS. As the world's preeminent maritime power, the United States has much to gain from the legal certainty and global order brought by UNCLOS. The United States should not rely on customs and traditions for the legal basis of our military and commercial activity when we can instead use this Convention. It is an important element of protecting our nation's security and prosperity.

Refer to the article: Statement of Admiral JONATHAN GREENERT, Chief of Naval Operations Before The Senate Committee on Foreign Relations on Law of The Sea Convention [http://www.foreign.senate.gov/imo/media/doc/Admiral\\_Jonathan\\_Greenert\\_Testimony.pdf](http://www.foreign.senate.gov/imo/media/doc/Admiral_Jonathan_Greenert_Testimony.pdf)

## 2. Commandant of the U.S. Coast Guard Admiral Papp

- (1) I am firmly convinced that the legal certainty and stability accorded by the Convention will strengthen Coast Guard efforts in: first, sustaining mission excellence as America's maritime first responder; second, protecting American prosperity; and third, ensuring America's Arctic future. The United States is a maritime and Arctic nation. We have one of the world's longest coastlines, measuring more than 95,000 miles, and the world's largest Exclusive Economic Zone (EEZ), responsible for over \$122 billion in revenue annually. The U.S. maritime transportation system is comprised of 361 ports and thousands of miles of maritime thoroughfares that support 95 percent of U.S. foreign trade. Most of that trade is transported on over 7,500 vessels that make more than 60,000 visits to U.S. ports annually. The need to secure our maritime rights and interests, including ocean resources, is paramount. To this end, the Coast Guard maintains a persistent maritime presence to protect Americans on the sea, to protect America from threats delivered by sea, and to protect the sea itself.

### (2) Sustaining Mission Excellence as America's Maritime First Responder

The ability to navigate freely in international waters, engage in innocent and transit passage, and enjoy high seas freedoms are critical rights under international law, which the Convention codifies. These rights allow our cutters and aircraft to move without the permission of or need to provide advance notice to other coastal nations. We currently assert navigational rights and freedoms based on customary international law. But customary international law can evolve over time. By becoming a party to the Convention we will secure these favorable rules on the strongest legal footing and better position the Coast Guard to exercise these rights to sustain operations. One of the Convention's most important provisions is the stabilization of territorial sea claims to 12 nautical miles. By limiting territorial sea claims to 12 nautical miles, the Convention secures vital boarding rights for the Coast Guard outside this zone. Similarly, the Convention secures the important rights of approach and visit to determine vessel nationality. For many of the laws the Coast Guard enforces, especially those involving drug trafficking, illegal

immigration, and counterterrorism. Our international partners are overwhelmingly parties to UNCLOS. Our status as a non-party presents an unnecessary obstacle to gaining their cooperation.

(3) Protecting American Prosperity

Joining the Convention guarantees that commercial ships will continue to enjoy these same rights and navigation freedoms. America needs the Convention to secure stability in maritime trade, boost economic confidence, and open the door to exploitation of deep seabed resources.

- a. Vibrant and safe U.S. ports are also vital to a healthy and thriving economy. The safety of U.S. ports, and the vessels that call on them, is a function of U.S. port state control. The Coast Guard maintains a comprehensive port state control program, including vessel inspections, assuring the proficiency of mariners, and monitoring port activity to ensure compliance with the highest standards of maritime safety, security, and environmental protection. Uniform international standards, negotiated and adopted through the International Maritime Organization (IMO), are the foundations of this program. These standards are the linchpin of a transportation system that depends on speed. Because of the currently anomalous situation where the United States is a party to the substantive IMO standards, but not the underlying legal framework of the Convention, our ability is weakened. Acceding to the Convention would strengthen Coast Guard negotiation efforts at the IMO, where we lead in the continued development of these important international standards.
- b. The Convention also maximizes legal certainty for United States sovereign rights over ocean resources in the largest EEZ in the world, as well as energy and mineral and other resources on our extended continental shelf. The Convention is widely accepted as the legal framework under which all international fisheries are regulated and enforced. The Coast Guard defends United States sovereign rights by protecting our precious ocean resources from poaching, unlawful incursion, and illegal exploitation. Joining the Convention places these sovereign rights on a firmer legal foundation, bolstering the Coast Guard's ability.
- c. The Convention also provides a framework for the United States, as a coastal state, to address marine pollution from foreign sources at the international level. The Coast Guard is the Nation's first responder for any oil spill on the ocean. We need the strongest legal footing possible to confront any crisis on the ocean, particularly in the case of transboundary pollution. As other nations increase their offshore energy production and exploration efforts in areas close to our shores, it is imperative that the Coast Guard work cooperatively with those nations to prevent and respond to incidents. The Convention provides a primary basis of cooperation, but unlike all our neighboring nations, the United States is not a party. Joining the Convention will give the Coast Guard a much needed additional tool to reduce the risk of marine pollution from foreign nations and vessels from reaching our waters and shores.

#### (4) Ensuring America's Arctic Future

As the ice pack in the Arctic recedes, more use will be made of those waters, greatly increasing American economic interests in the region. Melting ice in the Arctic also raises the significance of issues such as rights of navigation and offshore resource exploration and extraction and environmental preservation and protection. The Coast Guard has robust statutory authority to protect U.S. interests in the Arctic. The Coast Guard has been operating in the Arctic since Alaska was a territory, and our responsibilities will continue to expand with America's interests. The United States is the only Arctic nation not a party to the Convention. While there are many challenges, the increasingly wet Arctic Ocean presents unique opportunities. The Convention provides the key legal framework we need to take advantage of these opportunities. The Coast Guard needs the Convention to ensure America's Arctic future.

#### (5) Why Accede Now?

The Convention and the subsequent 1994 Agreement on implementing Part XI were diplomatic triumphs for the United States. These documents preserve and protect our interests by codifying international law that is highly favorable to the United States as both a coastal state and pre-eminent maritime power. In order for the Coast Guard to most effectively use the Convention's provisions, the United States must become party.

For decades, we have largely acted in accordance with a treaty that we have no ability to shape and without the additional benefits that come from being a party. We need to be a party to influence and lead the further development of the international rules governing the oceans. Too much is at stake to rely on the inherently changeable nature of customary international law to protect our nation's economic and security interests.

The Coast Guard needs a comprehensive legal framework that addresses activities on, over, and under the world's oceans to further its statutory missions. Acceding to the Convention will strengthen the Coast Guard's ability to protect U.S. maritime interests. The Convention is widely accepted; there are currently 162 parties. Of the eight Arctic nations, only the U.S. is not a party to the Convention. I can see no downside to the Coast Guard in the United States acceding to the Law of the Sea Convention. To the contrary, joining the Law of the Sea Convention will immensely enhance the Coast Guard's ability.

Refer to the article: Testimony of Admiral ROBERT PAPP, Commandant, U.S. COAST GUARD on Accession to The 1982 Law of the Sea Convention Before The Senate Committee on Foreign Relations

[http://www.foreign.senate.gov/imo/media/doc/Admiral\\_Robert\\_Papp\\_Testimony.pdf](http://www.foreign.senate.gov/imo/media/doc/Admiral_Robert_Papp_Testimony.pdf)

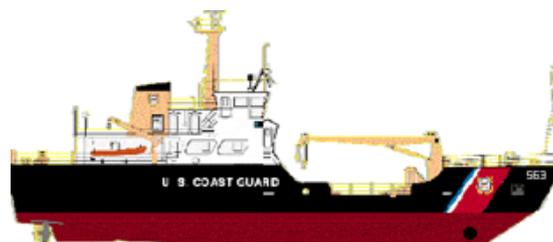
## 1.5 Shipping, Shipbuilding and Harbors

### June 20 “U.S. Coast Guard tests biofuel” (Navy Times, AP, June 21, 2012)

The U.S. Coast Guard buoy tender *Henry Blake* fueled up on the 20th at its home port in Everett with a 50-50 blend of diesel and algae oil as the Coast Guard’s first ship to test biofuel, and then made its rounds of navigation aids on Puget Sound on the 21st. The Coast Guard is partnering in the research with the Navy, which plans to demonstrate its “Great Green Fleet” with the *Nimitz* strike group during the Rim of the Pacific, or RIMPAC, international military exercise beginning June 29 around the Hawaiian Islands. Another Everett-based ship, the aircraft carrier *Nimitz*, will play a role in biofuel testing during the RIMPAC 2012, which runs to August 3. It won’t burn biofuel itself, but its aircraft will burn a blend of aviation fuel and biofuel made from the camelina plant. Three of the ships in the *Nimitz* strike group — the guided-missile cruiser *Princeton* from San Diego and two destroyers from Pearl Harbor, the *Chung-Hoon* and *Chaffee* — will burn the blend of diesel and biofuel made from algae.

Refer to the article: First Coast Guard ship testing biofuel

<http://www.navytimes.com/news/2012/06/ap-first-coast-guard-ship-testing-biofuel-062112/?utm>



USCG *Henry Blake*

Source: USCG HP

### June 21 “U.S. aircraft carrier’s new role: fishing patrol” (Navy Times, June 21, 2012)

According to a report by *Navy Times* dated the 21st, before its final leg home from deployment in May, USS *Carl Vinson* Carrier Strike Group got a new mission: patrol and secure protected fishing areas in the southern Pacific. While that mission is routine to the Coast Guard, it was the first time an aircraft carrier was involved in fighting illegal fishing in Oceania, a vast region northeast of Australia. The effort is the latest example of a Navy mission expected to grow in the Pacific. Officials say Oceania is important not only to U.S. economic prosperity, but also 22 Pacific island nations financially dependent on their local fisheries. A key area is what’s known as the “Tuna Belt,” which runs along the equator and supplies 57 percent of the world’s tuna. Many livelihoods are threatened by illegal fishing, said Coast Guard Cmdr. Mark Morin, incident management branch chief with the Coast Guard’s 14th District in Honolulu. “There’s about \$1.7 billion annually that is lost to illegal fishing in Oceania,” said Morin. The Coast Guard’s limited assets make it tough for constant air and sea patrols to enforce maritime laws in Oceania. In

2009, the Navy first began assisting the Coast Guard in the Oceania Maritime Security Initiative, or OMSI, as the Hawaii-based frigate *Crommelin* joined the Coast Guard for fisheries patrols as it traveled to the western Pacific. Nearly a dozen ships have joined in the mission since. *Carl Vinson* and its embarked carrier air wing, along with the cruiser *Bunker Hill* and destroyer *Halsey*, participated May 7-15 in OMSI. It marked the Navy's biggest support of the mission yet. The *Vinson's* jets, turboprops and helicopters flew more than five dozen sorties patrolling the region. "Our job was to assist the Coast Guard by increasing maritime domain awareness in support of the maritime law enforcement operations, I believe this is an enduring mission for both 7th Fleet and 3rd Fleet," said the aircraft carrier's top senior official. Oceania has 43 percent of the U.S.'s EEZs, covering 1.3 million square miles — more than twice the size of Alaska. Coast Guard officials are planning to deploy the first Coast Guard law enforcement teams aboard a destroyer or cruiser to Oceania as early as November 2012.

Refer to the article: New carrier role in Pacific: fight illegal fishing

<http://www.navytimes.com/news/2012/06/navy-illegal-fishing-carl-vinson-pacific-062112/>



The carrier *Carl Vinson*, before it wrapped its deployment in May, was tapped to combat illegal fishing in the Oceania region, located northeast of Australia in the southern Pacific.

Source: Navy Times, June 21, 2012

### **June 23 “China’s submersible breaks 7,000-metre mark” (Channel News Asia, June 24, 2012)**

The Chinese submersible vessel *Jiaolong* dived 7,015 metres in the Mariana Trench in the western Pacific Ocean on its fourth dive since arriving on the 23rd, the official *Xinhua* news agency said. The *Jiaolong* is three-manned vessel. Experts say 7,000 metres is the limit of its design. Experts say China intends to use the submersible for scientific research as well as future development of mineral resources.

Refer to the article: China’s submersible breaks 7,000-metre mark

[http://www.channelnewsasia.com/stories/afp\\_asiapacific/view/1209543/1/.html](http://www.channelnewsasia.com/stories/afp_asiapacific/view/1209543/1/.html)



*Jiaolong*

Source: Channel News Asia, June 15, 2012

## 2. Intelligence Assessment

### 2.1 Recommendations of the Commission on the Limits of the Continental Shelf (CLCS) and Strategic Importance of Okinotori-shima

#### ~Japanese Response to the Chinese A2/AD Strategy~<sup>1</sup>

By Rear Admiral (Ret.) Masami Kawamura, Japan Maritime Self-Defense Force

#### 1. Recommendations of the CLCS and China's Repulsion

The Ministry of Foreign Affairs of Japan announced on April 28, 2012 the following statement (summary) on the recommendations of the Commission on the Limits of the Continental Shelf (CLCS) regarding the submission made by Japan of expansion of the limits of the continental shelf.

- (1) On April 27 (local time of Japan), Japan received the CLC recommendations on the submission regarding the expansion of the continental shelf made by Japan.
- (2) Of the Shikoku Basin Region, we recognize that the expansion of Japan's continental shelf with the base point of Okinotorishima has been approved.
- (3) Of the Southern Kyushu-Palau Ridge Region, although advice is delayed, continuous efforts will be made for advice regarding the said sea area.
- (4) As a whole, CLCS recommendations of this time are considered an important step toward expanding Japan's oceanic interests. <sup>2</sup>

Arguing against this announcement, the Ministry of Foreign Affairs and Trade of China, on the same day, April 28, immediately reacted, stating, "China's position on the Okinotori Reef is consistent that that Okinotori Reef should have neither exclusive economic zone nor continental shelf according to international law (UNCLOS, Article 121, 3)."<sup>3</sup> China and the Republic of Korea voice a protest, insisting, "Okinotori-shima is not an island, but a reef." Especially, there has been the case that China had submitted to the CLCS a verbal note including specific content that the CLCS would not recognize Japan's submission of the expansion of the limits of the continental shelf from the Okinotori-shima as the base point.<sup>4</sup>

Incidentally, the Republic of Palau notices the overlap between its continental shelf and what Japan is pointing out as "The Southern Kyushu-Palau Ridge Region," but gives its verbal note to the CLCS of no objection to the content of Japan's submission.<sup>5</sup>

<sup>1</sup> The views voiced here are his alone.

<sup>2</sup> [http://www.mofa.go.jp/mofaj/press/danwa/24/dga\\_0428.html](http://www.mofa.go.jp/mofaj/press/danwa/24/dga_0428.html) (Japanese)

<sup>3</sup> Foreign Ministry Spokesperson Liu Weimin's Remarks on Japan's Information Release on the Okinotori Reef <http://www.fmprc.gov.cn/eng/xwfw/s2510/2535/t928749.htm>

<sup>4</sup> Reaction of States to the submission made by Japan to the Commission on the Limits of the Continental Shelf Note No: CML/2/2009

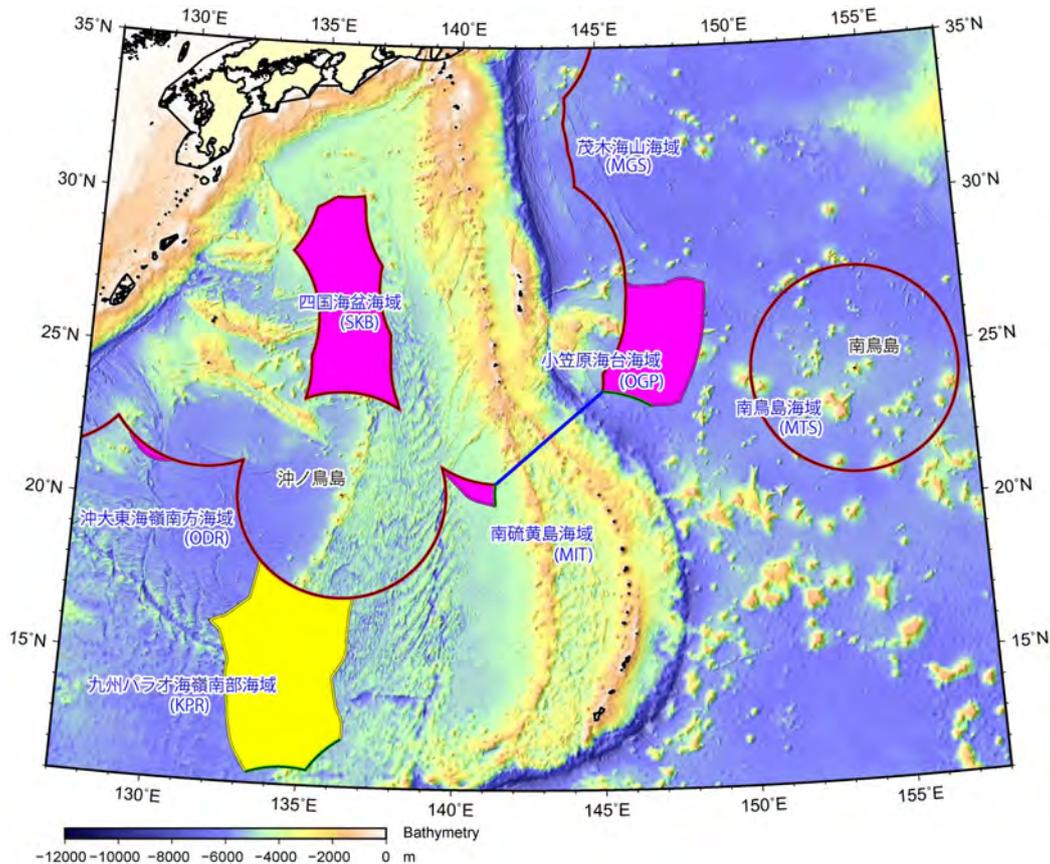
[http://www.un.org/Depts/los/clcs\\_new/submissions\\_files/jpn08/chn\\_6feb09\\_e.pdf](http://www.un.org/Depts/los/clcs_new/submissions_files/jpn08/chn_6feb09_e.pdf)

<sup>5</sup> Note No: 029/PMUNS/09

[http://www.un.org/Depts/los/clcs\\_new/submissions\\_files/jpn08/plw\\_15jun09.pdf](http://www.un.org/Depts/los/clcs_new/submissions_files/jpn08/plw_15jun09.pdf)



### Japan's Expanding Limits of the Continental Shelf



Note: The Mogi Seamount Region (MGS), The Shikoku Basin Region (SKB), The Ogasawara Plateau Region (OGP), The mitorishima, The Minami-Tori Shima Island Region (MTS), The Southern Oki-Daito Ridge Region (ODR), The Oninotorishima, The Minami-Io Island Region (MIT), The Southern Kyushu-Palau Ridge Region

Source: Inserted Map (Japan's Expanding Continental Shelf), "Of the CLCS Recommendations on the Japan's Expansion of the Limits of the Continental Shelf" distributed as No.4 material at the Meeting of Comprehensive Maritime Policy Administrative Office on May 25, 2012.

<http://www.kantei.go.jp/jp/singi/kaivou/dai9/sirvou4.pdf>

## 2. Expansion of the Limits of the Continental Shelf from Okinotorishima as the Base Point

Among the sea areas of Japan's submission to expand the limits of continental shelf, only two sea areas, "The Southern Kyushu-Palau Ridge Region" and "The Shikoku Basin Region" are the sea areas that Okinotorishima becomes the base point

According to the summary of the CLCS recommendations published on June 3, 2012, as to the "Southern Kyushu-Palau Ridge Region," for which the recommendations have not been issued, the CLCS is not in a position to take actions to issue recommendations until the matters referred to in the verbal note (objection from China and ROK and refutation from Japan) are resolved.<sup>6</sup>

<sup>6</sup> SUMMARY OF RECOMMENDATIONS OF THE COMMISSION ON THE LIMITS OF THE CONTINENTAL SHELF IN REGARD TO THE SUBMISSION MADE BY JAPAN ON 12 NOVEMBER 2008, paras.16-20 [http://www.un.org/Depts/los/clcs\\_new/submissions\\_files/jpn08/com\\_sumrec\\_jpn\\_fin.pdf](http://www.un.org/Depts/los/clcs_new/submissions_files/jpn08/com_sumrec_jpn_fin.pdf)

On the other hand, as for the “Shikoku Basin Region,” it is understood that the government’s written answer to the question asked by the honorable Masahisa Sato, LDP member of the House of Councillors of Japan, says, “The CLCS recommendation of the approximately 310,000 square kilometer area which covers most of the area of the Shikoku Basin Region of the submission was to expand the limits of the continental shelf from Okinotori-shima as the base point.”<sup>7</sup>

### 3. Strategic Importance of Okinotori-shima

Apart from the case of the ROK, the reason China is stuck to Okinotori-shima is because China is considering that Okinotori-shima lies in the middle between the first island chain, regarded as the Chinese defense front line, and the second island chain, which will become a point of strategic importance. China fears that if Okinotori-shima is recognized as an island, the narrowest 200 nautical miles from that point will be in Japan’s EEZ.

Okinotori-shima lies midway between the first island chain and the second island chain



Source: Military and Security Developments Involving the People’s Republic of China 2012, p.48, U.S. Department of Defense, May, 2012.

<sup>7</sup> <http://www.sangiin.go.jp/japanese/joho1/kousei/syuisyo/180/toup/t180132.pdf> (Japanese)

China disapproves of other nations' military activities within its EEZ. Instances include the following: collision of US EP-3 and Chinese air force fighter in international air space, 65 miles southeast of Hainan Island; and in March and May 2009, within the Chinese EEZ in the South China Sea, US Navy's oceanographic research vessel repeatedly interfered with both Chinese ships and aircraft.

If Okinotori-shima is an "island" and if the 200 mile EEZ of Japan from that base line is recognized, China's naval vessels' activities there are to be constrained, viewed from the standpoint of China. As far as it keeps the stance of not admitting other countries' military activities inside its own EEZ, China may not favor approval of Okinotori-shima as an "island." However, on the other hand, because China has altered some reefs into artificial islands in the South China Sea as seen in the picture below, it is not denied that China takes a double standard modality.

Oceanic Observatory Station on the Fiery Cross Reef, Spratly Islands



Source: "China Net" April 23, 2010

#### 4. China's A2/AD Strategy

It was indeed a big news when China's first aircraft carrier appeared in August 2011, but considerable time and expense are needed before the aircraft carrier can function as a Carrier Battle Group (CVBG). Also, it is not yet estimated whether China's aircraft carrier is able to ever upgrade as a contrast weapon system possibly capable of engaging with US CVBG. The weapon system which has the possibility to upgrade dramatically the A2/AD strategy of China against US CVBG may be rather DF-21D, the first model of anti-ship ballistic missile in the world possible to attack a moving target like an aircraft carrier being able to be launched from anywhere inside China by mobile launchers.

General Chen Bingle, Commanding General of People's Liberation Army, General Staff Department of China, refers to the DF-21D publicly in 2011 for the first time stating, "It is still in a stage of research and development and has not yet operational capability and so many

difficulties exist for the research and development.”<sup>8</sup> However, US experts are interpreting that the meaning of “Operational” referred to by General Chen Bingle is “Full Operational Capability (FOC)” if it is expressed in the manner of the United States standard, and it cannot be denied that China has reached the level of “Initial Operational Capability (IOC).” Likewise, Taiwan’s 2011 Report on Defense pointed out that the production and deployment, albeit small, started in 2010 in China and this view conforms to that of US experts. In 2011, China Daily reported that General Chen Bingle had mentioned that the DF-21D ASBM has a range of 2,700 kilometers (1,700 miles).<sup>9</sup> If true, the ASBM is to cover a little short of Guam but the greater part of the inside of the Second Island Chain. However, Associate Professor Andrew S. Erickson of the China Maritime Studies Institute (CMSI), the United States Naval War College, who circulated this news at once to the West, points out that it has come to the fore recently that the China Daily possibly made an error in claiming 2,700 km range of DF-21A (not ASBM but MSBM).<sup>10</sup> The DF-21D range is a matter of concern to the US Navy, particularly regarding the sea area of US aircraft carrier activities, and therefore, will be a sensitive problem. The 2010 version report concerning the Chinese Peoples’ Liberation Army, “Military and Security Developments Involving the People’s Republic of China 2012” published by the US Department of Defense, uses an expression of implication in observing the range of this particular ASBM as exceeding 1,500 km.<sup>11</sup> At any rate, with the emergence of the world-first ASBM (DF-21D), it cannot be denied that the possibility of Chinese A2/AD capabilities will become greater (or has been remarkably enhanced).

---

<sup>8</sup> <http://us.china-embassy.org/chn/zmgx/zxxx/t838436.htm> (Chinese)

<sup>9</sup> China flexes muscles, readies aircraft carrier-killer missile

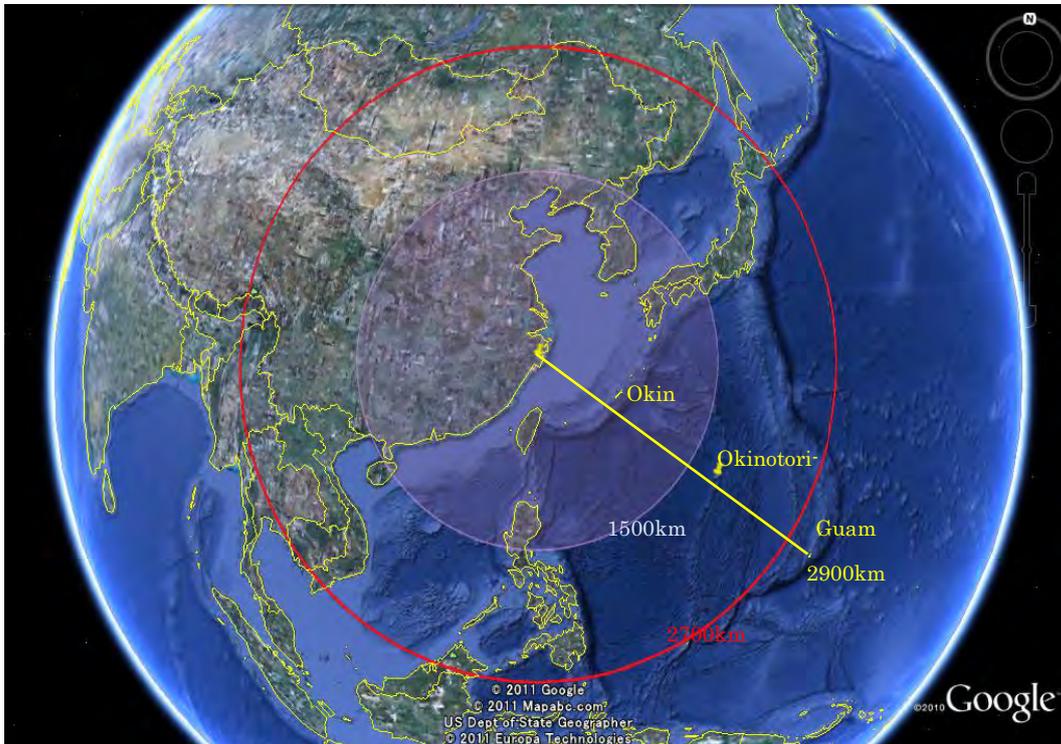
[http://articles.timesofindia.indiatimes.com/2011-07-13/china/29768903\\_1\\_aircraft-carriers-carrier-killer-chinese-aircraft](http://articles.timesofindia.indiatimes.com/2011-07-13/china/29768903_1_aircraft-carriers-carrier-killer-chinese-aircraft)

<sup>10</sup> DF-21D ASBM Deployed, but China Daily Probably Incorrect in Claiming “2,700km Range”; Gen. Chen Bingle Never Said That, 11 January 2012

<http://www.andrewerickson.com/2012/01/df-21d-asbm-deployed-but-china-daily-probably-incorrect-in-claiming-2700km-range-gen-chen-bingde-never-said-that/>

<sup>11</sup> Military and Security Developments Involving the People’s Republic of China 2012 P7,P22,P42 [http://www.defense.gov/pubs/pdfs/2012\\_CMPR\\_Final.pdf](http://www.defense.gov/pubs/pdfs/2012_CMPR_Final.pdf)

The Distance from Mainland China to Guam  
(Okinawa, Okinotori-shima, 1500 km radius, Guam, 2700 km radius)



#### 5. Response of Japan and the United States

Even though the range of the DF-21D exceeds 1,500 kilometers, Yokosuka comes within range from either Liaoning, Jinlin or Hailongjiang. Although there is not yet proof of the precise range or its operational stage, even such uncertainty functions as deterrence indicative of China's desire to have the DF-21D, and also to have the A2/AD strategy. US naval officers in command of forward deployment forces will have to make decision taking into account a risk, when CVBG occurs between the first and second inland chains, or the Group must engage in operations in the South China Sea, that they should put the Group into the scope of China's ASBM in addition to devising countermeasures against sophisticated Chinese submarines, anti-ship cruise missiles (ASCMs), and mines.

The platform first thought not to be exposed to the threat of the ASBM is the submarine. Japan has already been changing to improve the operational posture of submarine forces possessing 22 from 16 submarines.

In this connection, according to the report of the US Congress Research Service, as far as the US response to Chinese navy modernization is concerned, the measures of the DOD level include the following: to place a continued importance on the Asia-Pacific region; to maintain 11 carrier groups and 10 carrier air groups; to develop an Air-Sea Battle concept; to deploy the Marine Corps to Australia; and deploy the Littoral Combat Ship to Singapore. The measures that the United States is taking against China's A2/AD capabilities are said to include at least those below.

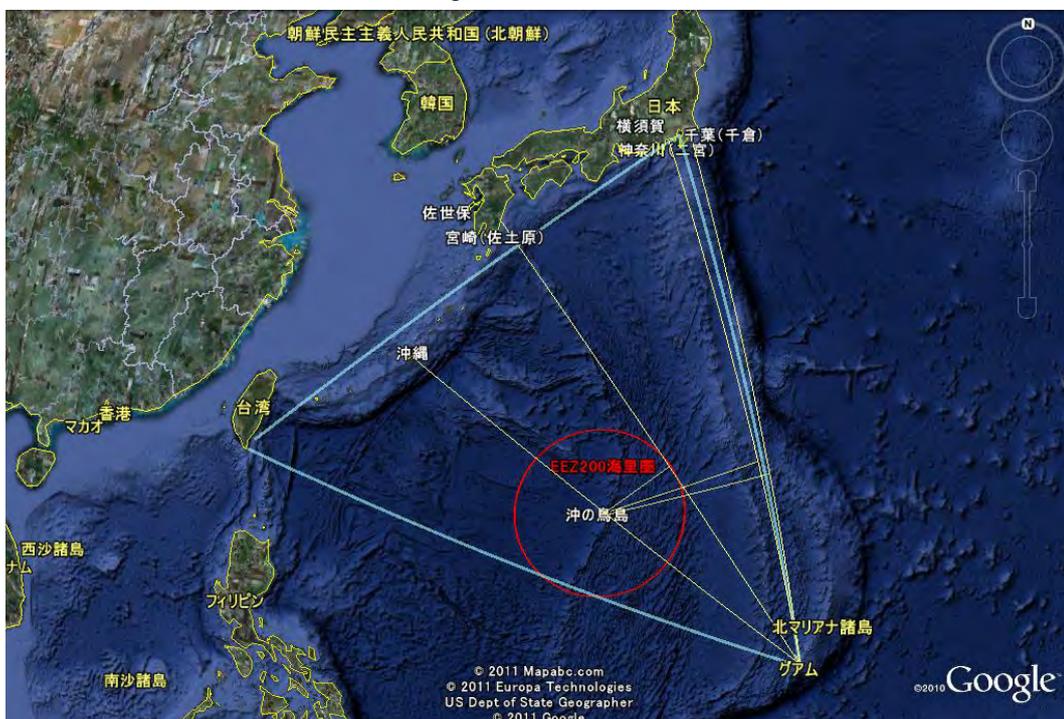
- a. To strengthen the exercises of Anti-Submarine Warfare (ASW) of the US Pacific Fleet forces

- b. To deploy assault type nuclear submarines, (SSN) and (SSGN) toward the Pacific area
- c. To deploy battle ships having BMD capability toward the Pacific area
- d. To reinforce battle ships with BMD capability and to increase the number of interceptor missile (SM-3)<sup>12</sup>

In conjunction with such US measures, Japan will need to devise measures making use of its geographical features. For instance, my view is that the following two thoughts are particularly important.

- (1) Build-up of a constantly continuous anti-submarine capability and anti-mine surveillance capability in Japan’s territorial areas on the first island chain as well as maintenance of ASW and anti-mine warfare capabilities in the same area will be needed. For that purpose it will need to build up a new underwater monitoring function in the Southwest Islands Chain.
- (2) And, Okinotori-shima, situated in the middle between Okinawa and Guam along the areas between the first and second island chains, should be secured in such a manner as the factors of an “island” would be maintained. As illustrated in the next figure below, the delta sea area linking Taiwan, Guam and Yokosuka is a strategically important area having a strong bearing upon the peace and security of East Asia, and furthermore, the sea-lane which must be said to be Japan’s thread of life is extending all to the world from this sea area. And this sea area is the convergent sea area of the sea traffic routes running to the North American continent from China. Indeed, Okinotori-shima is situated in the central axis of that area.

Delta Sea Area Linking Taiwan, Guam and Yokosuka



<sup>12</sup> China Naval Modernization: Implications for U.S. Navy Capabilities—Background and Issues for Congress, Ronald O'Rourke Specialist in Naval Affairs March 23, 2012 <http://www.fas.org/sgp/crs/row/RL33153.pdf>

## 6. Preservation of Okinotori-shima

China claims the place, saying, “Okinotori-shima is a rock, not an island, and the EEZ which is measured by a rock as the base point should not be recognized,” and has continued to conduct its marine survey activities inside that EEZ.

The “Regime of Island,” UNCLOS Part VIII, Article 121, by which China makes the definition of island the basis of its claim, is stipulated as follows.

- a. An island is a naturally formed area of land, surrounded by water, which is above water at high tide.
- b. Except as provided for in paragraph 3, the territorial sea, the contiguous zone, the exclusive economic zone and the continental shelf of an island are determined in accordance with the provisions of this Convention applicable to other land territory.
- c. Rocks which cannot sustain human habitation or economic life of their own shall have no exclusive economic zone or continental shelf.

The government of Japan claims that the status of Okinotori-shima from the viewpoint of international law is an island in accordance with the provision of paragraph 1 above, while the basis China claims is in accordance with the provision of paragraph 3, and thus Okinotori-shima is made of rocks and not considered an island. The view of the Japanese government is that paragraph 3 provides the qualification not of island but rocks, and therefore, it is not related to the provision of paragraph 1. However, in order to be more persuasive to other countries regarding the status of Okinotori-shima as an island, Japan must clarify compatibility with the paragraph 1 as well as not contravene paragraph 3. The preservation of Okinotori-shima as an island is an agenda urgently required for Japan

## Present State of Okinotori-shima



Source: "The Japan Coast Guard Report 2011"

[http://www.kaiho.mlit.go.jp/info/books/report2011/html/tokushu/p030\\_03\\_03.html](http://www.kaiho.mlit.go.jp/info/books/report2011/html/tokushu/p030_03_03.html)

Under these circumstances, the Ocean Policy Research Foundation has conducted research and study on the maintenance and reclamation of Okinotori-shima in a three-year plan from fiscal 2006. Three points in the gist of the outcomes, of which a report was published in March 2009, are as follows.

- (1) What is most important is to prevent submergence of Higashi Kojima and Kita Kojima at the time of high tide, which has become the basis of the claims for territorial sea and continental shelf. Restoration of the present existence and the bank protection work for both islets are effective for the time being, but the problem is within the range of possibility of submergence by a rise in sea level accompanied by global warming within this century.
- (2) Then, assuming the submergence of these two islets, it is necessary to create on the table reef such a land, more than one, as being above the surface of the water even at high tide, which is construed as having "formed naturally." As one of the examples, there is an idea that a sandy island on a table reef, formed by coral pieces and remnants of foraminifers, should be created. As a matter of fact, actions have already been taken to realize this idea.
- (3) Even though the island submergence could be protected, what comes important next is to develop and carry out as much as possible economic and commercial activities inside the table reef and in the surrounding territorial seas. To establish the requisite "an

independent economical life” activities are limited to the table reef and territorial sea. The right to develop the resources of the EEZ and continental shelf is granted only after the Okinotori-shima has the status of an island. As far as the idea to utilize Okinotori-shima is concerned, various ideas are proposed, such as electricity generation by temperature difference, wind and solar power generation, various activities using aquatic resources, development of mineral resources at sea bottom, varieties of research projects, and establishment of bases for survey, and of observation equipment and facilities.<sup>13</sup>

In addition, the Japan Coast Guard established a lighthouse on Okinotori-shima in March 2007 and started operations. This lighthouse aims at safety and upgrading the operational efficiency of ships and fishery boats sailing around the surrounding sea areas of the Okinotori-shima, and is thought to augment the aspect of maintaining “an independent economical life.”

#### Okinotori-shima Lighthouse



Source: “Japan Coast Guard Report 2011”

[http://www.kaiho.mlit.go.jp/info/books/report2011/html/tokushu/p030\\_03\\_03.html](http://www.kaiho.mlit.go.jp/info/books/report2011/html/tokushu/p030_03_03.html)

Here, referring to installation of electricity generation and observation equipment and facilities stated in (3) above, my explanation will touch upon only a proposal of an idea of utilizing a seabed communication cable as the means of communication to link with the idea of maintaining “an independent economical life.”

This is an idea proposing that if there is an existing seabed communication cable, or if there is a new plan, connecting with Guam and Japan [(unloading stations: of Okinawa, Miyazaki (Sadohara), Kanagawa (Ninomiya), Chiba (Chigura), and such)], the cables would diverge from the comparatively closer point on these cable routes and unload and connect on Okinotori-shima, hereby transmitting data of the observation equipment and facilities in a real time to Japan and Guam. For instance, data of meteorological and oceanic phenomena could be monitored on the main land, and from the main land such information of meteorological and oceanic phenomena

<sup>13</sup> [http://www.sof.or.jp/jp/report/pdf/200903\\_ISBN978-4-88404-216-5.pdf](http://www.sof.or.jp/jp/report/pdf/200903_ISBN978-4-88404-216-5.pdf) (Japanese)

would be distributed by such means as communication satellites to ships and fishing boats engaging in operations in the surrounding sea area, thus contributing to the economical life.

Of course, such meteorological information will be helpful for the people's livelihood in Guam, as well. If possible, it is preferable that this project should be implemented jointly with the United States. For the United States it should likewise be desirable that Japan, an allied country, will govern Okinotori-shima and the sea areas surrounding that island. Connecting Okinotori-shima with mainland Japan and the US, Guam physically has a symbolic meaning of preserving Okinotori-shima with the United States.

In closing, in connection with the Japan-led "Pacific Islands Leaders Meeting (PALM)" held on May 25 and 26 this year, the fact that it became an epochal opportunity to discuss questions concerning the maritime security of this region is greatly valued. The United States participate in the PALM for the first time and made mention of the importance of ratification of the United Nations Convention on the Law of the Sea expressing its active involvement with the issues. This is highly appreciated likewise. On the other hand, setting a conference with Fiji to the PALM, China thus made its antagonistic attitude clear.

Viewing this action of China, the integrity of Okinotori-shima as an "island" must be hastened. Going ahead with it, Japan will have to make a profound effort to be able to receive recommendations from CLCS at an early stage, taking into account fully having gained understanding of the Republic of Palau, on "the Southern Kyushu-Palau Ridge Region," to which CLCS's recommendations for Japan's submission on the expansion of continental shelf have been postponed.

## **2.2 The Current State of Maritime Security and CWS Role in the Celebes and Sulu Seas ~ The RAND Cooperation: from Non-Traditional Threats and Maritime Domain Awareness in the Tri-Border Area of Southeast Asia ~**

The RAND Corporation in the United States published a report titled “Non-Traditional Threats and Maritime Domain Awareness in the Tri-Border Area of Southeast Asia -The Coast Watch System of the Philippines”

<sup>1</sup> (hereafter, the RAND report) written by its research fellows, Angel Rabasa and Peter Chalk. The Sulu-Celebes Sea (called “The Tri-Border Area: TBA” in this report), surrounded by Indonesia, the Philippines and Malaysia, is regarded as not only a center of commerce and trade and sea lanes of communication, but also a bleeding ground for terrorism and international crime in Southeast Asia. In particular, terrorists and crime rings use the sea as a transit area for drug trafficking, arms dealing, and hostage release. The United States has provided various assistances to the coastal countries to improve the maritime security in the region. Although U.S. supports are offered to each country’s needs by its own approach, its true intention is to promote interoperability and cooperation within the Sulu-Celebes states. As the most epoch-making example of U.S. support and cooperation, this RAND report picks up the Coast Watch System (hereafter, CWS) as a newly-built organization to defend the sea areas around the Philippines.

This article will focus on the history and current situation of the security environment including terrorism and piracy in the whole of the Sulu-Celebes Sea, and analyze CWS roles, functions and problems. Please note that this is my personal view, and not on behalf of the Ocean Policy Research Foundation.

### **1. Characteristics of the Tri-Border Area (TBA)**

The definition of TBA by the RAND report is a sea area where is outside the control of the Celebes-Sulu States’ authority.<sup>2</sup> The report states the characteristics of the area as follows. First, confrontations between the Christian government and the Moro National Liberation Front (hereafter, MNLF) or the Moro Islamic Liberation Front (hereafter, MILF) in areas around Mindanao, and conflicts derived from such confrontations and rooted in ethnic and religious ideologies, such as terrorist activities of Islamic extremist Abu Sayyaf, continues for prolonged periods. The framework of the state cannot deal with such a security environment. For example, within TBA, there is an ethnic group called Bajaus. They live along the coast of the state of Sabah in the eastern Malaysia, Indonesia, and the southern Philippines. Although they are from the southern Philippines, over the past 50 years they have steadily transmigrated to Sabah, Sulawesi, and Kalimantan and are currently the ethnic majority in Sabah. In addition, Samal and Bugis are originally from the southern Philippines and southwestern Sulawesi, respectively.

<sup>1</sup> Angel Rabasa and Peter Chalk, “Non-Traditional Threats and Maritime Domain Awareness in the Tri-Border Area of Southeast Asia -The Coast Watch System of the Philippines,” The Rand Cooperation Occasional Paper Series, 2012, accessed July 13, 2012,

[http://www.rand.org/content/dam/rand/pubs/occasional\\_papers/2012/RAND\\_OP372.pdf](http://www.rand.org/content/dam/rand/pubs/occasional_papers/2012/RAND_OP372.pdf)

<sup>2</sup> Ibid., p. 1.

Many of them migrated to the Malay Peninsula and Sabah. In the aspects of maritime boundary and national jurisdiction, coastal states have confrontations over the Ambalat sea area (Sipadan and Ligitan islands) in the Celebes Sea. The International Court of Justice's (ICJ's) ruled that the ownership of these islands were vested in Malaysia. The Celebes Sea is significant sea lanes, e.g. a route from the Makassar Strait through the Celebes Sea to East Asia, a route from Southeast Asia through the Sulu Sea and the Celebes Sea to the Pacific Ocean, etc. According to the 2008 data, the population of western Mindanao, Palawan, and the Sulu archipelago was 14,350,000 inhabitants. Sabah's population was estimated at 2,630,000, and the estimated population of the Indonesian provinces bordering the Celebes Sea composed of Gorontalo, North Sulawesi, and East Kalimantan was 4,580,000.<sup>3</sup>

## 2. Security Environment of the Sulu-Celebes Sea

This marine area is known as a terrorism and piracy-prone area. The RAND report focuses its discussion mainly on the history and trend of Islamic extremists and insurgent groups.<sup>4</sup> Currently, the RAND Corporation thinks a great deal of the trend of study on radical Islamists centering on Al-Qaeda. The region is continued to be analyzed as the noteworthy home of the terrorist groups such as Jemaah Islamiyah (hereafter, JI) and the Abu Sayyaf (hereafter, ASG).

At first, the report states the situation in areas around Mindanao. It can be summed up as follows. Islam was introduced to Mindanao in the 14th century, and by the end of the 19th century, Islamic kingdoms such as the Sultanate of Sulu and the Sultanate of Maguindanao were born and had flourished as an Islamic sphere. With the resistance against Spanish colonial rule from the 16th century as a start, struggles for independence from the United States and the Christian government began intensified. But after the Philippine's Independence, Manila's national unification policy and influx of Christians from other parts of the Philippines into Mindanao became active and Muslim Moro suffered from unequal policies implemented by the Christian government. Under such backgrounds, the MNLF, the MILF and the ASG which resist to the Christian government and aim for constructing an Islamic state have emerged and the Mindanao conflict continuously remains unsettled

Considering the security environment surrounding the Celebes and Sulu Sea in recent years based on the analysis of the report above, except for the MNLF which has existed as the government of Autonomous Region in Muslim Mindanao (ARMM), the MILF, the ASG and the JI has been threats to peace and security for this area. In particular, the ASG and JI have a more radical tendency than the MNLF and are widely recognized as jihadist rather than insurgent group in the research on global jihadist movement.

Furthermore, the RAND report describes the detail about JI.<sup>5</sup> Accordingly, JI was founded by Abdullah Sungkar and Abu Bakar Ba'asyir in 1993 and its root comes back to Darul Islam that was known as a radical Islamic group born in 1942. JI consists of four mantiqis (regional groups)

---

<sup>3</sup> Ibid., p.5.

<sup>4</sup> Ibid., pp.7-16.

<sup>5</sup> Ibid., pp. 8-10.

that cover the all of Southeast Asia, as well as Australia and the one of them, which is based on Sabah, Kalimantan, Sulawesi, and the southern Philippines around the Celebes Sea, is regarded as a major branch for JI. This regional branch is mainly responsible for the procurement of equipment through the Celebes Sea for terrorism attacks and forging links with Moro insurgents and terrorist groups in Mindanao. For example, Professor Rohan Gunaratna, who is the head of the management staff of the International Center for Political Violence and Terrorism Research in S. Rajaratnam School of International Studies at Nanyang Technological University, presented his view, saying “the integration of these two structures is almost complete.”<sup>6</sup>

Moreover, according to the report, the southern Philippines and the surrounding region have been strategically important spots for JI, which had regional branch responsible for the surrounding areas of the Celebes Sea, as a sanctuary outside the reach of Indonesian authorities. A Malaysian national, who had been recruited by Abdullah Sungkar to fight against the Soviets in Afghanistan, Nasir Abas took the central role there. After the Soviet withdrawal, Abbas was sent to Mindanao to train the personal guard of MILF Chairman Hashim Salamat. JI also played an essential role to enhance MILF’s abilities for terrorism attacks and assaults and in return, the MILF allowed JI to establish its military training facility, Wakalah Hudaibiyah, within the grounds of the MILF’s headquarters, Camp Abubakar. Although military training was conducted there, the facility was destroyed by Philippine troops and JI seems to have relocated it to Maguindanao. At that time, it was widely thought that the MILF had provided shelters to JI members while pushing peace negotiations with the Manila government forward. According to popular apprehension, compared to the past, JI’s activities around the area have declined in the last decade because a number of incidents in which JI members were arrested around the Celebes Sea such as Saba frequently occurred. The report presents a viewpoint, saying “There have no reported arrests of JI members transiting the region for the last several years, possibly suggesting a reduction in the group’s regional activity.”<sup>7</sup> With the 9.11 attacks, the situation on global terrorism dramatically changed. The international community came to further pay attention to the movement of Islamic extremists centering on Al-Qaeda. With the Bali bombing in October 2002 in Indonesia (202 dead, 209 injured) as an opportunity, terrorism attacks targeting Westerners and their interests began to be frequent, targeting an American hotel in Jakarta in August 2003, the Australian Embassy in Jakarta in September 2004, a tourist facility in Bali in October 2005, and an American hotel in Jakarta in July 2008. Therefore, an analysis regarding JI as an Al-Qaeda’s allied group became mainstream and there are few experts who provide a skeptical view against it. In practice, the report points out that the MILF downgraded its ties to JI with sensitivity to its radical belief and tactics.<sup>8</sup>

Thereby, the JI separated from the MILF and became a partner with the ASG in the region of

---

<sup>6</sup> Dona Z. Pazzibugan, “Jemaah Islamiyah, Abu Sayyaf now merged, says antiterror expert,” *Philippine Daily Inquirer*, September 29, 2011, accessed June 4, 2012,

<http://newsinfo.inquirer.net/67043/jemaah-islamiyah-abu-sayyaf-now-merged-says-antiterror-expert>

<sup>7</sup> Rabasa and Chalk, “Non-Traditional Threats and Maritime Domain Awareness in the Tri-Border Area of Southeast Asia,” p. 9.

<sup>8</sup> Ibid.

the Celebes Sea. The report introduces further details about the ASG. Once the JI leaders were believed to have taken refuge with the ASG and conversely provided assistances to the ASG such as radicalizing education, producing improvised explosive device and supplying weapons, today JI and the ASG are organizationally and substantially undermined by sweeping operations of American and Philippine forces. Abdurajak Janjalani, a veteran of the jihad in Afghanistan, established the group in 1991 with the financial assistance from Bin Laden's brother in-law Mohammed Jamal Khalifa. The ASG home ground is likely the Sulu archipelago, primarily the islands of Basilan and Jolo.

As the report says, Janjalani, the founder of the ASG, has a local vision to intend to attain independence from the Christian government in Mindanao, and simultaneously has a global vision to intend to join an international jihad in which al-Qaeda plays a leading role. Hence ASG activities are reflected to both stages. ASG-related international terrorism incidents include the Bojinka in 1995, a failed assassination attempt against U.S. President William J. Clinton and Pope John Paul II, and bombing U.S. embassies in Manila and Bangkok. Since Janjalani was killed in 1998, ASGs international reach has withered and the general view is now that a great part of the ASG is organizationally undermined by sweeping operations of American and Philippine forces as part of anti-terror war. According to the report, the ASG currently consists of around 100 members, and does not adopt a centralized system. The group is composed mainly of disparate bands independently operating criminal acts such as piracy, weapons trafficking, and illegal logging.<sup>9</sup> Additionally, the report refers to the number of incidents on piracy in the TBA from 2006 to 2010. Most of them occurred in the Celebes Sea, along the east coast of Kalimantan. 19 attacks were reported in this region during 2010.<sup>10</sup>

Approximate Areas of Operations of the ASG and MILF



Source: The RAND report, p.11

### 3. The CWS Status

The CWS was established on September 6, 2011, after Philippine President Aquino III signed Executive Order 57 (EO57) to set up the CWS. The CWS is intended to be a core interagency that has a function to coordinate maritime issues and maritime security operations, and it is composed of the

<sup>9</sup> Ibid., p.10

<sup>10</sup> Ibid., p.17.

cabinet chief secretary of the president's office as chairman and each director-general of the government ministries and agencies such as Department of National Defense, Department of Finance, Department of Foreign Affairs, Department of Interior and Local Government, Department of Justice, Department of Energy, and Department of Environment and Natural Resources, etc. Among others, the CWS is intrinsically expected to improve maritime domain awareness (MDA) in the Sulu and Celebes Sea, but currently covers the entire Philippine Archipelago.

As described earlier, the CWS was organized to maintain maritime security in the Philippine Sea Area, and is an interagency network which a number of administrative organizations join, including the Philippine Navy (PN), Philippine Coast Guard (PCG), and the National Anti-Terrorism Task Force. Its prime goal is to build a functional surveillance in the maritime domain of the Philippines and strengthen ties with Malaysia and Indonesia to establish organizations for regional cooperation, such as the Information Fusion Center in Singapore.<sup>11</sup> In a functional aspect, collecting all required data and instantly providing facilities in need with required information is important. Thus, it is pointed that the CWS is expected to counter threat groups such as the New People's Army (NPA), the ASG, the MILF, pirates, and criminal trafficking organizations.<sup>12</sup>

The following is the summary of what the RAND report discusses about the CWS. Presently, four regional hubs, CWS West (based in West Palawan), CWS North (based in Luzon), CWS South (based in western Mindanao), and CWS East (based in Davao City), play important roles within the Philippines. The sites take guardian roles by being equipped with radars, an Automated Information System (AIS), UHF-band radios, high-powered binoculars, and infrared and color cameras. The Maritime Research Information Center (MRIC) plays a pivotal role in the mission, and has a staff of 18. The MRIC uniquely compiles strategic threat assessments of terrorism and pirates in the maritime environment of the Philippines and provides needed information. At the present times, 12 points are fully operational throughout the entire area of the Philippines. Another two are in the final stages of development, and three other remain works in progress. The CWS will eventually consist of 20 offshore platforms.

As Figure below shows, many of CWS stations were concentrated in the Southern Philippine, especially, the islands of Basilan and Jolo around the Sulu Sea. The deployment is premised on that the United States considers the ASG as a threat to its homeland security, and the U.S.-Philippine joint army is conducting counter-ASG operations. For the future, more CWS stations is planned to be set up around the southern Mindanao. Although this political background is uncertain, while threats of Islamic extremists in TBA decline compared to the past, and several problems still remain such as territorial disputes and a lack of ruling power. Therefore, given that this terrorism threat has a transnational nature, the Philippine government still prioritizes to monitor the situation of its southern parts. In the reality that the territorial dispute over the South China Sea between China and the Philippines is highly likely to intensify, it is probable that the Philippines could preferentially place CWS stations in the western part.

---

<sup>11</sup> Ibid., p.21.

<sup>12</sup> Ibid., pp.21-22.

The United States paid for four CWS stations (Pangutaran, Pilas, Pandami, and Tongkil), with the support funded by the Department of Defense. As mentioned above, it is carried out as part of U.S. “Operation Enduring Freedom” in the Philippines to pursue the eradication of the ASG. Besides, the CWS is highly anticipated within the Philippines and presently receiving a significant proportion of this money under the president’s initiative. Presently, the CWS owns a number of light patrol gunboats and fixed-wing Islander aircraft. There are plans to obtain the planes with flares from the United States to enhance their ability to operate at night. Moreover, according to the report, the CWS considers introduction of rigid-hull inflatable boats that have a top speed of 30 knots from the Philippine navy and are capable of transporting four or more crews, logistics support vessels that are deployed in Cavite and Zamboanga, multipurpose attack craft that can run up to speeds of 40 knots, frigates and Corvettes, three of which were acquired from the United Kingdom, etc.<sup>13</sup>

As the CWS has a lot of great help from the country, the United States and Australia, currently it can surveille a large expanse of maritime territory at a relatively lower cost. For example, “Between December 2010 and July 2011, over 55,368 vessels were monitored, including more than 34,000 foreign craft. It would be impossible for the PN, much less the PCG,” says the RAND report.<sup>14</sup> According to the report, currently CWS functionality is highly appreciated, and other forces such as the Marine and Navy are strongly stimulated by the CWS. The promotion of interagency cooperation and support from foreign countries are thought to be strengthened further. The CWS is expected to operate as the basis of an integrated system of maritime security. In the aftermath, it is expected to promote confidence-building between countries and be useful in the prevention of sovereignty and lingering disputes over maritime boundaries in TBA.<sup>15</sup>

---

<sup>13</sup> Ibid., p.24.

<sup>14</sup> Ibid.

<sup>15</sup> Ibid., p.27

### The Map of the Coast Watch System



Source: The RAND report, p.23.

On the other side of coin, the CWS faces a host of challenges. According to the report, there are some challenges as follows.

Firstly, there is an issue of the independence and the structure of the CWS. Despite the fact that the CWS is praised both at home and abroad, vessels used for CWS concrete activities belong to the PN. As long as the CWS is an interagency organization, the present situation, where the CWS strongly depends on the Navy in many respects, is undesirable. In this regard, if its dependence on the Navy increases, there will be advantage to respond promptly but a concern in the functionality of CWS. In this sense, it needs further support from not only the Philippines and the United States, but also Malaysia and Indonesia.

Secondly, there is shortfall in human resources. Many of CWS strongholds are currently set up around southern Mindanao and the Sulu Islands, and its activities cover a widespread area. According to officials with the MRIC, at least eight personnel are needed for each of these platforms, but in practice these sites are managed by a staff of only two to three.

Thirdly, there is a need to create a legally binding protocol. The Philippines, Malaysia, and Indonesia, which compose TBA, concluded international agreements on maritime security, for example, Joint Maritime Patrol Agreement, and Memorandum of Understanding for the mutual forward deployment of customs and immigration officials at designated border crossings, but they have yet to sign a crucial treaty with legally binding power. The territorial disputes remain unsettled therefore it is significant for the regional stability to establish a legal framework.

Fourthly, in the terms of defense budget, the PN has so much restriction on maintaining its vessels and introducing state-of-the-art weapons. The same is mirrored in other areas of the

Filipino defense and security community such as the Philippine Air Force. The CWS wants to avoid such a situation by any means.

Finally, a network with residents in each region is required. As the range of CWS activities expands throughout the Philippines, efforts toward confidence-building are important to maintain the functionality. Above all, for the case of activities around Mindanao where regional conflicts continue, it is really useful to form an extensive network by access to critical information from community residents to enhance the functionality, in order to promptly and adequately conduct CWS activities.<sup>16</sup>

#### 4. Comments

A number of ethnic groups, traditions and cultures meet with each other in TBA beyond national boundaries, where lacks national jurisdiction due to the territorial disputes. As a result, TBA has provided terrorist groups, pirates and international criminal groups with a convenient shield to hide behind. However, the counter-terrorism operations of Pilipino and Indonesian authorities considerably undermine JI and the ASG. In addition, the MILF in Mindanao keep a distance to the ASG, which has radical ideas and carries out violent activities, and the threat of global jihad is less likely in TBA. Now the ASG occasionally carries out acts of piracy such as kidnappings for ransom around the Sulu islands, but there is no immediate threat in TBA. Meanwhile, the CWS is established to monitor and maintain maritime security around the Philippines. Its operations received a certain appreciation under the supports from the Manila government, the United States, and Australia. The CWS faces many challenges such as the staffing shortage, its lack of independence, and dependence on the Navy alone for equipment. It is really important that the Philippines come to compromise on the territorial disputes with Indonesia and Malaysia that are coastal states as well and cooperate to create a new legal framework, in order to enhance its significance of existence and functionality in TBA.

Unlike the issues of Malacca pirates and territorial disputes over the Spratly and Paracel island chains in the waters around Southeast Asia, the movement of Islamic extremists has gathered more attention in TBA. But the TBA is also significant sea lane for vessels. As China's activities are assertively prominent in the Spratly and Paracel island chains, it is conceivable that maritime safety in TBA deteriorates if the situation of Islamic extremists would become unstable. To prevent it, a framework like the CWS is very useful and it is strategically significant to functionally develop it under international cooperation, given the stability of TBA. Reinforcing the maritime security in this area where is also significant sea lane for Japan is an issue that cannot pass over.

(By Daiju Wada, Project Research Fellow, Ocean Policy Research Foundation)

---

<sup>16</sup> Ibid., pp. 27-29





## **Ocean Policy Research Foundation**

Toranomon 35 Mori Bldg., 4-10 Toranomom 3-Chome, Minato-ku, Tokyo 105-0001, Japan  
TEL.81-3-5404-6828 FAX.81-3-5404-6800

The "Ship & Ocean Foundation" is operating under the name of "Ocean Policy Research Foundation"