OPRF MARINT Monthly Report
September 2012

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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 September 2012.
1. Information Digest

1.1 Maritime Security

September 4 “European Union Naval Force Somalia urges ship owners to continue taking sufficient countermeasures against pirates” (UPI, September 4, 2012)

On the 4th, despite the downward trend in piracy off Somalia, major components of EU Naval Force Somalia - Operation Atalanta, NATO and Combined Task Force 151 are urging ship owners traversing the Somali coast to remain on their guard against possible attacks. The IMB reported 69 hijacking incidents by Somali pirates from Jan. 1-July 12, a 32 percent decline from 2011 levels. The EU Naval Force Somalia deputy operation commander said in a statement, “The situation in Somalia allowing for pirates to act, has not yet changed. International navies and all merchant vessels transiting the high-risk area, need to remain vigilant and uphold their respective responsibilities to support the fight against piracy.” “Even with all this military presence, the efforts of our naval forces cannot guarantee safety in the region,” it said. “It is for this reason that CTF 151, NATO and the EU remind all ship-owners, operators and managers to continue to educate and train their mariners in both the threat and how to mitigate it.” He pointed to the booklet “Piracy – Best Management Practices Version 4” for “useful updates for masters in implementing protection measures to deter piracy.”

Refer to the article: Naval Force Somalia warns ship owners


“Piracy – Best Management Practices Version 4” is available at following URL:

http://www.gard.no/webdocs/BMP4.pdf

September 16 “India to deploy armed personnel to protect its merchant vessels” (The Times of India, September 16, 2012)

According to a report by the Indian newspaper The Times of India dated the 16th, concerned over rising instances of piracy off the Somali coast in the Gulf of Aden, India is readying an initial 100-man team to protect its merchant vessels in the area. This is the first time armed personnel will be deployed aboard cargo ships. The Central Industrial Security Force (CISF) that takes on the responsibility of securing the merchant vessels will train 100 of its special commandos in coordination with the Indian Navy's marine commandos (MARICOS).

Refer to the article: Indian commandos to protect merchant vessels against piracy in Gulf of Aden

http://articles.timesofindia.indiatimes.com/2012-09-16/india/33879876_1_somali-pirates-cargo-ships-sailors-hostage
September 17 “Chinese, U.S. navies conduct joint anti-piracy drill” (Defense News, AFP, September 18, 2012)

On the 17th, Chinese and U.S. naval vessels have conducted their first joint anti-piracy exercise in the Gulf of Aden. The five-hour drill featured a Chinese missile frigate, Yi Yang, and an American guided missile destroyer USS Winston S. Churchill. In the exercise, the U.S. destroyer played the part of a vessel taken over by pirates, while a joint American-Chinese team boarded the ship to “rescue” the crew, the U.S. Navy’s Fifth Fleet said in a statement. U.S. Defense Secretary Leon Panetta, on a three-day visit to China, praised the joint exercise as evidence that military ties between the two powers were advancing. Panetta announced that the U.S. Navy has invited China to take part in a major U.S.-led naval exercise, known as Rim of the Pacific (RIMPAC), in 2014. Beijing lauded the drill as being “conducive to increasing mutual understanding and trust between the two navies,” state news agency Xinhua said.

Refer to the article: Chinese, U.S. Ships Conduct Joint Anti-Piracy Drill

Sailors from the guided-missile destroyer USS Winston S. Churchill (DDG 81) board the Chinese People’s Liberation Army (Navy) frigate Yi Yang (FF 548) to meet prior to conducting a bilateral counter-piracy exercise.


September 24 “Somali pirates resume activity” (The Independent, September 28, 2012)

According to a U.K. maritime security company which monitors the movements of pirates and shipping off the coast of Somalia, an Omani dhow was attacked near the port of Salalah in the Arabian Sea on the 24th. The security company said that it was the first attack since the end of the monsoon season. The calming of weather conditions will see further attacks taking place. The
director of intelligence of the company said that despite industry optimism that the threat had diminished in the region, attacks were still likely in the area.

Refer to the article: Fresh attack as pirate season off coast of Somalia begins

1.2 Military Developments

September 2 “The Indonesian Navy: full picture of new model stealth missile boat”
(PRESS RELEASE - from North Sea Boats, September 2, and Defense Media Network.com, September 4, 2012)

The Indonesian Navy KRI Klewang-class trimaran missile boats were launched on Aug. 31, 2012 at the facility Indonesia's North Sea Boats (also known as PT Lundin Industry Invest) in Banyuwangi. Below is the full detail of KRI Klewang:

(1) KRI Klewang has an overall length of 63 meters, and is constructed exclusively of infused vinylester carbon fibre cored sandwich materials for all structural elements, with external “Stealth” geometry and features intended to reduce detection. It is a missile boat built with the essence of existing advanced technology. The result of a 24 month research, design and development collaboration with New Zealand naval architects, LOMOcean Design Ltd, the ship represents a significant step forward in the use of advanced warship building technologies in developing countries.

(2) KRI Klewang will undergo additional outfitting for the next four weeks, after which extensive sea trials and tests will commence in October. Final operational clearance is expected sometime in 2013. North Sea Boat is under contract to deliver four of these trimarans by 2014.

(3) Accommodation is provided for up to twenty-nine, including a special forces team. Trimaran offer very stable weapons platforms, and can carry various Missile systems: including Type 705 (up to 8), RBS15, Penguin or Exocet, and 40-57mm Naval Guns, or a CIWC (Close In Weapon System). Its maximum speed is 30+knots and its cruising distance is 2000+nautical miles.

Refer to the article: PRESS RELEASE · from North Sea Boats
Indonesia Launches New Class of Large Trimaran Missile Boats

On the 4th, the defense ministers of India and China agreed to resume joint military exercises, which were frozen two years ago. The two countries also decided to hold high-level official exchanges, conduct joint maritime search-and-rescue exercises and strengthen antipiracy operations off the coast of Somalia. No dates were set for the exercises. The ministers said in a statement that closer military ties would help deepen trust and friendship between the two countries. Analysts said that Beijing was likely to have used the brief talks to ask India to stay out of a dispute in the South China Sea. China has also cautioned India to stop what it says is an illegal joint project between Vietnam and India. On the other hand, Mr. Liang was also expected to reassure India over China’s rapid military buildup and its growing investment in Myanmar, Sri Lanka, Pakistan and the Maldives. China’s deepening involvement in the four countries has fanned concerns that China is encircling India.

Refer to the article: India and China Agree to Resume Joint Military Exercises

September 17 “U.S. Navy plans to deploy new model unmanned maritime surveillance drones to Guam” (Defense Update, September 17, 2012)

The United States Navy is planning to deploy Northrop Grumman MQ-4C Triton Broad-Area Maritime Surveillance (BAMS) drones to Andersen Air Force Base in Guam with preparations for deployment projected to begin during Fiscal Year 2014. The MQ-4C Triton, only recently
introduced, is a large, unmanned drone designed to provide enhanced maritime surveillance in coordination with the Navy’s P-3C Orion and P-8A Poseidon maritime surveillance/anti-submarine aircraft. Guam’s Andersen Air Force Base (AFB) currently operates three Northrop Grumman RQ-4 Global Hawk unmanned aerial vehicles (UAV) in a limited surveillance role. The RQ-4 was designed primarily to perform land surveillance duties, not long-duration ocean surveillance sweeps.

As part of the United States’ “pivot” to the Asia-Pacific region, the U.S. Navy is working towards reinforcing its maritime surveillance capability in the Pacific Ocean arena. Existing plans call for the new Boeing P-8A Poseidon Maritime Patrol/Anti-Submarine Warfare aircraft to be deployed as a replacement for the Navy’s venerable Lockheed Martin P-3C Orion maritime patrol aircraft from 2013. The P-8A Poseidon is designed to operate with the Navy’s new MQ-4C Triton in an anti-submarine warfare (ASW) role that includes the interdiction of maritime shipping and performance of electronic intelligence (ELINT) functions. Existing plans call for the acquisition of 68 Tritons and 117 Poseidons to replace the P-3C Orions still operational. By pairing the MQ-4C Triton BAMS drone with the P-8A Poseidon in the Pacific, the U.S. Navy will be able to maintain a continuous long-range surveillance over a wide expanse of the Asia-Pacific region to an extent the P-3C Orions cannot match.

Refer to the article: US Navy to Boost Pacific Airborne Maritime Capabilities with New Drones and ASW Aircraft


Guam to become forward base for MQ-4C (BAMS) drones in the Pacific
Source: Defense Update, September 17, 2012

September 18 “Delivery of Indian aircraft carrier under renovation in Russia further delayed” (The Times of India, September 18, 2012)

According to a report by the Indian newspaper The Times of India dated the 18th, delivery of the Russian aircraft carrier INS Vikramaditya (ex Admiral Gorshkov) under renovation to the Indian Navy has been further delayed by several months because of technical troubles with its engines detected during the ongoing sea trials. Originally meant to be delivered to India in 2008, under the existing plan, the carrier was to be handed over to the Indian Navy by December 4. The
report from Russia said that three of the eight boilers of the 44,500-tonne ship were detected to be malfunctioning and they were not able to reach their full capability, and delivery of the carrier may now take place after October 2013. The fresh setback to the delivery of the carrier will significantly delay Indian Navy’s plan to have a carrier battle group each on the east and west coast of the country. The Navy had planned to induct *Gorshkov* and the 40,000-tonne indigenous aircraft carrier (IAC), under construction in Kochi. The original plan was to have the two carrier groups by 2015. Besides the latest delay in *Gorshkov*’s delivery, Navy estimates that the IAC delivery would be at least three years behind the schedule and would be available only by 2018.

Refer to the article: Delivery of Admiral Gorshkov delayed, may arrive only by 2013-end
http://articles.timesofindia.indiatimes.com/2012-09-18/india/33924837_1_admiral-gorshkov-aircraft-carrier-sevmash

INS *Vikramaditya*

Source: The Times of India, September 18, 2012
September 25 “Chinese aircraft carrier Liaoning commissioned” (Xinhuanet.com, September 25, 2012)

(1) China’s first aircraft carrier was delivered and commissioned to the People’s Liberation Army (PLA) Navy on the 25th after years of refitting and sea trials. President Hu, also chairman of the Central Military Commission (CMC), endorsed a PLA flag and naming certificate to Senior Captain Zhang Zheng, commanding officer of China’s first carrier, the Liaoning. “Today will be forever remembered as China’s Navy has entered an era of aircraft carrier,” Zhang told Xinhua on the carrier’s flight deck. “When I received the PLA flag from the President, a strong sense of duty and commitment welled up in my heart,” “The delivery and commission of the Liaoning is just a small step of China’s aircraft carrier program and there is a long way to go before we have a powerful navy,” said Zhang who has served as commanding officer on the Navy’s frigate and destroyer. The Liaoning will be operated by a well-educated and trained crew, as more than 98 percent of the commissioned officers on board hold bachelor degrees and more than 50 of them hold master or doctoral degrees. Most of the carrier’s commissioned and non-commissioned officers were selected and transferred from the Navy’s other surface vessels through tough competition. Female sailors also serve at various posts on the Liaoning.

(2) The delivery made China the tenth country and the last one of the five permanent members of the U.N. Security Council to have an aircraft carrier in active service. An aircraft carrier has long been expected to join China’s naval fleet to better protect territorial waters and overseas maritime interests. Premier Wen said, in reading off a congratulatory letter sent from top central authorities, that China’s first aircraft carrier in active service will “be of great and far-reaching significance in inspiring patriotism, national spirit and driving national defense technologies.” “The PLA’s General Armament Department, the Navy and all comrades participating in the carrier program should make new contributions in promoting China’s weaponry construction and safeguarding national sovereignty, security and territorial integrity,” “The country and the people appreciate (the efforts of) all participants in the aircraft carrier program,” Wen said. Moreover, he said, “Developing an aircraft carrier was an important strategic decision made by the Communist Party of China (CPC) Central Committee, the State Council and the Central Military Commission,” “The delivery and commission of the first carrier is a milestone in the PLA’s history and embodies a major achievement of China’s weaponry and equipment development, as well as its national defense modernization.” After the commission ceremony, President Hu boarded the Liaoning, which was in full dress. The president and
the premier later came to the carrier’s flight deck and some cabins where they talked with sailors, and scientists and engineers who developed the carrier.  

(3) Yin Zhuo, an information expert in the PLA Navy, said the carrier will not change the defensive nature of China’s defense force. A researcher with the PLA Navy’s military academic research institute said, “In modern warfare, small and medium-sized warships are increasingly insufficient to organize active defense for China with an increased strategic depth.” “An aircraft carrier will give the Navy defense capacity far beyond land-based aviation force’s combat radius,” said Fang Bing, an associated professor with the PLA’s National Defense University. As a weapon, an aircraft carrier can be used for both defense and offense, and it can also be used for humanitarian purposes, Fang said. According to the CMC, after being commissioned to the Navy, the Liaoning will continue to serve for scientific research purposes, as well as military training.  

Refer to the article: China's first aircraft carrier commissioned  

【Related article 1】  

(1) China put its first aircraft carrier Liaoning into service on the 25th, a move intended to signal its growing military might as tensions escalate between Beijing and its neighbors over islands in nearby seas. The vessel will be used only for training and testing for the foreseeable future. The mark “16” on the carrier’s side indicates that it is limited to training, Chinese and other military experts said. China does not have planes capable of
landing on the carrier and so far training for such landings has been carried out on land. Even so, the public appearance of the carrier was used as an occasion to stir patriotic feelings, which have run at fever pitch over the dispute between China and Japan over the East China Sea islands. The carrier will “raise the overall operational strength of the Chinese Navy” and help China “to effectively protect national sovereignty, security and development interests,” the Ministry of Defense said. For international purposes, the public unveiling of the carrier seemed intended to signal to smaller nations in the South China Sea, including the Philippines, an American ally, that China has an increasing number of impressive assets to deploy.

(2) American military planners have played down the significance of the commissioning of the carrier. Some Navy officials have even said they would encourage China to move ahead with building its own aircraft carrier and the ships to accompany it, because it would be a waste of money. Other military experts outside China have agreed with that assessment. “The fact is the aircraft carrier is useless for the Chinese Navy,” You Ji, a visiting senior research fellow at the National University of Singapore, said in an interview. “If it is used against America, it has no survivability. If it is used against China’s neighbors, it’s a sign of bullying.” Vietnam, a neighbor with whom China has fought wars, operates land-based Russian Su-30 aircraft that could pose a threat to the aircraft carrier, Mr. You said. “In the South China Sea, if the carrier is damaged by the Vietnamese, it’s a huge loss of face,” he said. “It’s not worth it.” Up to now, Chinese pilots have been limited to practicing simulated carrier landings on concrete strips on land in Chinese J-8 aircraft based on Soviet-made MIG-23s produced about 25 years ago, Mr. You said. The pilots could not undertake the difficult maneuver of landing on a moving carrier because China does not yet have suitable aircraft, he said. The question of whether China will move ahead and build its own carrier depends in large part, he said, on whether China can develop aircraft to land on one. “It’s a long, long process for constructing such aircraft,” he said.

Refer to the article: China Launches Carrier, but Experts Doubt Its Worth

【Related article 2】
“A. Erickson: Chinese aircraft carrier commissioned and upcoming challenges”
(Foreign Policy, September 26, 2012)

Andrew S. Erickson, a professor at the U.S. Naval War College, with Gabriel B. Collins, a J.D. candidate at the University of Michigan Law School, contributed an article titled “The Calm Before the Storm” to Foreign Policy dated the 26th. Erickson said, “China’s about to find out how hard it is to run an aircraft carrier.” He stated upcoming challenges of the Chinese aircraft carrier as follows.

(1) The PLAN’s possession of an aircraft carrier is a great public relations booster for the Chinese military and suggests that Chinese diplomacy will be backed by an even bigger
stick in East and Southeast Asia, and possibly beyond. Yet the stick was hard to come by and remains far from a potent tool. In fact, Liaoning has not yet demonstrated the capacity for aircraft launches or landings, which is the essence of carrier operations. Why has it taken so long to get to this point, which is not itself militarily decisive?

(2) Carrier warfare, at least as conceived in the United States is a holistic operational philosophy. Carrier warfare involves factors including but not limited to:

a. Assembling carrier group(s).

b. Keeping the ship’s complex naval systems and aircraft running in sync and at high reliability rates in adverse weather conditions.

c. Being willing to accept pilot and aircraft losses as the force learns to operate jets at sea.

d. Protecting the ship from a range of air, surface, and underwater threats.

e. Perhaps most difficult — integrating civilian and military command and decision-making effectively to position and use the carrier in a way that maximizes its ability to influence events in a fluid situation.

(3) The first factor boils down to how much Hu’s successor, Xi Jinping, and China’s other next-generation leaders are willing to spend on naval construction. The U.S. Navy operates 11 carrier strike groups. While there is some variance, a typical strike group comprises the carrier with its air wing of 65 to 70 aircraft, one or more cruisers, and a destroyer squadron composed of two or more destroyers and/or frigates. Submarines, logistics ships, and supply ships often support the carrier as well. The strike group is served by 7,500 personnel, 5,000 of whom operate the carrier and its aircraft alone. U.S. deck-aviation scale and capability is so imposing as to remain completely unattainable for China for the foreseeable future.

(4) The second issue, which relates to the first, is the extent to which a higher naval-training tempo will be prioritized. Training with a carrier group is not cheap: A study by the Government Accountability Office in 1993 (the last time the U.S. Navy released numbers) says it cost $1.5 billion per year to operate a carrier battle group. Today, in an era of higher oil prices, the cost may be double or more. A Chinese carrier group would be far less capable and likely smaller and cheaper. If a Chinese economic slowdown constrains defense-budget growth, the PLAN may increasingly be forced to choose between training more with the ships it has and buying more of the new ships its admirals want.

(5) Third, China’s leadership (and the population at large) must also decide how many pilots and aircraft they are willing to sacrifice if they want the PLAN to become proficient in carrier operations. Between 1949, when the U.S. Navy began deploying jets on a large scale, and 1988, when the combined Navy/Marine Corps aircraft accident rate achieved U.S. Air Force levels, the Navy and Marine Corps lost almost 12,000 aircraft and more than 8,500 aircrew. Even if it moves less aggressively, China is almost certain to suffer significant and unexpected pilot and aircraft losses as it builds its carrier capability. In a predominantly one-child society with growing use of communication tools that can circumvent state censorship, grieving families of lost pilots could spark meaningful negative publicity and impose caution on training in a way that ultimately makes Chinese
(6) The fourth factor speaks to decisions China must make in coming years regarding naval procurement, as well as additional training in areas of critical weakness such as anti-submarine warfare. Beijing faces a two-pronged dilemma in funding naval procurement, and carrier development exacerbates the situation. First, in an increasingly challenging economic environment with slower growth rates, the naval budget faces increased competition for state funds. Second, a single carrier cannot ensure a continuous operational capability. China probably needs at least three carriers to always have one at sea. Building two more massive warships, plus the surface combatants and submarines needed to protect them, would risk catalyzing further naval competition and anti-China security alignments in Asia. Deck aviation may well help China advance its strategic goals in the South China Sea, but it could also hem China in further afield.

(7) Finally, Beijing’s leadership will likely commit a number of missteps before it gets up to speed in the art of carrier diplomacy, a game that the United States has engaged in for nearly 70 years. In a region already rife with suspicion that China’s willingness to use soft power is waning fast as its military becomes more capable, assertive carrier-related rhetoric and deployment may exacerbate tensions with neighbors such as Japan, Vietnam, and the Philippines.

Refer to the article: The Calm Before the Storm
http://www.foreignpolicy.com/articles/2012/09/26/the_calm_before_the_storm

### 1.3 South China Sea-related Events

#### September 3 “China expanding Mischief structures” (Philstar.com, September 3, 2012)

China is building new structures on the Mischief Reef over which the Philippines claims sovereignty. Rommel Banlaoi, executive director of think tank Philippine Institute for Peace, Violence and Terrorism Research, said he acquired a photo of the structures in June but believes it was taken months before. He said the latest structures to be spotted in the area were a windmill, solar panels, a concrete platform suitable for use as a helipad and a basketball court. Banlaoi said, “Improved facilities bolster PRC’s (People’s Republic of China’s) effective occupation and increased vigilance in the disputed areas.”

Mischief Reef is close to Ayungin Shoal, where the Philippines has a coast watch station. The reef is about 70 nautical miles from Palawan. Mischief Reef, which the Philippines calls Panganiban Reef, has been occupied by China since 1995. China also installed a powerful radar station in Subi Reef, an islet just 12 nautical miles southwest of Pag-asa Island. The Chinese began building the four-story structure, including a lighthouse, six years ago. The Philippines, on the other hand, has built a town hall, a health center, a 1.3-kilometer airstrip, a naval station and
recently a kindergarten school at Pag-asa Island.

The Philippines will hold the five-day Coast Watch System Capability Exercise 2012 from the 3rd, to examine the capability of its coastal surveillance system. The activity aims to harmonize the coordination of agencies with maritime platforms namely the Navy, Coast Guard and the Philippine National Police’s Maritime Group. A U.S. spy plane P3C Orion will participate in the activity.

Refer to the article: China expanding Mischief structures
http://www.philstar.com/Article.aspx?articleId=844730&publicationSubCategoryId=63

Photos show the development of China’s structures on Panganiban Reef, also known as Mischief Reef: a 1995 photo of the original octagonal structures on stilts; a concrete fort being built in 2005; and an AFP-Wescom photo taken last July showing an expanded structure which includes a windmill.

Source: Philstar.com, September 3, 2012


Ralf Emmers, an associate professor and coordinator of the Multilateralism and Regionalism Programme at the S. Rajaratnam School of International Studies (RSIS), Nanyang Technological University (NTU), Singapore, contributed an article titled “US Rebalancing Strategy and the South China Sea Disputes” to RSIS Commentaries dated the 4th. Emmers said that the U.S. rebalancing strategy or ‘pivot’ toward the Asia-Pacific has added a new dimension to the South China Sea disputes, and inquires whether there is a chance for conflict resolution, considering China’s response and the heightening tension in the region. Below is the summary of the article.

(1) The Obama administration has refocused its diplomacy and military forces toward the Asia-Pacific as part of a larger ‘pivot’ or rebalancing strategy. The U.S. rebalancing strategy has added a new dimension to the South China Sea disputes. The United States has traditionally been unwilling to get involved in the question of sovereign jurisdiction over
the South China Sea. Washington has consistently limited its interest to the preservation of the freedom of navigation and the mobility of its Seventh Fleet. Yet, the incident involving the harassment of the ocean surveillance vessel USNS *Impeccable* by Chinese navy and civilian patrol vessels south of Hainan Island in March 2009 caused serious concern in Washington. The U.S. position on the South China Sea has not fundamentally changed since the *Impeccable* incident. Washington is still not taking a position on the sovereignty dispute and it continues to limit its core interest to the freedom of navigation in the disputed waters. Still, the United States has become increasingly concerned over the rise of the Chinese naval capabilities and uncertain over China's commitment to the freedom of navigation principle in disputed waters.

(2) At the Shangri-La Dialogue in June 2010, U.S. Secretary of Defence Robert Gates declared that while Washington does not take sides in the sovereignty disputes it would, however, oppose any action that could threaten the freedom of navigation in the South China Sea. A statement made by Secretary of State Hilary Clinton at the ASEAN Regional Forum (ARF) in July 2010 declaring that the United States has a national interest in the freedom of navigation in the South China Sea further angered China. Her comments were perceived by Beijing as a form of external interference. Clinton mentioned again the South China Sea at the ARF meeting in Bali in July 2011 where this time she encouraged ASEAN and China to conclude a code of conduct over the issue. President Obama himself raised the South China Sea question at the East Asia Summit (EAS) in Bali in November 2011. He restated that the United States takes no sides in the disputes but that its interests include the freedom of navigation and unimpeded international commerce in the semi-enclosed sea. Chinese Premier Wen Jiabao responded by reaffirming the freedom of navigation principle and calling for a peaceful resolution of the South China Sea disputes. After the Vietnamese and Indonesian chairmanships of ASEAN, the next three annual chairs, Cambodia, Brunei and Myanmar, were expected to appease Beijing by minimising the internationalisation of the South China Sea issue. This already occurred at the ASEAN Ministerial Meeting (AMM) held in Cambodia in July 2012 when the Southeast Asian states failed to issue a joint communique due to differences over the South China Sea question. While present at the ARF meeting that followed, Secretary of State Clinton did not interfere in this intra-ASEAN affair.

(3) China perceives the U.S. rebalancing strategy as an attempt by the United States to contain its peaceful rise in Asia. From a Chinese perspective, Washington is seeking to contain China by strengthening its bilateral alliances and allocating more troops and means to the region. In particular, the United States is enhancing its involvement in the South China Sea and thus interfering in what Beijing considers to be a bilateral issue with the Southeast Asian claimant states. China also considers recent Philippine activities in the disputed waters, for example over the Scarborough Shoal incident earlier in 2012, to have been influenced by Washington.

(4) China and the United States seek to prevent the over-militarisation of the disputes. Beijing
and Washington view the South China Sea as an issue that requires a diplomatic rather than a military solution and they are content, for now at least, to let ASEAN lead the conflict management process. Washington and Beijing do disagree, however, over where the South China Sea disputes should be discussed. While the United States wants the question to be highlighted at international forums, this remains highly problematic for China. Beijing is increasingly concerned over any attempt at internationalising the disputes, preferring instead to discuss these matters bilaterally with the smaller Southeast Asian claimants. Great power rivalry and competition in the South China Sea should thus be expected to further complicate ASEAN’s task ahead.

Refer to the article: US Rebalancing Strategy and the South China Sea Disputes

【Related article】
“NSC Secretary-General: Taiwan seeks China Sea peacemaker role” (Taipei Times, September 2, 2012)

The wealth of the region’s seas should be peacefully explored for the mutual benefit of all. Taiwan is determined to become a peacemaker in the disputed South China Sea, National Security Council (NSC) Secretary-General Hu Wei-jen said on August 31 while visiting Taiping Island in the South China Sea. Hu and several other senior officials visited Taiping Island — the largest isle of the South China Sea — to reinforce the country’s claim to the vast ocean area and the chain of islands there amid an escalating territorial dispute among neighboring countries.

The group of officials also landed on Chungchou Reef located 3.1 nautical miles (5.7km) east of Taiping Island. The flag-raising ceremony was held at two destinations to signify the government’s determination. Hu was quoted as having reaffirmed at the occasion that Taiwan’s sovereignty is indisputable, but that disputes can be solved as long as all claimants work together peacefully to explore resources for mutual benefit. He also urged all neighboring countries to respond to Ma’s East China Sea peace initiative by putting aside territorial disputes, replacing confrontation with dialogue, settling spats through communications and jointly prospecting for South China Sea resources to make the ocean peaceful and prosperous. Taiwan has set up a hospital on Taiping Island, and has also opened a solar power facility there.

Refer to the article: Taiwan seeks China Sea peacemaker role
http://www.taipeitimes.com/News/taiwan/archives/2012/09/02/2003541776
The flag-raising ceremony in Taiping Island.
Source: Taipei Times, September 2, 2012

September 5 “President Aquino signs AO 29 naming West Philippine Sea” (Diplo News, September 12, 2012)

President Benigno S. Aquino III has signed Administrative Order (AO) No. 29 “Naming the West Philippine Sea of the Republic of the Philippines.” It states that the Philippines has the “inherent power and right to designate its maritime areas,” which include the Luzon Sea as well as the waters around, within and adjacent to the Kalayaan Island Group. “Naming of the West Philippine Sea is without prejudice to the determination of the maritime domain over territories which the Republic of the Philippines has sovereignty and jurisdiction,” the order said. As such, AO 29 orders the National Mapping and Resource Information Authority (NAMRIA) to “produce and publish charts and maps of the Philippines reflecting the West Philippine Sea.” The official map, including a copy of relevant orders, shall then be submitted before the Secretary-General of the United Nations and other organizations, such as the International Hydrographic Organization and the United Nations Conference on the Standardization of Geographical Names. All government offices and instrumentalities are also enjoined to use the official maps produced and published by NAMRIA. Specifically, the Department of Education (DepEd), Commission on Higher Education (CHED) and state universities and colleges (SUCs) have been ordered to issue circulars requiring the use of the maps in relevant subjects, researches and instructional materials, such as, among others, text books, instructional materials, and audio-visual presentations.

Refer to the article: President Aquino signs AO 29 naming West Philippine Sea
http://www.diplonews.com/feeds/free/12_September_2012_120.php
September 7 “P. Cronin: averting conflict in the South China Sea” (China & US Focus, September 7, 2012)

Dr. Patrick M. Cronin, who is a senior advisor and senior director of the Asia-Pacific Security Program at the Center for a New American Security, a think tank in the United States, contributed an article titled “Averting Conflict in the South China Sea” to China & US Focus dated the 7th. Dr. Cronin said that conflict in the South China Sea can and should be averted and territorial disputes there must be managed rather than settled. Below is the summary of the article.

(1) Despite rising tensions over the South China Sea, conflict can and should be averted. It can be avoided because, even though conflicting interests exist, the shared interests at stake are more salient than the points of disagreement. It should be avoided because even a brief resort to force could trigger a downward spiral in China-U.S. relations, fracture the region, and undermine the global economy.

(2) Nautical navigational rules offer insight into the diplomatic path ahead. All ships share the responsibility to avoid a collision. Likewise, all states have an obligation to avoid hostilities. The two largest powers, China and the United States, have a special duty to secure peace. A good beginning would be to acknowledge that the South China Sea is part global good, part sovereign territory. The precise ownership of territorial waters, specific land features, and underwater and seabed resources defies easy adjudication. No single state or institution can impose a resolution. There must be shared solutions. What is needed moving forward is a mixture of realism, confidence-building measures, transparency, and restraint.

(3) We should expect the United States to continue to place a general priority—in its diplomacy, trade, and military operations—on the increasingly powerful Indo-Pacific region. But the essence of U.S. strategy is economic interests—maintaining freedom of the seas, and freedom throughout the global commons—and that calls for further China-U.S. cooperation. The United States needs to treat China with respect and do more to foster cooperation. Areas most ripe for such cooperation include in the areas of humanitarian assistance and disaster relief, science and technology (especially, involving the resources of the South China Sea), and practical energy cooperation. As a model production-sharing accord between Brunei and Malaysia demonstrates, the resources of the South China Sea will only be harnessed when there is such cooperation.

(4) China, for its part, can expect the United States to respect sovereign disputes, rather than to impose an arbitrary solution. But China should not expect the United States to stay aloof. The United States will ‘take sides’ when it comes to insisting on peacefully resolving disputes, whether with a treaty ally like the Philippines or a growing trading partner like Vietnam. And Chinese officials would be prudent not to test the commitment of the United States. For instance, in early 2013, shortly after the U.S. election, American officials might either over or under respond to a test of its resolve; over-responding would not be advantageous, but even a weak response might subsequently produce a harsh backlash.
Restraint and measured steps are called for the both countries.

(5) A related but separate challenge, that transcends the South China Sea, deals with China’s rejection of America’s legal right of innocent naval passage within the 200 nautical mile exclusive economic zone of China. China seeks to end this practice and is building a capacity to repel or deny access to outside naval forces, most notably those of the United States, which seeks to safeguard the public good of freedom of navigation, both for global commerce but also to maintain openness with respect to security. China’s military modernization remains shrouded in far more secrecy than its neighbors think would be consistent with friendly intentions. The United States one day will no doubt learn to live with PLA Navy ships passing off America’s coasts. But for the foreseeable future, issues such as innocent naval passage through exclusive economic zones and territorial disputes in the South China Sea, must be managed rather than settled. Through greater dialogue, trust-building and transparency, informal rules of the sea can accommodate both a rising China and a strong America.

Refer to the article: Averting Conflict in the South China Sea

September 13 “Law on Viet Nam’s Sea – strong foundation to protect national sovereignty” (The National Boundary Commission, Ministry of Foreign Affairs, Vietnam, September 17, 2012)

The Law on Viet Nam’s Sea was approved by the Vietnamese diet On June 21. Director of the Legislative Research Institute at the National Assembly’s Law Committee, Dr. Dinh Xuan Thao said that the Law on Viet Nam’s Sea provides a strong foundation for protecting national sovereignty and interests in the East Sea (the South China Sea). Below is the summary of his view on the law.

(1) What is the role played by the Law on Viet Nam’s Sea in protecting the national sovereignty over seas and islands as well as in facilitating fishermen’s operation in the East Sea?

The Law on Viet Nam’s Sea is an important legal basis for Viet Nam to resolve maritime disputes by peaceful means, through methods of negotiations, talks or international arbitration. On a principle of equality and mutual benefit, disputes should be resolved without any discrimination by a large or small country; it must be based on authentic evidence presented by concerned parties. By the Law, Viet Nam officially announced to the world the country’s sovereignty and sovereignty rights to its seas and islands. The Law continues to state clearly that Hoang Sa and Truong Sa are two archipelagoes under Viet Nam’s sovereignty. The Law on Viet Nam’s Sea helps Vietnamese people know about the country’s sovereign boundaries and sovereign rights in its seas. In contrast, when foreign countries’ vessels enter Viet Nam’s territorial waters, they are required to conform to our country’s law. If they break the law, they will be handled in accordance with regulations of the law.
(2) With the adoption of the law, what are the State's policies to promote the development of maritime economy in the future?

The Law on Viet Nam’s Sea consists of a chapter on maritime economy, referring to such important fields as shipping; maritime tourism; survey, exploration and production of oil, gas, minerals and other maritime resources and fishing. The State has given incentives and preferential investment treatments to facilitate maritime economic activities. In the long-term phase, it is necessary to introduce specific policies and allocate appropriate investment for the sea-based economic sectors to make the most of strong points possessed by the sea. The State coordinates with relevant ministries and sectors to manage overall maritime economic activities given the sector is linked closely to national security. A unity of the Government’s guidances and the ministries’ implementation is needed to reinforce the protection of the sea as it is regarded as a façade as well as a gateway to the country.

(3) After Viet Nam’s adoption of the Sea Law, China took a series of actions in the East Sea that violated Viet Nam’s sovereignty. What measures should the country take to solve the situation and make its sea law be observed?

Viet Nam has negotiated with China to delimit the boundaries in the Gulf of Tonkin since 2000. Under the agreement reached by the two countries’ senior leaders, after completing the demarcation of land borders and boundaries in the Gulf of Tonkin, the two sides will negotiate to define boundaries of the maritime zone out of the Gulf in the East Sea. The two sides have conducted negotiations at the governmental and expert levels and reached several principle agreements. The Chinese side’s recent actions were taken unilaterally, harming Viet Nam’s sovereignty and legitimate interests. China’s sovereignty claim in the East Sea also touched the interests of some countries in the region, violating these countries’ law, as well as the 1982 UN Convention on the Law of the Sea (UNCLOS).

We must beat against those actions on both legal and moral fronts and promote the propaganda work to help people in the world understand the truth and gain their support for Viet Nam in opposing China’s irrational actions, including its establishment of the so-called “Sansha City.” Viet Nam has enough historical evidence and legal grounds to assert the country’s sovereignty in the East Sea.

Refer to the article: Law on Viet Nam’s Sea –strong foundation to protect national sovereignty

September 27 “Indonesia circulates draft code of conduct” (The Jakarta Post, September 29, 2012)

Indonesia has circulated a draft of code of conduct (CoC) on the South China Sea to ASEAN foreign ministers. “We’re creating a momentum for progress regarding the South China Sea issue. This is the first time that the ASEAN ministers have received the draft of code of conduct,” Foreign Minister Marty Natalegawa said after the ASEAN Informal Meeting on the sidelines of the United Nation General Assembly in New York in the United States on the 27th. Elements of the CoC were discussed at the ASEAN Ministerial Meeting in Phnom Penh in July. Indonesia
took the initiative to promulgate a CoC comprising confidence building and conflict prevention measures and conflict management measures, should conflict or an incident arise, to prevent situations from worsening. According to Marty, there has not yet been a response to the draft, as the 10 ASEAN ministers just received it. They will consult on the draft before the ASEAN Summit begins in November.

Refer to the article: RI circulates draft code of conduct on South China Sea

1.4 Diplomacy and International Relations

September 10 “AEI senior fellow Bolton: U.S. should respond to China’s assertive territorial claims in East and South China Seas in resolute attitude” (The Wall Street Journal, September 10, 2012)

John Bolton, a senior fellow at the American think tank the American Enterprise Institute, contributed an article titled “As China Muscles Into the Pacific, the U.S. Lacks a Strategy” to The Wall Street Journal dated the 10th, saying that the United States should respond to China’s assertive territorial claims in the East and South China Seas in a resolute attitude. Below is the summary of the article.

(1) China’s assertive territorial claims in the East and South China Seas have flared intermittently over the years into diplomatic and even physical confrontations. Until recently, however, these incidents—seizures of islands, reefs or rock outcroppings, or naval vessels ramming one another—have subsided after a flurry of tactical responses. Whoever becomes president in January will require a policy of sustained American involvement and leadership, not merely the watchful attitude we have long maintained.

(2) In Washington today, these disputes appear distant, almost trivial, akin to Neville Chamberlain’s 1938 description of Czechoslovakia as “a faraway country of which we know little.” Such lassitude must give way to a strategic approach based on three key elements.

a. First, the United States must decide unequivocally that Beijing’s expansionism in the East and South China Seas is contrary to American national interests. There are high, tangible stakes for us and our Asian and Pacific friends, ranging broadly from Japan and South Korea to Australia and the Association of Southeast Asian Nations (ASEAN) including Indonesia, Malaysia, Vietnam and the Philippines. The stakes include undersea mineral resources and sea lanes of communication and trade critical to U.S. and global prosperity. Sweet-sounding platitudes about international law will not prevent Beijing’s looming hegemony in these waters. While not every Chinese claim is illegitimate, we must prevent the country’s sheer mass and presence from prevailing. The U.N.-sponsored Law of the Sea Treaty will be inconsequential, as the regional
parties, particularly China, fully understand. This is about power and resolve.

b. Second, we must rapidly rebuild America’s Navy, without which any shift in strategic thinking is hollow. Today we have about 285 warships at sea, a scarcity of vessels not seen since World War I. China is building its own blue-water navy for the first time in centuries, actively pursuing anti-access, area-denial tactics and weapons systems intended to push the United States back from the Western Pacific. Unless we increase the Navy’s capabilities, or essentially abandon other ocean spaces, the negative direction and ultimate outcome in the waters off China are clear. America’s current approach—watching while initially minor incidents risk escalating—puts us at a distinct disadvantage. Passivity will allow Beijing to prevail repeatedly, incident after incident, until U.S. weakness becomes so palpable that there is no doubt of China’s across-the-board success.

c. Third, we must work diplomatically, largely behind the scenes, to resolve differences among the other claimants. In the East China Sea, Japan is the major competitor, while Beijing butts heads with Vietnam, the Philippines and other ASEAN members in the South China Sea. These regions are distinct geographically and politically, but for China both are part of the same strategic picture. So it must be for America. China’s goal is to split the seams, pitting Vietnam against the Philippines; isolating Japan; neutralizing Taiwan, and otherwise sowing discord among its competitors. The more intra-ASEAN disputes we can eliminate, the greater the potential for a common position. This pragmatic diplomatic strategy of resolving non-Chinese competing claims hardly guarantees positive results, but it beats repeating academic mantras about international law.

(3) The Obama administration argues that its “pivot” from the Middle East to Asia, combined with Secretary Clinton’s frequent-flier miles, will resolve these problems. Not so. America is a global power, with continuing interests everywhere. We don’t pivot like a weather vane from one region to another, especially since it is folly to believe the Middle East is so tranquil that we can pay it less attention. America’s China policy should be comprehensive, agile and persistent, but one fixed element must be that the international waters around China will not become Lake Beijing.

Refer to the article: As China Muscles Into the Pacific, the U.S. Lacks a Strategy
http://online.wsj.com/article/SB10000872396390444273704577637560538194478.html

September 26 “T. Yoshihara: War by other means, China’s political use of seapower” (The Diplomat, September 26, 2012)

Toshi Yoshihara, a professor of the U.S. Naval War College, contributed an article titled “War By Other Means: China’s Political Uses of Seapower” to the web magazine The Diplomat dated the 26th. This article is a revised version of Dr. Yoshihara’s testimony before the House Committee on Foreign Affairs delivered on September 12, 2012. Yoshihara said that the rise of China and non-naval and non-military platforms and systems account for a significant portion of
Chinese seapower could become factors that change the regional balance. Below is the summary of the article.

(1) China's naval and maritime buildup is providing Beijing with the wherewithal to pursue its ambitions. The rate and scale of the People's Liberation Army Navy's (PLAN) modernization process have defied many predictions in the West, reversing sanguine and even condescending conclusions about China's aptitude at sea. But, seapower is more than just the navy. Rather, it is a continuum that gives Beijing a range of options. Non-naval and non-military platforms and systems account for a significant portion of Chinese seapower. The growth of China's maritime surveillance and law-enforcement services has been equally impressive. The civilian arm of Chinese seapower has enabled Beijing to dispatch nonmilitary ships to confront the Philippines in the South China Sea and Japan in the East China Sea. Even civilian vessels could form maritime militias to serve China's nautical aims. In short, Beijing possesses diverse elements of seapower to defend its prerogatives in the nautical domain.

(2) Beijing's burgeoning seapower has positioned it to employ strategies that involve the political uses of military and non-military implements of seapower against weaker opponents in the South China Sea. These strategies deftly combine warfighting capabilities with calibrated shows of force. They enhance China's leverage in protracted politico-military struggles by chipping away at the will of the opponent. China's ability to exercise the non-military elements of its seapower was on full display at Scarborough Shoal in the spring of 2012. Employing non-navy assets in clashes over territory reveals a sophisticated, methodical strategy for securing China's maritime claims. The use of non-military means eschews escalation while ensuring that disputes remain localized. Specifically, it deprives the United States and other outside powers the rationales to step in on behalf of embattled capitals in the region. At the same time, noncombat ships empower Beijing to exert low-grade but unremitting pressure on rival claimants to South China Sea islands and waters. Constant patrols can probe weaknesses in coastal states' maritime-surveillance capacity while testing their political resolve. Keeping disputes at a low simmer, moreover, grants China the diplomatic initiative to turn up or down the heat as strategic circumstances warrant. And if all else fails, Beijing can still employ its navy and shore-based assets as a backstop to the civilian agencies. Innocuous in themselves, peacetime patrols carry significant weight when backed by real firepower. The interplay between Chinese military and non-military forces thus augments Beijing's strategic leverage.

(3) A series of showdowns may pass without an end in sight or any tangible gain for China. But, the cumulative effects of a continuing stalemate could induce strategic fatigue that in turn advances China's aims. Short of a shooting war, Chinese provocations are too slight for the United States to intervene militarily. Staying below the escalation threshold adds maneuver room to test U.S. steadfastness while solidifying its own claims. As China pushes and probes, regional expectations that Washington should do something would inevitably
mount even as weaker nations look for signs of wavering U.S. resolve. The prospects of recurring confrontations with little hope of direct U.S. intervention could weigh heavily on Southeast Asian capitals. Applied with patience and discipline, such a strategy of exhaustion could gradually erode regional confidence and undermine the political will to resist.

(4) To be sure, China still lacks adequate military means to make the South China Sea a Chinese lake. Sea control that more or less permanently excludes rival navies from these waters remains beyond its reach, if indeed that is the goal. Nevertheless, even a modest increase in Chinese seapower could perceptibly tip the regional balance of power in Beijing’s favor in peacetime contingencies not involving the U.S. Navy. Some local players, notably Vietnam, have embarked on naval modernization programs, but they are unlikely to keep pace with China. Over time, left unopposed by powerful outsiders such as the United States, Japan, or Australia, even small-scale shows of Chinese maritime power over Southeast Asian fleets might start to win grudging acquiescence to Beijing’s foreign policy preferences. Such consent, however reluctant, would deliver a severe blow to the foundations of regional order.

(5) The foregoing analysis underscores the predicament of many Southeast Asian states if they faced China on their own. Not surprisingly, many regional capitals look to the United States as a bulwark against Chinese advances. Washington, for its part, has delivered very public pronouncements about its own stake in Asian waters. The Obama administration’s “pivot” or “rebalancing” to Asia sought to reassure audiences in the region that the United States will not abdicate the stabilizing role it has long played. Fortunately, there is still time to maximize this convergence of interests and organize an effective response. China is at least a decade away from amassing the type of preponderant seapower that can keep the United States out of the South China Sea while running roughshod over Southeast Asian states. In the meantime, Washington can adopt measures to ensure that regional submission to China’s wishes is not a foregone conclusion.

a. First, Washington and its allies should actively help Southeast Asian states help themselves. Local actors must possess some indigenous capability to cope with Chinese encroachments at sea. The U.S. transfer of 1960s’ vintage coast guard cutters to the Philippines is a modest step in the right direction. But, hand-me-downs are not enough to meet Manila’s needs. More modern and capable platforms are necessary to match China’s vessels. Japan’s recent offer of twelve brand new patrol boats to the Philippines is another encouraging sign that outside powers are seeking to right the regional balance of power.

b. Second, the United States should encourage the development of a region-wide effort to keep track of China’s maritime forces. Unmanned aerial systems, for instance, could furnish a common picture of the nautical domain on a more-or-less permanent basis to coastal states surrounding the South China Sea. By tapping into such technologies, an information sharing arrangement that make Asian waters both figuratively and literally
more transparent would go a long way to shore up regional confidence and deterrence. It is worth noting that Tokyo has been doing a signal service on behalf of the region by publicly reporting detailed accounts of Chinese naval transits through international straits and other activities near Japanese waters.

c. Third, the United States should draw up plans that would enable the U.S. military to rapidly deploy units armed with maritime-strike capability, such as anti-ship cruise missile batteries, on friendly or allied soil. Possessing the option to surge defensive forces onto allied territory at short notice would reassure U.S. allies in peacetime while substantially bolstering the U.S. capacity to act effectively in times of crisis. The United States should also encourage allies and friends to develop or strengthen their own maritime-strike options.

d. Finally, the U.S. Navy should revisit prevailing assumptions about its ability to command the global commons. Years of post-Cold War permissiveness induced an airy confidence that made it seductively easy to take sea control for granted. Arguably, the last time that the U.S. Navy fought a serious foe was at Leyte Gulf in 1944. As China marches to the seas, a far more lethal nautical environment lies in store. For a service long accustomed to uncontested waters, coming to terms with risk to the fleet will be an ever urgent priority.

(6) These steps would help construct a layered and inter-connected defense posture that begins with the local actors themselves. As frontline states, they must be empowered to perform as first responders to Chinese moves at sea. Information sharing among the coastal states would underscore the shared stakes in the maritime commons while promoting collective action. A network of players alert to Beijing’s maneuvers stands a far better chance of deterring, and, failing that, reacting more quickly to Chinese actions. The United States, for its part, would provide a strategic backstop to Southeast Asian partners with low-profile, small-footprint military assets that pack a punch and serve as potent symbols of American commitment to the region. Raising the costs of—and risks to—Chinese assertiveness in the South China Sea would complicate Beijing’s calculus while inclining Chinese leaders to think twice before they act. Inducing Chinese caution, moreover, would apply a brake to Beijing’s momentum at sea, brightening the prospects for restoring equilibrium to the region and for retaking the strategic initiative.

Refer to the article: War By Other Means: China’s Political Uses of Seapower

1.5 Shipping, Shipbuilding and Harbors

September 1 “Pakistan to transfer operational control of Gwadar port” (Pak Tribune.com, September 1, 2012)

Pakistan is planning to transfer operational control of its strategically important Gwadar Port from Singapore’s PSA International to a Chinese company. “We have reached an agreement with PSA where they have decided to leave the port at Gwadar. They are in discussions with a possible Chinese investor,” Ports And Shipping Minister Babar Khan Ghauri told a British newspaper in an interview at the end of August. Gwadar, built with the help of a loan from China, is close to the Strait of Hormuz. Singaporean sources confirmed that PSA’s imminent handover of control was triggered in part by Pakistan’s failure to fulfil its commitments, one being the building of a motorway link to service the port. Pakistani officials said strategic as well as commercial interests played a part in the change. “This has great value for China”, he said. “We believe the Chinese may use their presence at Gwadar to lay down a pipeline in future for transporting Middle Eastern oil to western China.”

Refer to the article: Pakistan in talks to hand Gwadar port to China

September 3 “Current state of Chittagong port in Bangladesh” (BBC News, September 3, 2012)

Bangladesh has become a global leader in clothing exports in recent years. Situated on the Karnaphuli river, Chittagong port is described as the lifeline of the Bangladeshi economy. Chittagong port handles more than 80% of the country’s imports and exports making it the prime port of Bangladesh. In 2011, the port handled more than 47 million tonnes of cargo and containers of 1.4 million TEUs (20ft equivalent units). As the Bangladeshi economy has witnessed growth of about 6% for the last few years, the trade volume is also gradually increasing. Though the average turnaround time for ships has been brought down to about two-and-a-half days at the moment, exporters say it should come down further. For example, the turnaround time in Singapore port is less than 12 hours.

It is strategically located close to Burma, China, India, while landlocked neighbours Nepal and Bhutan want to use the port to transport cargo to their countries. The emerging economic giant India also wants access to Chittagong port to send goods to its seven north-eastern states. If the transit agreements between Bangladesh and neighbouring countries are finalised, then Chittagong port has the potential to become a regional business hub. In addition, Dhaka can earn millions of dollars in revenue by leasing its port facilities to other countries. But this level of demand may not last. Neighbouring Burma is upgrading its deepwater port in Sittwe, about 200km south of Chittagong. The port is being upgraded with Indian assistance. The Burmese port may have an impact on the shipping revenues of Bangladesh as India is likely to transport its cargo.
Since Chittagong is a river port, huge container ships more than 617ft (188m) long cannot pass through the narrow Karnapuli river. Normally, transhipment of containers takes place either in Singapore or in other big regional ports. Realising the need for a deep sea port in the future, Bangladesh is also planning a port on Sonadia Island in the Bay of Bengal, south of Chittagong. But it will take years before the new port can be completed and made operational. Until then, Bangladesh’s economic hopes are tied to the fate of Chittagong port.

Refer to the article: Bangladesh pins hope on Chittagong port
http://www.bbc.co.uk/news/business-19462142

Countries including Nepal, Bhutan and India want to use Chittagong port to transport cargo

Source: BBC News, September 3, 2012
2. Intelligence Assessment

Japan's participation to MCM Operations must be under cease-fire in advance?
– A case of mine removal at the Strait of Hormuz –

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

During September 16 to 27, Navies from 30 countries including mine counter measure (hereafter MCM) forces of Japan Maritime Self-Defense Force (hereafter JMSDF), which are JMSDF MST Uraga and MSO 303 Hachijo, participated in the International Mine Countermeasures Exercise 2012 (hereafter IMCMEX) hosted by the U.S. Fifth Fleet in the Persia Gulf. The mission of IMCMEX needs to be fully cooperative to maintain freedom of trade and navigation with MCM Capability and keeps the situation of Strait of Hormuz, which is the one of key points for international trade, in mind. Joining the IMCMEX continuously in these 2 years proves that the security of Persian Gulf as sea line is critically important for Japan.

The Strait of Hormuz

Source: http://info.publicintelligence.net/JIEDDO-Hormuz.pdf
However, some Japanese newspapers reported that Japan's participation is legally limited in operations removing abandoned mines, such as what they have done in the Gulf War, if Iran declares a blockade of the Strait of Hormuz. Additionally, it is usually said that Japan would not be possible only to join operations to remove abandoned mines under cease-fire, when mines are installed under the Strait of Hormuz. But it is concerned that this interpretation may lead to misunderstanding that Japan cannot even remove abandoned mines without cease-fire.

Under the situation that Iran does not exclude the possibility for blockade by mining at the Strait of Hormuz, this analysis focuses on the discussion whether a cease-fire would be required for Japan to participate in MCM Operations, referring to precedents of the answers in the Diet and the MCM Operations around Korean waters and Japan Sea in the time of Korean War.

1. Legal Analysis of the Past Cases

Japan has discussed legal interpretation on MCM Operations in Persian Gulf twice in the past and this remains unchanged. The first discussion was conducted in 1987, when the U.S. required cooperation from Japanese minesweepers. The Nakasone administration, which was its third period at that time, indicated that MCM Operations are not regarded as an armed struggle, if mines were abandoned into the high seas and those prevent our ships from sailing safely, and then we can dispatch our forces under the Article 99 of Self-Defense Forces Law (2 paragraph, Article 84 presently). However, that time was just during the Iran-Iraq War and the dispatch was not conducted, affected by strong objections such as Masaharu Gotouda, who was Chief Cabinet Secretary at that time. Its detail was recorded in the conversation between Kazuhito Wada and former Prime Minister Nakasone, which was conducted at the 109th Parliament Lower House Standing Committee on Cabinet in August 27 1987, and the both of memorandum on questions and government written answers about safe sailings in the Persian Gulf.

The second discussion whose detail was the same as the last one was conducted just after the Gulf War in 1991. According to the conference minutes of the 120th Parliament Lower House Standing Committee on Cabinet, the Cabinet Legislation Bureau expressed that the Article 99 of Self-Defense Forces Law does not make a clear difference in time of peace and emergency and its difference would be a key factor in situations to decide whether it becomes an abandoned mine. Therefore, they added that some cases would come under use of armed force in wartime and those gave a misunderstanding to news media. This dispatch was Japan's first challenge and it had to be emphasized that the dispatch was conducted under peacetime. While it is concerned that that circumstance would be a stereotype and narrow width of choices, dispatches for removing abandoned mines does not need a condition of cease-fire.

2. While a dispatch to remove abandoned mines in peacetime is not problematic, how should we deal with it in wartime?

During the Korean War and following several years, mines made in Soviet were washed ashore around the coast of the Japan Sea and caused serious damage, even though Japan was conducting its MCM operation on its coast of the Japan Sea, territorial waters and high seas.
around them. By the way, in addition to the fact that the Constitution of Japan was promulgated in 1946 and the Korean War was during 1950-1953, Japan had already restored its sovereignty in 1952, which was the previous year of its cease-fire. As there were no clear concept on “abandoned mines” and necessity to interpret it, nobody thought seriously about the possibility that MCM operations have a brush with the Constitution at that time, and today that remains likely unchanged. The mission of JMSDF Mine Warfare Force was to remove mines which were cast ashore to the coast of the Japan Sea and waters around them to protect security for sailing ships, life and property for people who live along the coast and it was based on Japan’s independent judgment. This historical precedent suggests an answer from the question how the term abandoned mines should be dealt with.

Nakasone responded that it is legal for Japan Maritime Self Defense Force to conduct its MCM operation on the Japan Sea, off Maizuru and high seas in emergent cases and likely that there would not be legal difference even if they join operations in the Persian Gulf at the 109th Parliament Lower House Standing Committee on Cabinet in August 27 1987. And Masasuke Omori, who was Director-General of the First Department of the Cabinet Legislation Bureau at that time, continuously responded that removing mines on territorial waters of coast countries in the Persian Gulf is also legal, if an agreement from the coast countries given, at the 120th Parliament Lower House Standing Committee on Cabinet in April 25 1991.

The narrowest place of the Strait of Hormuz is 21 nautical miles and its center part is the place that Omani territorial waters are contacting with that of Iran. The sea lanes and traffic separation scheme was already established and this central place is included into Omani territorial waters from geographical conditions. Therefore, in cases that mines are used by Iran to block the Strait of Hormuz, it is easily estimated that the scope extends to the Omani territorial waters.

3. Is it enough only to participate in operations removing abandoned mines?

Japan’s participation in operations removing abandoned mines is legally based on the Article 99 of Self-Defense Forces Law (Article 84, paragraph 2 presently), as noted that the Article 99 covers mines which were abandoned on high seas regardless of whether mines are floating or fixed in the Government written answer No.4, at the 109th Parliament Lower House Standing Committee on Cabinet. However, in practice, it is critically difficult to regard fixed mines as abandoned ones in wartime and further additional measures are likely needed.

While the U.S. warns that the blockade of the Strait of Hormuz by Iran is an act of war, practically if mines are used for the blockade, for the reason that the scope extends to Omani territorial waters and Iran neglects to maintain a safe situation for sailing ships of third parties as its obligation to neutral countries, parties which are involved in the war are not only the both of Iran and Oman. If Iran conducts a blockade of the Strait of Hormuz as retaliation to the economic sanctions by Western countries, it is critically serious for Japan which is dependent on importing a large amount of oil from Middle East. The removal of mines at the traffic separation scheme established in Omani territorial waters of the Strait of Hormuz exceeds Oman’s capacity
to deal with, and Oman needs to cooperate with Western countries such as IMCMEX 12. Japan has to also modify its constitutional interpretation to excise the right of collective self-defense, if it wants more responsible roles.

4. Has Japan fulfilled MCM operations in wartime?

After the Second World War, Japan has carried out MCM operations as follows, except for those which are described in the Paragraph 2.

3. Diary Check Sweep in Tokyo Bay and outside of Sasebo Port: 1950.7.16-1953.9.15

The mine cleaning in the Korean waters was conducted in the time when Japan was under foreign occupation and Takeo Okubo, who was the first Director General of Japan Coast Guard, wrote that this cleaning was fulfilled in secret in his book titled “Unari no hibi” (“The days of the rumbling of the sea”) published in 1978. Jiro Shirasu, who was a close adviser of Prime Minister Shigeru Yoshida, read that book and told Okubo that I had never heard such a thing and knew for the first time, but Yoshida accomplished the cleaning which violates the Constitution of Japan wonderfully. In this cleaning, Yoshida told all the parties that Japan participates in the MCM operation headed by the U.N. Forces around Korean waters to protect our peace and independence. Okubo also told all the parties with encouragement that as we have challenges to restore our independence and take an honorable statue in the world, we need to carry out our mission.

While the peace treaty was issued in April 28, 1952 and Japan restored its sovereignty, Mine Sweeping Guinea Pigs in Korean waters and Diary Check Sweep in Tokyo Bay and outside of Sasebo Port were continued. Especially, Diary Check Sweep was the operational support, which fleets of the U.N. Forces enter or exit the Yokosuka Port and Sasebo Port, and continued until the end of Korean War. Additionally, some Japanese people and private ships also engaged in transporting arms and explosives to the U.N. Forces. There were no arguments of identification with armed struggle at that time and it is said that Japan fulfilled its operational and logistic supports to the U.N. Forces.

After all, in practice, Japan has already experiences to have conducted its MCM operations. Consequently, Japan has to take enough responsible roles as a member of international society to secure a stable environment in cases that Iran starts a blockade in the Strait of Hormuz.
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