

# OPRF MARINT Monthly Report

## October 2006



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This monthly report is edited/ summarized by publisher and staff writers based on published news resources.

Each resource is referenced with bracket below each title and is displayed as link USL on the last page of this report.

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## Introduction

**Law and order** : Philippine National Security Adviser Norberto Gonzales admitted that the government is not good enough to secure the vast sea lanes between Mindanao and Indonesia. The waters are part of areas used by smugglers, pirates and terrorist organizations.

The U.K. plans to introduce a new cargo security system similar to the 24-hour advance manifest rule taken by the U.S. by April 2007.

On October 27, China signed the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP), which came into force on September 4. The Singapore government is the depositary of the agreement. Currently, out of 16 participating countries, 14 countries except for Indonesia and Malaysia have signed the pact.

**Military security** : The U.S. Navy launched its aircraft carrier, USS George H. Bush (CVN77) on October 7. CVN77, named after the current president George W. Bush's father, 41<sup>st</sup> president, is the 10th and last Nimitz-class aircraft carrier. The ship is expected to go into commission in early –to-middle 2008 and operate for about 50 years.

The Indian Navy plans to establish a new base on the country's east coast, 50 kilometers south of Visakhapatnam, where the navy's eastern command is headquartered. The new base will be India's second naval base to be built on the east coast. It will help protect the country's trade with Southeast Asia and monitor movements by the Chinese Navy in the Bay of Bengal.

The U.S. Navy is upgrading 18 guided missile cruisers and destroyers to handle a threat of ballistic missiles. By the end of 2006, the Navy will have upgraded 10 Aegis-equipped destroyers to add long-range tracking systems. But they need additional upgrades to shoot down incoming missiles. Six other vessels including guided missile cruisers are also obtaining upgrades to be able to track and shoot down missiles. All 16 will belong to the Pacific Fleet. Additional two which will be also upgraded by 2009 are to be based in Norfolk of the Atlantic Fleet.

**Diplomacy and International Relations** : The new Prime Minister of Japan, Shinzo Abe visited China and South Korea on October 8-9. During his visit to China, Abe held talks with Chinese President Hu Jintao, Premier Wen Jiabao and Chairman of Standing Committee of National People's Congress Wu Bangguo. A joint statement was released after the meeting.

In response to the October 9 announcement by North Korea that it had conducted an underground nuclear test, the U.N. Security Council unanimously adopted Resolution 1718 stipulating that it acts under Chapter VII of the Charter of the United Nations, and takes non-military measures under its Article 41. (Refer to p.19, Chapter 2, Intelligence Assessment "North Korean Nuclear Test – Its aims and aftermath, and Japanese and South Korean responses to the Security Council Sanction Resolution" as for maritime activities that Japan and South Korea are facing such as inspection of ships in the implementation of the resolution.)

**Resources, Environment and Others :** On October 3, the Nicaraguan Government announced that it plans to construct a US\$20 billion canal, named the Grand Inter-Oceanic Nicaragua Canal. The project is expected to take more than 10 years. If completed, the canal will allow 250,000-tonne tankers and container ships to pass through the isthmus.

The Indian National Shipowners' Association (Insa) said that the Indian shipping industry will need to invest US\$4 billion in fleet renewal by 2009 as more than half of ships owned by Indian companies will have to be scrapped in the next five years.

A national referendum on a modernization plan to expand the Panama Canal was held on October 22. According to preliminary results, about 79 percent of Panamanians voted in favor the expansion plan. With a total US\$ 5.25 billion, the expansion project is to construct a third set of locks on the Pacific and Atlantic ends by 2015, allowing ships that are too large for its current 108-foot-wide locks to pass through the canal.

# 1. Intelligence Bulletin

## 1.1 Law and order

### **October 2 "Indonesian expert proposes Malacca Straits safety fund" (The Star Online, October 2, 2006)**

Indonesian Maritime Council member Prof Hasjim Djalal proposed a plan to establish a special fund to promote safety of navigation of the Malacca Straits by the three littoral states (Malaysia, Singapore and Indonesia) in cooperation with user countries. The proposal was made clear at September's International Maritime Organization (IMO) Conference in Kuala Lumpur (See p.5, Commentary "Overview of the IMO Conference on the Straits of Malacca and Singapore" in the September 2006 edition of the monthly report). He said that the fund should be operated like the existing funds such as the Revolving Fund that was established for antipollution measures. He suggested that certain basic rules for the establishment of the fund would have to be drafted by the three littoral states because the amount of the fund could be big. He also said that the Memorandum of Understanding (MOU) signed between the three littoral states and the Malacca Strait Council of Japan in 1981 would have to be reviewed because it was designed for the Revolving Fund.

### **October 3 "MASA calls for mandatory Malacca security funding" (Lloyd's List, October 3, 2006)**

The Malaysian Shipowners Association (MASA) is seeking for a mandatory system of funding to maintain navigational safety, rather than the voluntary funding system agreed in September (Refer to p. 5, "Commentary: Overview of the IMO Conference on the Straits of Malacca and Singapore" in the September 2006 edition of the monthly report). Chairman of the MASA, Nordin Mat Yusoff said, "When you say voluntary, if you don't have a structured way of doing it how can we expect other people to contribute? It's human nature."

### **October 10 "India, U.K. agree to cooperate in 'strategic partnership' on terrorism" (Monsters and Critics, October 10, 2006)**

Indian Prime Minister Manmohan Singh and his British counterpart, Tony Blair agreed to cooperate in a "strategic partnership" to combat global terrorism on October 10. The agreement came during Singh's visit to the U.K. In a press briefing after the meeting, Singh praised the strengthening strategic partnership between the two countries, pointing out that both countries are facing a common terror threat. The two leaders also condemned the North Korean nuclear test. Singh expressed his deep concern about the violation of international commitments by North Korea. Blair strongly denied any "false comparison" between North Korea and nuclear powers such as India and the U.K., stressing that India and the U.K. were democracies complying with the rule of law and international law.

**October 14 "Philippine Coast Guard receives equipment from U.S. to combat terrorism" (The Philippine Star, October 14, 2006)**

The U.S. Government has given new equipment to the Philippine Coast Guard to boost its maritime law enforcement operation against terrorism. The U.S. Government has also provided anti-terrorist training to the Philippine Coast Guard.

**October 16 "Philippine NSA admits inability of sea lanes patrols between Mindanao and Indonesia" (The Philippine Star, October 16, 2006)**

Philippine National Security Adviser Norberto Gonzales admitted that the government is not good enough to secure the vast sea lanes between Mindanao and Indonesia. The waters are a part of the so-called southern backdoor used by smugglers, pirates and Jamaah Islamiyah (JI) – members of the Southeast Asian terrorist organization. It is impossible for the government to monitor every boats plying the waters between the islands in East Indonesia and the long coastline of Mindanao, as these boats make over 26,000 trips in the waters each year, Gonzales said. Despite the ongoing cooperative relationship between the Philippines and Indonesia to carry out joint patrol operations, the Philippine Navy and Coast Guard do not have enough patrol boats to secure the country's territorial waters. Gonzales said that the JI's main areas of terrorist activities are still based in Indonesia and Mindanao. Mindanao is being used by them as a training camp and a base for recruiting new members.

**October 16 "U.K. plans to launch new cargo security system" (The Business Times, October 16, 2006)**

The U.K. plans to introduce a new cargo security system similar to the 24-hour advance manifest rule taken by the U.S. But it raises growing concern among shippers that it would slow the free movement of goods and confuse global supply chains. According to the European Shippers' Council (ESC), the U.K. Home Office's Counter-Terrorism & Intelligence Directorate has been closely working with the U.K. Customs and Revenue Service to introduce a system to require cargo consignment and transport data to be submitted to the authority before the cargo arrives in the U.K.

These requirements will apply to consignors, consignees, carriers and logistics service providers. The measures that are expected to be implemented by April 2007, aim at providing more data on the movement of goods and people to prevent terrorism and crime. The movement appears to model after the U.S. system to require all container carriers bound for the country to provide cargo manifest data to U.S. Customs 24 hours prior to loading at a foreign port. Canada has also introduced the similar system in April 2004.

**October 23 "Indian Coast Guard to set up five new stations" (Daily Times, October 24, 2006)**

The Indian Coast Guard plans to establish five new stations and induct 21 new warships by 2007 to enhance the country's coastal safety. At the Coastguard commanders conference on the

23<sup>rd</sup>, Coastguard Director General Vice Admiral RF Contractor said the Coast Guard plans to set up three new security units off the Arabian coast of Gujarat, to assist the Union Home Ministry for the prevention of smuggling of arms or explosives by terror groups.

**October 24 "Coast Guard Summit opens in Hainan, China" (Japan Coast Guard HP, October 27, 2006)**

The seventh North Pacific Coast Guard Summit was convened in Sanya, Hainan province of China from October 24 to 27 with participation of Japan, South Korea, China, the U.S., Canada and Russia. The summit adopted a joint declaration, advocating enhanced cooperation among six countries. The declaration encouraged the active role played by North Pacific Head of Coast Guard Assembly in maintaining peace and order of waters in the North Pacific region. Russia will host the next summit.

**October 27 "China signs ReCAAP" (People's Daily Online, October 28, 2006)**

On October 27, China signed the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP), which came into force on September 4. The Singapore government is the depositary of the agreement. Currently, out of 16 participating countries, 14 countries - except for Indonesia and Malaysia - have signed the pact. (Refer to p. 17, Chapter 2. Intelligence Assessment, "2.1 ReCAAP Going into Effect: Outline and Future Challenges" in the September 2006 edition of the monthly report.)

## Commentary

### Piracy and Armed Robbery in the first nine months of 2006

On October 30, 2006, the International Maritime Bureau (IMB) Piracy Reporting Centre in Kuala Lumpur released its report on “Piracy and Armed Robbery against Ships” during January 1-September 30, 2006 (hereafter the report). The IMB defines “Piracy and Armed Robbery against Ships” as “An act of boarding or attempting board any ship with the apparent intent to commit theft or any other crime and with the apparent intent or capability to use force in the furtherance of that act.” Below is the summary of the trend for the first nine months of 2006 highlighted in the report.

#### 1. Location and the number of ACTUAL and ATTEMPTED attacks

It listed the total of 174 actual and attempted piracy or armed robbery attacks in the first three quarters of 2006. Of these, 124 were the accomplished cases (11 hijacking cases and 113 boarding), and 50 were attempted cases (6 gun-use cases and 44 boarding attempts). The total number has been on the decline compared to 205 cases of the corresponding period last year. It also shows a significant decrease from the same period of 2003 that had 344 cases and 2004 that had 251, both of which marked the highest figure in the last decade.

Of the location of occurrence, 116 of the total 174 cases were concentrated in seven bodies of waters. In order of frequency, 40 incidents occurred in the Indonesian archipelagic waters, the highest number during the first nine-month period this year; Bangladesh suffered 33 attacks; the Gulf of Aden and the Red Sea, off Nigeria and east coast of Malaysia suffered nine attacks respectively; the Malacca Straits and off Somalia suffered each eight attacks.

Indonesia marked the highest frequency of occurrence in Asia. This infamous trend has remained constant for 10 years. Although there has been a recent declining trend compared to the corresponding period of 2005 with 61 attacks, the waters are still regarded as the most dangerous in the world. The Malacca Straits has recorded eight attacks, showing a decrease compared to the same period in 2004 of 25 cases and in 2005 of 10 cases. London insurer Lloyd’s has removed the Malacca Straits from its list of dangerous waterways in August 2006. But ships calling at ports in northeast Sumatra are still subject to war-risk insurance premiums. Nine cases were reported in the Tioman islands and waters off Sabah, east coast of Malaysia, marking a threefold increase from the same period of 2005 with three cases. It also showed an increase from the same period of 2004 with eight cases. The Singapore Straits recorded three attacks as compared to eight for the same period in 2004 and seven in 2005. There were three attacks off the Philippines during the first three quarters this year, showing an increasing number compared to zero case in the correspondence period of 2005. There were three attacks off Vietnam, and one each in Thailand (Gulf of Thailand) and in the South China Sea.



Bangladesh Coast Guard and Navy have launched a joint operation in an attempt to deal with the piracy problem in the Bay of Bengal. Yet, the waters continue to be high-risk areas as piracy and armed robber activities have been still on the rise, with 33 attacks during the first three quarters of 2006. The number of the attacks in the region from 2000 to 2005 for the same period of the first nine months were 32, 19, 26, 37, 15, and 14 respectively. There were four attacks in the east coast of India which is adjacent to Bangladesh, and eight attacks off Somalia, marking a decrease by half from the same period of 2005 with 19 attacks. Attacks in the Gulf of Aden and Red Sea increased from five cases in 2004 and eight cases in 2005, which shows that the “Horn of Africa” waters and beyond have remained dangerous. The report notes that many attacks in Somali waters took place far away from the Somali coast. Pirates are believed to be using a “mother vessel” to launch attacks. Therefore, the report urges ships not making scheduled calls to ports in Somalia to keep as far away as possible from the coast, at least 75 nautical miles.

## **2. Characteristics viewed from the mode of attack**

The report says that out of total 124 accomplished cases during January 1-September 30, 2006, attacks on ships at port numbered 10, at anchor 75 and under steam 38. There was also one case uncategorized by transit status. Of a total 50 attempted cases, 20 attacks were made at anchor and 30 under steam.

Six ports marked more than three attacks in the first three quarters this year. Of these ports, the most dangerous in the world judged by the highest number of attacks is the port of Chittagong, Bangladesh, with 33 attacks, nearly a threefold increase over the same period in 2005 with 12 attacks. The second most dangerous port is Jakarta-Tg. Priok, Indonesia, with nine attacks. But it showed a decrease from the same period of 11 cases in 2005.

On the other hand, no attacks have been reported in Balikpapan, Belawan, Pulau Laut of Indonesia, Ho Chi Minh of Vietnam, and Chennai of India, all of which had recorded more than three attacks for the correspondence period last year.

TABLE 1: Main locations of actual and attempted attacks, January-June from 2000 to 2006

Locations	2000	2001	2002	2003	2004	2005	2006
Indonesia	90	71	72	87	70	61	40
Malacca Straits	32	14	11	24	25	10	8
Singapore Straits	0	6	4	0	8	7	3
Vietnam	5	4	10	10	3	8	3
Malaysia	15	15	9	5	8	3	9
Bangladesh	32	19	26	37	15	14	33
India	23	22	14	24	10	12	4
Red Sea/Gulf of Aden	8	10	9	17	5	8	9
Somalia	5	6	5	3	1	19	8

(Note: The above table is depicted from Table 1, p.5 of the report.)

### 3. Types of violence to crew and arms used during attacks

As illustrated in the table 2, in the first nine months of 2006, 163 ship crew members were taken hostage, showing a significant decrease from 186 in the correspondence period of 2004 and 259 of 2005. On the other hand, 20 crew members were kidnapped for ransom. This type of case rose from 12 in the first three quarters of 2005. Six crew members were killed, an increase from zero in the same period of 2005, but a considerable decrease from the same period of 2004 with 30 cases. Thirteen members of the crew were injured, a decrease from the first nine months of 2004 with 51 cases and 2005 with 19 cases.

As illustrated in the table 3, guns and knives were mainly used by pirates when they attacked ships. In the case of the Somali waters, pirates armed with guns and grenades have attacked ships far away from Somali coast.

TABLE 2: Types of violence to crew and passengers, January-March from 2000 to 2006

Types	2000	2001	2002	2003	2004	2005	2006
Taken hostage	132	205	176	221	186	259	163
Kidnap/Ransom	N/A	N/A	N/A	N/A	N/A	12	20
Injured	16	27	28	61	51	19	13
Crew killed	1	9	6	20	30	0	6
Missing	26	0	23	43	21	12	0

(Note: Depicted from Table 8, p.9 of the report.)

TABLE3: Types of arms used during attacks, January-March from 2000 to 2006

Types	2000*	2001*	2002	2003	2004	2005	2006
Guns	34	50	49	77	69	58	42
Knives	90	81	99	115	74	64	57
Other weapons	16	23	35	29	11	12	8
Not stated	152	97	88	123	97	71	67
<b>Total for nine months</b>	<b>294</b>	<b>253</b>	<b>271</b>	<b>344</b>	<b>251</b>	<b>205</b>	<b>174</b>

(Note: Depicted from Table 6, p.9 of the report.)

\*There were two unarmed piracy acts in 2000 and 2001, respectively.

## **1.2 Military security**

### **October 3 "RI Navy to buy two corvettes from Netherlands" (Antara News, October 3, 2006)**

Indonesian Navy's Chief of Staff Admiral Slamet Soebijanto confirmed that the Navy would continue with its plan to purchase two Sigma II-IV Class corvettes from the Netherlands under its 2002-2013 strategic plan. Based on the plan, the Navy is expected to purchase four Sigma II-IV Class corvettes in two phases. The first two corvettes will arrive in Indonesia in 2007 and will be deployed to the Western Fleet of Surabaya.

### **October 6 "U.S. gives Kenya six patrol boats to combat terrorism" (Reuters, October 6, 2006)**

The U.S. provided six boats to Kenya on October 6 to patrol Kenya's coastline and support the fight against terror. The U.S. has trained local troops and provided equipment to them to prevent terror activities in the vast regions lack of ruling power. Some security experts pointed out the possibility that the local militants, who are a threat to the U.S. interest and try to find a gateway into the African continent through Kenya, could take advantage of Kenya's porous borders.

### **October 7 "U.S. Navy commissions its 10<sup>th</sup> aircraft carrier, USS George H. W. Bush" (Navy NewsStand, October 7, 2006)**

The U.S. Navy launched its aircraft carrier, USS George H. Bush (CVN77) on October 7. The CVN77, named after the current president George W. Bush's father, 41<sup>st</sup> president, is the 10th and last Nimitz-class aircraft carrier. The ship is expected to go into commission in early-to-middle 2008 and operate for about 50 years.

### **October 10 "Pakistan Navy poses no threat to India" (Times of India, October 10, 2006)**

Indian Navy chief Admiral Arun Prakash said the Navy believes in military superiority over its Pakistani counterpart. In an interview with Times of India, he noted as follows: (1) Although Pakistani Navy commissioned two French Agosta-90B submarines with another one on the way, and acquired destroyers from China and frigates from U.S. and Greece, Indian Navy still maintains a 4:1 or a 5:1 combat strength over its counterpart. (2) Pakistan's such naval enforcement will narrow the gap a little between the two navies. But Indian Navy does not see it as any threat. While Pakistan does not have any aircraft carrier, India owns the aging but still strong 28,000-tonne class carrier. Furthermore, Indian Navy is scheduled to receive a 44,570-tonne Admiral Gorshkov-class aircraft carrier from Russia by the end of 2008. While Indian Navy has 30 or more major warships, Pakistan owns just 8-10. But as for submarines, Indian Navy owns 16 and Pakistan owns 10, making the gap narrower. (3) The Chinese People's Liberation Army Navy (PLAN) has 65 submarines, including 22 nuclear ones. The PLAN is the

only force in Asia having submarine-launched ballistic missile capabilities. Besides, the PLAN has a SSBN program. It is necessary for India to own nuclear submarines capable of launching missiles to ensure strategic deterrence, as the Navy does not have a credible nuclear weapon triad.

**October 16 "U.S., Philippine launch annual exercise" (The Associated Press, October 16, 2006)**

The U.S. and Philippine troops started their annual exercise in the northern and southwestern Philippines on October 16. About 5,700 U.S. Marines dispatched from Japan and 1,300 Filipino soldiers joined the two-week exercise. Since 2002, the U.S. has provided training and equipment to Filipino troops fighting against Islamic militants. The southern Philippines has become a vital front in the campaign against terrorist led by the U.S., because Jemaah Islamiyah (JI)'s terror training camps are believed to exist there.

**October 17 "India Navy to set up a new base in the east coast" (Asia Times Online, October 17, 2006)**

The Indian Navy plans to establish a new base on the country's east coast, 50 kilometers south of Visakhapatnam, where the navy's eastern command is headquartered. The new base will be India's second naval base to be built on the east coast. It will help protect the country's trade with Southeast Asia and monitor the Chinese naval movements in the Bay of Bengal. The base will berth two aircraft carriers, support ships and submarines, as well as India's first domestically built aircraft carrier capable of operating a fleet of 30 aircraft. The Indian Navy has been seeking new naval base on the east coast because it is not possible to extend the base of Visakhapatnam which houses a naval base and commercial port, and maritime traffic is expected to increase in the coming years. The location of the new port is ideal, with centrally-placed between the Bay of Bengal and the Indian Ocean. It is also easy access to the Malacca Straits. It is not too close to Bangladesh or Myanmar where the presence of the Chinese Navy poses a threat to India, as a port of Kolkata is, but it is still close enough to monitor Chinese naval movements from there.

**October 19 "Indonesian Navy to purchase six submarines from Russia" (The Associated Press, October 19, 2006)**

According to the Indonesian state news agency Antara News, the country's Navy will purchase six diesel submarines from Russia as part of a plan to upgrade its aging military arsenal. Navy Chief of Staff Admiral Slamet Soebijanto said that they would buy four Kilo class and two Amur 950 Lada class submarines. The Russian submarines were chosen over French and German ones because of their affordable cost and reliable technology. The Indonesian Defense Ministry also plans to purchase a dozen Russian-made Sukhoi fighter planes in early-2007, six submarines by 2024, and warships from Russia and the Netherlands.

**October 20 "Korean Navy launches new destroyer" (The Korea Herald, October 20, 2006)**

The Korean Navy launched a 4,500-tonne new model stealth destroyer, Choi Young on October 20. The Choi Young is the sixth and last vessel of 4,000-tonne Korean Destroyer Experimental program, and is the second phase of advanced destroyer built with indigenous technology. The destroyer, with improved stealth and antisubmarine functions, is expected to go into service in 2008. The Navy has commissioned three 3,000-tonne class destroyers in the late 1990s under the KDX-I project. The Korean government plans to introduce three 7,000-tonne class Aegis destroyers by 2012 under the KDX-III project.

**October 21 "U.S. Navy upgrades missile defense capability" (TMC net, October 21, 2006)**

The U.S. Navy is upgrading 18 guided missile cruisers and destroyers to handle a threat of ballistic missiles. By the end of 2006, the Navy will have upgraded 10 Aegis-equipped destroyers to equip long-range tracking systems. But in order to shoot down incoming missiles, they need additional upgrades. Six other vessels including guided missile cruisers are also obtaining upgrades to be able to track and shoot down missiles. All 16 will belong to the Pacific Fleet. Additional two which will be also upgraded by 2009 are to be based in Norfolk of the Atlantic Fleet. According to director of the Missile Defense Agency's Aegis Ballistic Missile Defense program Rear Adm. Brad Hicks, in the case of international crisis, the U.S. has traditionally depended on aircraft carriers to respond. Now he predicts, "it won't be too long - in a couple of years - when the national command authority will ask: 'Where are the Aegis ships?'" The U.S. Navy is studying how many more ships need modification ultimately. Hicks said that the upgrading of each ship will cost about US\$10.5 million and take about six weeks.

**October 24 "Russia fails sea-launched ballistic missile test" (RIA Novosti, October 25, 2006)**

The Russian Navy announced on October 24 that an intercontinental ballistic missile, R-30 Bulava (SS-NX-30) was launched from the Dmitry Donskoi nuclear submarine in the White Sea, but it blew itself up after it deviated from its trajectory a few minutes later. A similar test-fire conducted on September 7 also ended up in failure due to an error in the testing program during the second stage with the deviation from its target.

**October 25 "India, U.S., Canada launch joint naval exercise" (New Kerala.com, October 25, 2006)**

Indian, U.S., and Canadian navies conducted two-week joint naval exercise "Malabar-9" in the Indian west coast from October 25 to November 5. The exercise, involving naval assets from the three countries including a number of naval vessels, Coast Guard ships and aircraft, is one of the largest in the area in recent years. The exercise includes maneuvers such as anti-submarine operations, maritime interdiction, weapons firing and search-and-seizure operations.

**October 25 "U.S., Sri Lanka to conduct joint exercise" (Web India 123, October 25, 2006)**

About 1,000 U.S. Marine will conduct a joint exercise with Sri-Lankan forces in end-October. The exercise is reportedly aimed at containing the growing influence of China in the region, and testing new littoral battle strategies. China plans to rebuild an oil facility and harbor in Hambantota destroyed by the tsunami two years ago.

**1.3 Diplomacy and International Relations****October 8-9 "Abe visits China and South Korea" (The Ministry of Foreign Affairs of Japan HP, October 9, 2006)**

The new Prime Minister of Japan, Shinzo Abe visited China and South Korea on October 8-9. During his visit to China, Abe held talks with Chinese President Hu Jintao, Premier Wen Jiabao and Chairman of Standing Committee of National People's Congress Wu Bangguo. A joint statement was released after the meeting. It says both sides shared the view (1) that relations between Japan and China have become one of the most important bilateral relations for both countries; (2) that the two countries would make efforts to establish a mutually beneficial relationship based on common strategic interests; (3) that, in order to make the East China Sea "Sea of Peace, Cooperation and Friendship", both sides should firmly maintain dialogue and consultation, and resolve difference of opinions appropriately; and (4) that they would promote exchange and cooperation in fields such as politics, economy, security, society, and culture at various levels.

Both sides expressed their deep concern over the recent situation on the Korean Peninsula, including the nuclear test conducted by North Korea, and reaffirmed that they will promote the Six-Party Talks process and cooperate through dialogue and consultation for achieving denuclearization of the Peninsula and maintaining peace and stability in Northeast Asia.

Japan-China Joint Press Statement:

<http://www.mofa.go.jp/region/asia-paci/china/joint0610.html>

Abe flew to South Korea from China on the 9<sup>th</sup> and met with South Korean President Roh Moo Hyun. At the summit meeting, both leaders agreed to strive to build a future-oriented partnership, sharing the view that Japan-Korea relationship is important not only to the two countries, but also to the East Asian region and the international community. With regard to the territorial waters issues between Japan and South Korea, the two leaders welcomed a compromise on conducting a joint radioactive survey. Abe said that he hoped to accelerate negotiations between the two countries on demarcation of the exclusive economic zone (EEZ) and

provisional framework on marine survey, as well as pursuing intergovernmental consultations on fishery resource management. In response, Roh answered he would handle the matters in good faith.

As for the nuclear test conducted by North Korea, the two leaders shared the recognition (1) that if the North Korean nuclear test is a fact, this would pose a grave threat that can not be tolerated; (2) that the international community should not tolerate this act by North Korea and should impose severe measures against the country; (3) that both Japan and South Korea need to take a very firm response immediately; and (4) that both sides would cooperate closely for an immediate adoption of tough measures at the U.N. Security Council, including a resolution.

Japan-South Korea Summit Meeting:

[http://www.kantei.go.jp/foreign/abepphoto/2006/10/09korea\\_e.html](http://www.kantei.go.jp/foreign/abepphoto/2006/10/09korea_e.html)

Press Conference by Prime Minister Shinzo Abe Following His Visit to the Republic of Korea:

[http://www.kantei.go.jp/foreign/abespeech/2006/10/09koreapress\\_e.html](http://www.kantei.go.jp/foreign/abespeech/2006/10/09koreapress_e.html)

### **October 9-10 "North Korean nuclear test and responses from nations concerned" (various sources, October 9-10, 2006)**

Summary of the release by Korean Central News Agency (the North Korean media) (October 9):

The sector of scientific research of North Korea successfully conducted an underground nuclear test under a safe environment the day. It's been confirmed that there was no radioactive emission by the nuclear test as it was conducted based on a scientific consideration and careful calculation. The test was carried out with "indigenous wisdom and technology 100 percent."

Korean Central News Agency: <http://www.kcna.co.jp/index-e.htm>

Summary of the statement by the Chief Cabinet Secretary of Japan (October 9)

This act by North Korea is an extremely grave problem, given the fact that the country has built up its ballistic missile ability that can be means of delivery of weapons of mass destruction (WMD). This is a serious challenge to the security of Japan that is totally unacceptable. Japan would lodge a strong protest against North Korea and resolutely condemn the country. The nuclear test by North Korea constitutes a grave threat to peace and security not only in our country, but in East Asia and in the international community. The act is a serious challenge to the Nuclear Non-Proliferation Treaty (NPT) regimes and violates the Japan-DPRK Pyongyang Declaration of 2002, the six-party agreement of September 2005, as well as the U.N. Security Council Resolution 1695 and the Chairman's statement adopted on October 7.

Statement by the Chief cabinet Secretary of Japan:

[http://www.kantei.go.jp/jp/tyoukanpress/rireki/2006/10/09\\_p.html](http://www.kantei.go.jp/jp/tyoukanpress/rireki/2006/10/09_p.html) (Japanese)

Summary of the statement by the U.S. President (October 9):

North Korea's claim poses a grave threat to peace and security in the international

community. The U.S. condemns the country's provocative act. The North Korean regime is a world's leading proliferator of missile technology. The transfer of nuclear weapons or related technology to other states or non-state entities institutes a serious threat to the U.S. The U.S. would make North Korea fully accountable of the consequences of the action. These threats would not lead to a brighter future for the country's people, nor worsen the resolve of the U.S. and its allies to achieve the denuclearization of the Korean Peninsula.

Statement by the U.S. President:

<http://www.whitehouse.gov/news/releases/2006/10/20061009.html>

**Summary of the statement of the Ministry of Foreign Affairs of the People's Republic of China (October 9):**

North Korea flagrantly carried out a nuclear test ignoring the strong opposition of the international community. The Chinese Government expresses strong opposition to this action. To denuclearize the Korean Peninsula and oppose nuclear proliferation is the firm and consistent stance of the Chinese Government. China strongly urges North Korea to keep its commitment to denuclearization, stop all moves that may further aggravate the situation and return to the Six-Party Talks.

Statement by the Ministry of Foreign Affairs of the People's Republic of China:

<http://www.fmprc.gov.cn/eng/zxxx/t275508.htm>

**Summary of the statement by the South Korean Government (October 9):**

North Korea announced that the country conducted a nuclear test the day despite the repeated warnings by the South Korean Government and the international community. The South Korean Government would take a firm response in accordance with the principle that it would not tolerate possession of nuclear weapons by North Korea. The act poses a grave threat undermining peace and stability on the Korean Peninsula and Northeast Asia. South Korea demands that North Korea immediately abandon any nuclear weapons and related programs, return to the NPT regimes and comply with the international rules in good faith as a responsible member of the international community.

Statement by the Ministry of Foreign Affairs and Trade of Republic of Korea:

[http://www.mofat.go.kr/me/me\\_a002/me\\_b004/1211900\\_971.html](http://www.mofat.go.kr/me/me_a002/me_b004/1211900_971.html)

**Summary of the statement by the Ministry of Foreign Affairs of Russia (October 9):**

North Korea conducted a nuclear test in disregard of the unanimous will of the international community that is interested in the denuclearization of the Korean Peninsula. Russia has repeatedly warned that such an act taken by North Korea, whatever the motive is, would only aggravate issues on the Korean Peninsula, and is fraught with a threat to peace, security and stability in the region and with undermining the NPT regimes. Russia urges North Korea to immediately take steps to return to the NPT regimes and resume the Six-Party Talks.

Statement by the Ministry of Foreign Affairs of Russia (October 9):



[http://www.mid.ru/brp\\_4.nsf/e78a48070f128a7b43256999005bcbb3/f811618da9a28591c325720200572d80?OpenDocument](http://www.mid.ru/brp_4.nsf/e78a48070f128a7b43256999005bcbb3/f811618da9a28591c325720200572d80?OpenDocument)

**Summary of the statement by the Ministry of External Affairs of India (October 9):**

The Indian Government is deeply concerned at the reported nuclear test conducted by North Korea. It is regrettable that North Korea has carried out such a test that jeopardizes peace, security and stability in the region, with violating its international commitments. The nuclear test also highlights the risks of clandestine proliferation.

Statement by the Ministry of External Affairs of India:

<http://meaindia.nic.in/pbhome.htm>

**Summary of the statement by the spokesperson of the Ministry of Foreign Affairs of Pakistan (October 9):**

Pakistan regrets the announcement by North Korea that it has conducted a nuclear test. This would become an unstable factor in the region. Pakistan has consistently supported the Six-Party Talks.

In response to several questions by reporters, the spokesperson answered as follows: (1) Nuclear test by North Korea can not be compared with tests by Pakistan. The two are totally different. Pakistan did not lead nuclear test nor nuclear weapons programs in the region. Pakistan is acting in self-defense. Pakistan is afraid that the test by North Korea might lead to a chain reaction; (2) With regard to a question whether Dr. AQ Khan is involved in the North Korean nuclear test, there is absolutely no link between the North Korean test and Dr. AQ Khan. Moreover, the nuclear program developed by North Korea is plutonium-based, while Pakistan's is mainly uranium-based.

Statement by the Ministry of Foreign Affairs of Pakistan:

[http://www.mofa.gov.pk/Spokesperson/Oct\\_06/Spokes\\_09\\_10\\_06.htm](http://www.mofa.gov.pk/Spokesperson/Oct_06/Spokes_09_10_06.htm)

**Summary of the statement by the spokesman of the Israel Ministry of Foreign Affairs (October 9):**

Israel joins the international community in condemning a nuclear test conducted by North Korea. The nuclear test is an irresponsible and provocative act posing a serious threat to the regional security of Northeast Asia, as well as to the international security.

Statement by the Israel Ministry of Foreign Affairs:

<http://www.mfa.gov.il/MFA/About+the+Ministry/MFA+Spokesman/2006/Israel+condemns+North+Korea+nuclear+test+9-Oct-2006.htm>

**October 14 "U.N. approves North Korean resolution" (The United Nations HP, October 14, 2006)**

In response to the October 9 announcement by North Korea that it had conducted an underground nuclear test, the U.N. Security Council unanimously adopted Resolution 1718 stipulating that it acts under Chapter VII of the Charter of the United Nations, and takes

non-military measures under its Article 41.

The Resolution 1718 stipulates as follows: (1) All member states should prevent, whether or not originating in their territories, the direct or indirect supply, sale or transfer any battle tanks, armoured combat vehicles, large calibre artillery systems, combat aircraft, attack helicopters, warships, missiles, WMD related technologies or materials, and luxury goods to North Korea; and (2) North Korea should cease the export of all the above-mentioned items and all member states should prohibit the procurement of such items from North Korea, whether or not originating in the territory of North Korea. On that basis, the Resolution 1718 urges all member states to take cooperative actions as needed, including cargo inspections to and from North Korea in accordance with their national authorities and legislation, and consistent with international law.

The full text of Resolution 1718:

<http://www.un.org/News/Press/docs/2006/sc8853.doc.htm>

(Refer to p.19, Chapter 2, Intelligence Assessment “North Korean Nuclear Test – Its aims and aftermath, and Japanese and South Korean responses to the Security Council Sanction Resolution” for the details about maritime activities that Japan and South Korea are facing such as inspection of ships, following the North Korean nuclear test.)

## **1.4 Resources, Environment and Others**

### **October 3 "Nicaraguan Government to build channel for largest ships" (The Guardian, October 4, 2006)**

The Nicaraguan Government announced on October 3 that it plans to construct a US\$20 billion canal. The project, named the Grand Inter-Oceanic Nicaragua Canal is expected to take more than 10 years. If completed, the canal will allow 250,000-tonne tankers and container ships to pass through the isthmus. On the other hand, the Panama Canal allows maximum 79,000-tonne boats to pass through. Even if a planned Panama Canal's widening project is implemented, it will only accommodate 120,000-tonne boats. In spite of an expansion of world trade, analysts are divided over if there is enough traffic for the major two canals in the region. The Nicaraguan president, Enrique Bolanos said “There's a lot of business to share,” as out of 100 ships coming to the Americas, only seven use the Panama Canal. If the Nicaraguan canal is built, it will bring about major economic effects never seen before in Central America. On the other hand, a spokesman for the Panama Canal Authority said there would not be enough demand to pay for the two canals.

The route of the Nicaragua canal will take ships in a series of giant locks (32 metres) up to the Latin America's second largest lake, Lake Nicaragua. The total route will be about 170 miles (230 kilometers) and will follow the San Juan River which requires massive cuttings and earthworks. It would also have to negotiate Mt Momotombo, an active volcano. A major new port and tourist

facility will be built at both ends.

**October 5 "Indian shipping companies need US\$4b for fleet renewal" (The Business Times, October 5, 2006)**

The Indian National Shipowners' Association (Insa) said that the Indian shipping industry will need to invest US\$4 billion in fleet renewal by 2009 as more than half of ships owned by Indian companies will have to be scrapped in the next five years. As of March 2006, Indian companies had 739 ships. Out of them, 56% percent of the ships need to be scrapped by 2010 under the International Maritime Organization (IMO) phase-out program. The average age of the Indian fleet is about 18 years and more than 40 percent of the ships are over 20 years old. According to international standards, all ships over 17 years need to be overhauled in order to continue their operations. Even so, ships are allowed to operate up to 25 years. Internationally, ship's average age for service is 22 years.

**October 9 "Sea-level rise could leave millions homeless in Asia" (Reuters, October 9, 2006)**

According to a report on climate change released by Australia's Commonwealth Scientific and Industrial Research Organization (SIRO), there is a possibility that millions of people become homeless in Bangladesh, India, Vietnam, China and Pacific islands by 2070 due to sea-level rise caused by global warming. It is estimated that sea levels in the Asia-Pacific region will rise 16 centimeters (six inches) by 2030 and 50 centimeters (19 inches) by 2070 due to global warming. The coastlines of Asia-Pacific region are highly vulnerable to sea-level rise caused by global climate change.

**October 22 "Panamanian approve Panama Canal expansion plan" (The Associated Press, October 23, 2006)**

A national referendum on a modernization plan to expand the Panama Canal was held on October 22. According to preliminary results, about 79 percent of Panamanians voted in favor of the expansion plan. With a total US\$ 5.25 billion, the expansion project is to construct a third set of locks on the Pacific and Atlantic ends by 2015, allowing ships that are too large for its current 108-foot-wide locks to pass through the canal. The Panama Canal Authority, the government agency running the canal says that the revenue from the canal is estimated at US\$1.4 billion in 2006, and that the project will double capacity of the waterway. The expansion cost will be covered by the toll revenues estimated US\$6 billion annually by 2025.

**October 27 "India to resume shipping with Pakistan" (The News International, October 27, 2006)**

The Indian Government revised a protocol to resume shipping with Pakistan on October 27. The protocol will allow cargo shipping between the two countries by third country ships as well as cargo shipping of third country by Indian and Pakistani flag ships from each others' ports. It is

expected that the volume of distribution will increase due to the move and will lead to more competitive shipping rates. The Indian Government also approved the purchase of seven container scanning systems to be set up in ports of Mumbai, Chennai, Tuticorin, and Kandla.

## 2. Intelligence Assessment

### **North Korean Nuclear Test—Its aims and aftermath, and Japanese and South Korean responses to the Security Council Sanction Resolution**

North Korea announced on October 3 that it would conduct a nuclear test and then announced on the 9<sup>th</sup> that it had conducted an underground nuclear test and it was successful. North Korea has not made clear the yield or place of the test as well as its pictures. The United States officially announced on the 16<sup>th</sup> that air samples confirmed that North Korea conducted an underground test in the vicinity of Punggye-ri, Gilju County, North Hamgyeong Province. The Japanese government announced on the 27<sup>th</sup> that it regarded the test as highly probable. The explosive yield is estimated as less than a kiloton of TNT. Judging from North Korean inexperience and estimated level of nuclear technology, it is said that North Korea conducted a ten-kiloton test but that the implosion was so insufficient that the test ended in a partial nuclear reaction. Now that North Korea has gone nuclear, it would pose a direct and real threat to the stability in Northeast Asia and the security of Japan, while spreading nuclear technology and materials to radical terrorist groups or states and triggering a nuclear domino effect in the neighborhood.

The following part will examine the aims of the North Korean nuclear test and responses from the nations concerned as well as Japanese and South Korean responses to the Security Council sanction resolution, focusing on the issues regarding maritime activities such as inspection of ships to implement the resolution.

#### **1. The aims and aftermath of North Korea**

##### **(1) Aims of the nuclear test**

There are two aims in the nuclear test. One is to deter the United States. North Korea has attempted to go nuclear for decades. North Korean Ambassador to UN Park Kil Yon stated that the purpose was to deter the United States and Chairman of the Presidium of the Supreme People's Assembly Kim Yong Nam emphasized that the successful nuclear test provided new measures against nuclear war provocation and sanctions pressure by the United States. It seems that acknowledging that the lack of nukes led to the Iraqi destruction by the United States, North Korea has attempted to avoid U.S. aggression by forcing the U.S. to accept it as a nuclear power.

The second aim is to maintain the regime through direct talks with the United States. Pyongyang believes that it can maintain the Kim Jong Il regime and its national dignity, sovereignty and independence by going nuclear. Then It adopted a tactic of brinkmanship to force Washington to sit at the negotiation table by increasing tension to the maximum with the nuclear card.

## (2) Future moves

Chinese Foreign Ministry announced on the 31<sup>st</sup> that the six-party talks representatives from China, the United States and North Korea held an unofficial meeting in Beijing and agreed to resume the talks soon. North Korean Foreign Ministry announced on November 1 that Pyongyang had determined to participate in the talks on condition that Pyongyang and Washington would resolve the issues of financial sanctions. On the other hand, in an interview with the New York Times (online), U.S. Secretary of State Rice stated on the same day that “the core of this is denuclearization, and we have to have concrete evidence.” Pyongyang would continue to put pressure on Washington to accept it as a nuclear power, while calling for direct negotiations with Washington and the release of the financial sanctions. On the other hand, Washington would demand denuclearization in a verifiable manner. Accordingly, even if the six-party talks are resumed, it would be difficult to produce an immediate breakthrough or to make Pyongyang to give up its nuclear development. As for the economic sanctions, Pyongyang might consider that those sanctions would be released in a few years judging from the trend in the world opinion after Indian and Pakistani nuclear tests. If so, lapse of time favors Pyongyang.

It is reported that General Secretary Kim Jong Il indicated to Chinese State Councilor Tang Jiaxuan that there was no plan for additional nuclear test for the time being, while Pyongyang would reinforce physical countermeasures to stronger pressures from Washington. Pyongyang would conduct another nuclear test depending on Washington’s behavior. Pyongyang needs to conduct a perfect test to be acknowledged as a nuclear power in the international society and another nuclear test cannot be denied. While such a test would strengthen calls for tougher sanctions in the UN Security Council, Pyongyang might count on Beijing and Moscow who would veto any resolutions calling for such as military sanctions under Chapter VII, Article 42, of the UN Charter.

## 2. The Security Council Sanction Resolution and Japanese Response

### (1) The Overview and Characteristics of the Security Council Resolution

On the 14<sup>th</sup>, the UN Security Council adopted unanimously Resolution 1718\* calling for acting under Chapter VII of the UN Charter and taking nonmilitary measures under its Article 41. North Korean Ambassador to UN Park Kil Yong rejected the resolution.

Resolution 1718 calls for following measures: 1) all UN member states should prevent the direct or indirect supply, sale or transfer to North Korea, whether or not originating in their territories, of any battle tanks, armored combat vehicles, artillery systems, combat aircraft, attack helicopters, warships, missiles, WMD-related technologies and materials, and luxury goods, and so on, and 2) North Korea should cease the export of all the items above and that all member states should prohibit the procurement of such items from North Korea, whether or not originating in the territory of North Korea.

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\*UNSCR1718 <http://daccessdds.un.org/doc/UNDOC/GEN/N06/572/07/PDF/N0657207.pdf?OpenElement>

Resolution 1718, in order to ensure compliance with the requirements of the above, and thereby preventing illicit trafficking in nuclear, chemical or biological weapons, their means of delivery and related materials, calls upon all member states to “take, in accordance with their national authorities and legislation, and consistent with international law, cooperative action including through inspection of cargo to and from the DPRK, as necessary.” All member states are called upon to report to the Sanctions Committee, consisting of all 15 members of the Security Council, within thirty days of the adoption of the resolution (by November 14) on the steps they have taken to effectively implement the provisions.

Resolution 1718 also affirms that North Korean actions should be kept under continuous review, and that it should be prepared to review the appropriateness of the measures above, including the strengthening, modification, suspension or lifting of the measures, as may be needed at that time in light of North Korean compliance with the provisions of the resolution.

Resolution 1718 does not refer to military measures under Article 42 (demonstrations, blockade, and other operations by military forces of UN member states) taken when measures provided for in Article 41 are too inadequate to maintain or restore international peace and security. With regard to Maritime Interception Operations (MIOs) or Embargo Operations conducted against ships to ensure sanction measures, the resolution calls upon member states for cooperative actions at need such as inspection of cargo, in accordance with their national authorities and legislation, and being consistent with international law.

MIOs are operations conducted by naval forces against ships to implement embargo under UN Security Council resolutions. It reinforces the implementation of economic sanctions under Article 41, but is not directly connected with military measures under Article 42. Also, unlike “blockade, visit & search, and capture or seize” under the laws of war, MIOs are conducted in peacetime under UN Security Council resolutions and use of force is not envisioned. Such operations are conducted to stop and inspect ships suspicious of carrying embargo goods and, if such goods are detected, to yield a diversion.

MIOs have been carried out four times as embargo measures under UN Security Council sanction resolutions (UNSCRs) against South Rhodesia (conducted by United Kingdom in 1966-1977), Iraq (conducted by 19 multinational naval forces in August 1990-February 1991), former Yugoslavia (conducted by 13 NATO and Western European Union naval forces in November 1992-November 1995), and Haiti (conducted by six multinational naval forces in October 1993-October 1994).

Will the measures taken under Resolution 1718 be conducted like MIOs in the past? For example, the resolution which authorized the MIOs against Iraq on the eve of the Gulf War

(UNSCR 665\*, August 25, 1990) called upon the UN member states which deployed naval forces in the area concerned at the request of the government of Kuwait to “use such measures commensurate to the specific circumstances as may be necessary under the Security Council....” By contrast, measures under Resolution 1718 will not be conducted “under the Security Council” but “in accordance with [member states’] national authorities and legislation, and consistent with international law.” In other words, unlike the above-mentioned MIOs under the Security Council, member states are to take cooperative action for embargo in accordance with their national law. Resolution 1718 also envisions inspection of cargo, focusing on WMD and related materials. So attentions should be paid to whether or not the United States will act under the Proliferation Security Initiative (PSI) and how nations concerned will cooperate for it. China has announced that it will not inspect ships on the high seas.

## (2) Japan’s Response

On the 11<sup>th</sup>, the Japanese government imposed following sanctions before the UNSCR was adopted: 1) stopping North Korean ships entering Japanese waters, 2) banning all North Korean imports, and 3) banning entry of all North Korean citizens. In addition to these its own and practical sanction measures, the largest issue will be how and on what legal ground could Japan take measures, especially inspection of cargo ships, to implement the Security Council sanction resolution.

By and large, four options are available for Japan: 1) inspection of ships under the Ship Inspection Operation Law in situations in areas surrounding Japan recognized by the government, 2) actions as a PSI participant, 3) MIOs under UNSCRs, and 4) exercise of the right of visit on the high seas under Article 110 of the UN Law of the Sea. UNSCR 1718 does not authorize MIOs as in case 3. Under the current situation, as Chinese and Russian responses this time showed, there is little possibility that additional resolutions would authorize MIOs as seen in the examples above. In case 4, it is possible to visit and seize ships engaged in piracy, the slave trade, drug trade or suspicious ships without nationality as the exercise of police power on the high seas. Since this is not a prescribed mission for Japanese Maritime Self-Defense Force (JMSDF) and Coast Guard, however, such an action is a grey area. Therefore, the most probable option this time is either case 1 or case 2 or their combination, in other words, the combination of ship inspection and the PSI.

In case 1, a situation in areas surrounding Japan should be recognized as its prerequisite. Current situation is close to the 6<sup>th</sup> category in the unified governmental view on the situations in areas surrounding Japan, but the government of Japan is still cautious about the recognition. If the Ship Inspection Operation Law is exercised, the JMSDF is to refer to, stop, and visit & search suspected ships with the captains’ consent, and then yield a diversion. But warning shots are

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\*UNSCR665 <http://daccessdds.un.org/doc/RESOLUTION/GEN/NR0/575/15/IMG/NR057515.pdf?OpenElement>



prohibited. Also rear area support for U.S. troops is possible in situations in areas surrounding Japan.

In case 2, member states of the PSI, which targets states and non-state actors of WMD proliferation concern such as North Korea, Iran, the Sudan, Syria and Cuba) will take following measures to prevent the transfer of WMD and related materials under the Statement of Interdiction Principles, in accordance with their national law, international law and frameworks. For instance, member states will board and search any suspected ship flying their flag and, if identified, seize WMD-related cargo in their internal waters, territorial seas and areas beyond the territorial seas of any other state. Under the appropriate circumstances, member states will consider providing consent to the boarding and searching of their own flag vessels by other states. Member states will take appropriate actions to stop, search reasonably suspected ships flying other states' flag and, if identified, seize cargo in their internal waters, territorial seas, or contiguous zones. The PSI is a set of activities, not a formal organization. The JMSDF has actively participated in the PSI by sending not only observers but also vessels and aircraft (off the coast of Sagami Bay and Yokosuka Bay in October 2004 and in the South China Sea in August 2005). "Through these activities, the Defense Agency and the Self-Defense Force (SDF) believe that they can play an important role in the PSI by providing relevant organizations and countries with information gathered in patrol and surveillance operations by the SDF's vessels and aircraft during PSI interdiction operations. The Defense Agency and the SDF also believe that they can play other roles in maritime interdiction operations, including stopping suspicious ships and conducting on-the-spot inspections, in cooperation with the Japan Coast Guard, in the event of an issuance of an order for maritime security operations." (Defense of Japan 2006)

Britain and Australia have showed their will to participate in the PSI interdiction operations, but it is necessary for Japan to establish a special measures law on support activities such as refueling vessels of nations other than the United States, information exchange with other nations, port calling of vessels of other nations.

### **3. South Korean Response to UNSCR 1718: The PSI or the Inter-Korean Maritime Agreement?**

Given UNSCR 1718, attentions are being paid to whether or not South Korea, one of the co-sponsors of the resolution, will participate in the PSI. Seoul's participation in the PSI is essential for counter-proliferation of WMD and related materials since the South shares a maritime boundary with the North. South Korean participation in the PSI would enhance. In, South Korea, more and more people are now calling for PSI participation to conduct inspection of cargo set forth in UNSCR 1718. On the other hand, some people argue that the Inter-Korean Maritime Agreement of August 2005 would provide sufficient measures since the agreement enables inspection of North Korean ships. The following section will examine South Korean response to the PSI and the Inter-Korean Maritime Agreement, and then analyze South Korean

response to UNSCR 1718.

### (1) South Korea and the PSI

South Korean response to the PSI has been influenced by its U.S. ally and North Korean brother. One of the primary targets of the PSI, initiated by the United States in May 2003, is North Korea, and Pyongyang considers that the PSI intends to lay siege to North Korea. Pyongyang has given Seoul caution against joining the PSI, and Seoul has not participated in it as a full member. At the end of 2005, Seoul, at the request of the United States, decided 1) to include interception operations in U.S.-South Korea joint military exercises, 2) to observe inter- and extra-regional interception operation, and 3) to listen to PSI briefings, but, out of consideration to Pyongyang, rejected to provide physical support to the PSI. Nevertheless, Pyongyang called the decision an “unforgivable deed of war crime” and demanded Seoul to reverse it.

The largest concern for Washington regarding Pyongyang’s nuclear development is proliferation of WMD. UNSCR 1718 authorizes economic sanctions under Chapter VII, Article 41, of the UN Charter, and calls for maritime inspection of cargo going in and out of North Korea, although on a voluntary basis. It is said that Washington sees the resolution as legal foundation for the PSI, and it is calling for more support for the PSI from the world. Accordingly, Secretary of State Rice, Secretary of Defense Rumsfeld, and other U.S. high rank officials strongly called upon Seoul to join the PSI.

Since the October 7<sup>th</sup> North Korean announcement of nuclear test, South Korean people have been discussing PSI participation. The ruling Uri Party is, out of concern of deteriorated relations or military confrontation with the North, attempting to avoid use of force, rather than considering sanction measures, while announcing that it will support UNSCR 1718 positively. On the other hand, the largest opposition, Grand National Party, calls for full participation in the PSI and cancellation of economic support for the North. Washington is persuading Seoul to participate in the PSI by explaining that the PSI is different from the quarantine measures during the Cuban Missile Crisis of 1962, but Pyongyang is warning Seoul not to join it, or pay a “heavy cost.” The October 20<sup>th</sup> issue of the JoongAng Daily reported that about 60% of South Korean people supported full participation in the PSI. President Roh Moo Hyun has not made any comment on the PSI in public.

### (2) The Inter-Korean Maritime Agreement

With regard to UNSCR 1718, the Inter-Korean Maritime Agreement\* of August 2005 is attracting attention. Given unauthorized passage through the Jeju Strait by three North Korean

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\*Unification Ministry HP ([www.unikorea.go.kr/](http://www.unikorea.go.kr/)) > 정책자료 (Policy Materials) > 남북합의자료 (Inter-Korean Agreement Materials) > No. 112 (the inter-Korean Maritime Agreement, August 2005) No. 94 (Subsequent Agreement)

civilian ships in June 2001, the two Koreas began maritime cooperation talks and made an agreement in June 2004. After going through domestic procedures, the agreement went into effective in August 2005 with some modification. The agreement includes opening of new sea routes, treatment of ships in ports, cooperation in maritime accident and exchange of technology and information. Inter-Korean exchange of goods, except rice and fertilizers, depended on the third-party ships, but it is expected that this agreement will promote safe and effective maritime transportation, while laying foundation for unification.

The agreement set forth inspection of cargo and therefore has something to do with UNSCR 1718. The agreement requires the two Koreas to notify each other in advance of passage of the other's waters for North-South direct and indirect exchange as well as domestic transport (for example, transport between ports in western and eastern North Korea via the Jeju Strait). In addition, its subsequent agreement authorizes the two Koreas to put restrictions on the passage of ships, if judged that they might disturb peace and order based on prior notification. The subsequent agreement also prohibits activities in the other's waters which threaten security such as military activities, submerged passage, and transport of weapons and related materials, and authorizes the two governments to stop suspected ships to inspect.

Some in the South allege that the North might have transported materials and equipment for the nuclear test from the western part of North Korea to the eastern via the Jeju Strait under the Inter-Korean Maritime Agreement. It is likely that the materials necessary for North Korean nuclear and missile programs are transported by sea since traveling by land in the North is difficult. According to Song Young Sun, a GNP legislator, of 136 North Korean ships that passed through the Jeju Strait up to this September, 24 empty ships went between the North's western port of Nampo, near the North's main nuclear facility at Yongbyon, and the eastern port of Kimchaek, near the alleged nuclear test site in the vicinity of Punggye-ri. The passage through the Jeju Strait was not included in the draft agreement in 2004 and added when the agreement went into effective the following year. By passing through the Juju Strait, North Korean ships can save 50 nautical miles and four-and-a-half hours. While four ships (one declared transporting crude oil and three declared empty) passed through the Jeju Strait after the North's announcement of nuclear test, the South authority has never inspected a single North Korean ship under the agreement. Legislator Song calls for immediate restriction on the North's passage through the Jeju Strait.

### **(3) The PSI or the Inter-Korean Agreement?**

UN member states are required to report to the Sanctions Committee under the Security Council their plans to implement the sanctions against North Korea by November 14. It is reported that Seoul is considering joining the PSI as a full member, while applying the inter-Korean agreement to North Korean ships in Korean waters. In other words, Seoul would actively participate in the PSI operations in the South's territorial seas against ships related to

states sponsoring terrorism, except the North, and terrorist groups such as Al Qaeda, but would search or inspect North Korean ships under the inter-Korean agreement, not the PSI.

This reflects both pro- and con-PSI views in the South. The Uri Party is against full membership of the PSI. The Unification Ministry, despite the resignation of Minister Lee Jong Seok, who had initiated the pro-Pyongyang policy, is also reluctant about the PSI. They are against the PSI because 1) it might lead to military confrontation with the North, and 2) the inter-Korean agreement could serve as the substitute for the PSI. On the other hand, the Grand National Party is calling for full participation in the PSI and among the Blue House and security-diplomacy circles there is a wider perception that they have no choice but to participate in the PSI. Their rationale is that rejecting the PSI would cause breakup of the alliance with the United States and Seoul's isolation in the international society. Some argue that without the PSI membership Seoul could not receive information from U.S. satellites on suspected ships, and others argue that Seoul has no choice but to cooperate for the UN sanctions when Foreign Minister Ban Ki Moon is expected to be the next UN Secretary General.

Which is more effective, the PSI or the inter-Korean agreement? The PSI does not authorize unlimited inspection of ships on the high sea. The PSI Statement of Interception Principles envisions inspection in internal waters, territorial seas and contiguous zones. In principle, states are able to inspect ships of their own nationality on the high sea. The inter-Korean agreement gives a detailed description of inspecting North Korean ships. However, the agreement cannot be applied to ships going between North Korea and a third-party state, which is a large shortcoming in terms of counter-proliferation. Another problem is that the South has never inspected a North Korean ship. The inter-Korean agreement is not an effective measure to implement the sanctions against North Korea and cannot meet expectations from Washington and the international society, either.

South Korean response to the sanctions against the North is yet unknown. Given the North's announcement to return to the six-party talks on the 31<sup>st</sup>, anti-PSI factions might fight back. Nevertheless, since the resumption of the six-party talks does not necessarily lift the UN sanctions, Seoul will be forced to make a difficult decision.

(Notes: On November 13, the South Korean government decided not to participate in the PSI as a full member. The government explained that it agreed on its principle but made the decision in consideration of the special circumstances on the Korean Peninsula.)

**【North-South Shipping】 (times)**

	1994 7-12	1995	1996	1997	1998	1999	2000	2001	2002	2003	Total
South-North	27	99	101	113	260	731	916	766	798	877	4,688
North-South	70	208	221	244	342	983	1,157	920	1,029	1,145	6,319
Total	97	307	322	357	602	1,714	2,073	1,686	1,827	2,022	11,007

**【North-South Shipping】 (tons)**

	1994 7-12	1995	1996	1997	1998	1999	2000	2001	2002	2003	Total
South-North	6,758	281,220	147,888	361,282	396,111	780,593	547,262	402,271	899,219	841,215	4,663,819
North-South	131,136	345,778	187,610	249,759	162,220	203,019	155,883	239,332	156,623	207,168	2,038,528
Total	137,894	626,998	335,498	611,041	558,331	983,612	703,145	641,503	1,055,842	1,048,383	6,702,247

(South Korean Unification Ministry HP [http://dialogue.unikorea.go.kr/agree/agree\\_comment\\_view.asp?rela\\_com\\_serno=56&gotopage=2&search=1&searchstring=](http://dialogue.unikorea.go.kr/agree/agree_comment_view.asp?rela_com_serno=56&gotopage=2&search=1&searchstring=))

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Antara News	<a href="http://www.antara.co.id/en/">http://www.antara.co.id/en/</a>
Asia Times Online	<a href="http://www.atimes.com/">http://www.atimes.com/</a>
Daily Times	<a href="http://www.dailytimes.com.pk/default.asp?date=9/12/2005">http://www.dailytimes.com.pk/default.asp?date=9/12/2005</a>
ICC International Maritime Bureau	<a href="http://www.iccwbo.org/">http://www.iccwbo.org/</a>
Israel Ministry of Foreign Affairs	<a href="http://www.mfa.gov.il/MFA">http://www.mfa.gov.il/MFA</a>
Japan Coast Guard	<a href="http://www.kaiho.mlit.go.jp/e/index_e.htm">http://www.kaiho.mlit.go.jp/e/index_e.htm</a>
Korean Central News Agency	<a href="http://www.kcna.co.jp/index-e.htm">http://www.kcna.co.jp/index-e.htm</a>
Lloyd's List	<a href="http://www.lloydslist.com/">http://www.lloydslist.com/</a>
Ministry of External Affairs of India	<a href="http://meaindia.nic.in/pbhome.htm">http://meaindia.nic.in/pbhome.htm</a>
Ministry of Foreign Affairs and Trade of Republic of Korea	<a href="http://www.mofat.go.kr/me/index.jsp">http://www.mofat.go.kr/me/index.jsp</a>
Ministry of Foreign Affairs of Japan	<a href="http://www.mofa.go.jp/index.html">http://www.mofa.go.jp/index.html</a>
Ministry of Foreign Affairs of Pakistan	<a href="http://www.mofa.gov.pk/">http://www.mofa.gov.pk/</a>
Ministry of Foreign Affairs of Russia	<a href="http://www.mid.ru/bul_ns_en.nsf/kartaflat/en01">http://www.mid.ru/bul_ns_en.nsf/kartaflat/en01</a>
Ministry of Foreign Affairs of the People's Republic of China	<a href="http://www.fmprc.gov.cn/eng/">http://www.fmprc.gov.cn/eng/</a>
Monsters and Critics	<a href="http://news.monstersandcritics.com/">http://news.monstersandcritics.com/</a>
Navy NewsStand	<a href="http://www.news.navy.mil/index.asp">http://www.news.navy.mil/index.asp</a>
New Kerala.com	<a href="http://www.newkerala.com/">http://www.newkerala.com/</a>
NY Times	<a href="http://www.nytimes.com/">http://www.nytimes.com/</a>
People's Daily Online	<a href="http://english.peopledaily.com.cn/">http://english.peopledaily.com.cn/</a>
Prime Minister of Japan and His Cabinet	<a href="http://www.kantei.go.jp/foreign/index-e.html">http://www.kantei.go.jp/foreign/index-e.html</a>
Reuters	<a href="http://today.reuters.com/news/default.aspx">http://today.reuters.com/news/default.aspx</a>
RIA Novosti	<a href="http://en.rian.ru/">http://en.rian.ru/</a>
The Associated Press	<a href="http://www.ap.org/">http://www.ap.org/</a>
The Business Times	<a href="http://business-times.asiaone.com/">http://business-times.asiaone.com/</a>
The Guardian	<a href="http://www.ngrguardiannews.com/">http://www.ngrguardiannews.com/</a>
The Korea Herald	<a href="http://www.koreaherald.co.kr/index.asp">http://www.koreaherald.co.kr/index.asp</a>
The News International	<a href="http://www.jang.com.pk/thenews/index.html">http://www.jang.com.pk/thenews/index.html</a>
The Philippine Star	<a href="http://www.philstar.com/philstar/index20061120.htm">http://www.philstar.com/philstar/index20061120.htm</a>
The Star Online	<a href="http://thestar.com.my/">http://thestar.com.my/</a>
The United Nations	<a href="http://www.un.org/english/">http://www.un.org/english/</a>
The White House	<a href="http://www.whitehouse.gov/">http://www.whitehouse.gov/</a>
Times of India	<a href="http://timesofindia.indiatimes.com/">http://timesofindia.indiatimes.com/</a>
TMC net	<a href="http://www.tmcnet.com/">http://www.tmcnet.com/</a>
Web India 123	<a href="http://www.webindia123.com/">http://www.webindia123.com/</a>

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