



MAKING WAVES

Inside this Brief

- **Maritime Security.....p. 6**
- **Maritime Forces.....p. 29**
- **Shipping,Ports and Ocean Economy....p. 37**
- **Geopolitics,Marine Enviroment
and Miscellaneous.....p. 51**

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Malaysian Officials Fish for a Response to Chinese Trawler Incursion

U.S. Coast Guard, Japan Partner to Improve Port Security

U.S. Navy Seizes Weapons Likely Headed to Yemen

For first time, Japan will send Ise destroyer into the South China Sea

Chinese Vessel Ducks for Cover in Vietnamese Territorial Waters

Three day coastal security exercise draws to a close

Why the South China Sea could be the next global flashpoint

US Kicks Off New Maritime Security Initiative for Southeast Asia



Indian Navy' First Training Squadron deployed in Thailand

USS Blue Ridge Makes Port Call in Goa

Pakistan Navy successfully test-fires shore-based anti-ship missile

US Navy leads 30-nation maritime exercise in Middle East

Royal Navy welcomes its new First Sea Lord during ceremony on HMS Victory

US, South Korea Begin Joint Naval Exercises along Southern Coast of Korean Peninsula

Brexit Would Hurt UK's Shipping Industry

Singapore: MPA Extends Further Support to Shipping Industry with 10 Per Cent Port Dues Concession for Bulk Carriers

37th SAARC Council of Ministers Meeting: Bangladesh takes the lead on Blue Economy

Indian concerns over Colombo Port City Project addressed: Sri Lanka

India to invest \$20 billion in Iran's Chabahar Port development

America's Expectation versus India's Expediency: India as a Regional 'Net Security provider'

All-women team of Indian Navy scales Pindari Glacier

Expanding US-Japan-India Cooperation in the Indian Ocean

**Philippines gets U.S. military aid boost amid South China Sea dispute
EU, ASEAN to strengthen political, security ties**

G7 foreign ministers 'strongly oppose' provocation in East and South China Seas

Dutch shipping company DSD fined for illegal oil tanker discharge

Indo-US Joint Naval Patrol – Plausible Proposal or Rhetoric

Maritime Summit: India to partner Korea



Malaysian Officials Fish for a Response to Chinese Trawler Incursion

Chris Mirasola

Malaysia joined the ranks of countries taking issue with Chinese fishermen last Thursday, as 100 trawlers were detected within Malaysia's claimed EEZ. On Friday, National Security Minister Shahidan Kassim reported that the Malaysian Maritime Enforcement Agency (MMEA) had sighted foreign vessels within Malaysia's EEZ and were continuing to monitor the situation. When asked about the incident, PRC Spokesperson Hong Lei said he did not "understand the details" but that "at this time of year, every year, Chinese trawlers are in the relevant waters carrying out normal fishing activities."

Spokesperson Hong Lei's confusion was strikingly prescient; two days after Minister Kassim's initial report, Defense Minister Datuk Seri Hishammuddin Hussein "confirmed that our waters are safe" and denied that any foreign vessels were in Malaysian waters. That same day, however, MMEA Director General Ahmad Puzi Ab Kahar told the press that 82 (not 100) as-yet unidentified foreign vessels remained in Malaysian waters.

Malaysian authorities coalesced around a common narrative another two days later, as MMEA Director General Kahar accused the Chinese Coast Guard of escorting 100 trawlers into Malaysia's EEZ around Luconia Shoals. More specifically, Director General Kahar said that from Thursday through Sunday MMEA vessels sighted anywhere from 40 to 100 unmarked trawlers accompanied by vessels from the Chinese Coast Guard. National Security Minister Kassim subsequently banned all foreign vessels from fishing in Malaysian waters, and the Foreign Ministry summoned the Chinese Ambassador to communicate its concerns and to "seek clarification."

United States

As President Obama meets with President Xi to discuss South China Sea issues on the sidelines of this week's nuclear security summit (more coverage on that next week), the Pentagon announced that the United States would not recognize an Air Defense Identification Zone (ADIZ) in the South China Sea. Deputy Secretary of Defense Robert Work said a potential ADIZ would be "destabilizing," and Pentagon spokesperson Peter Cook called on all countries to pursue diplomatic solutions. PRC Ministry of Defense spokesman Yang Yujun in response asserted that "there is no need for other countries to gesticulate" and that many factors would impact "whether or not or when to set up an air defense identification zone."

In other news, the USS Boxer left Hong Kong Harbor earlier this week to patrol the South China Sea. Deputy Assistant Secretary of Defense Amy Sea right also announced that Tokyo is in talks with Manila to negotiate a status of forces agreement so that "Japan can regularly participate" in U.S.-Philippine joint exercises.

China

PRC officials spent much of the past week refuting criticisms of its presence in the South China Sea. Vice Minister Liu Zhenmin accused "a certain country" (read: the Philippines) of using UNCLOS "as a pretext" to provoke tension and denounced ongoing arbitration at The Hague. Foreign Ministry Spokesperson Hong Lei also defended deployment of HQ-9 and YJ-62 missiles on Woody island as "reasonable and justified," having "nothing to do with . . . so-called militarization."

Shifting focus to the United States, an editorial from China Military Online strongly rejected a speech last month from Admiral Swift, accusing Washington of "do[ing] whatever it wants for its own interests." In response to questions about American FONOPS, Defense Ministry Spokesperson Yang Yujun recommended that "as for the US Ships which came, I can only suggest they be careful."

Finally, Major General Qian Lihua confirmed that island reclamation would “continue in the future” but claimed that an air defense identification zone had not yet been discussed.

Taiwan

The Taiwanese Coast Guard detained more than 40 people aboard a PRC fishing vessel that was harvesting coral and endangered turtles in protected waters around the Taiwanese-controlled Pratas Islands. The Coast Guard also dispersed eleven PRC fishing vessels and seized another two for investigation. Taiwanese prosecutors are preparing to indict the crew.

Taiwan’s Fisheries Agency released an official report following up on allegations that Indonesian government vessels shot at Taiwanese fishing boats in the Strait of Malacca, after accusations flew last week. Citing information from voyage data recorders, Director General Tsay Tzu-yaw said that the boats were moving too quickly to set fishing nets, as Jakarta has claimed, and reiterated that the boats did not try to ram the Indonesian patrol.

President-Elect Tsai Ying-wen reaffirmed that her party, now in opposition but soon to take power, would never change its stance on Taiwan’s sovereignty claim over Taiping Island despite contrary opinions from some backbenchers.

Japan

On Monday, Japan operationalized a radar station on Yonaguni Island, 90 miles south of the disputed Senkaku/Diaoyu Islands. Ground Self-Defense Force Lieutenant Colonel Daigo Shiomitsu, base commander, said that the listening post would allow Japan to “keep watch on territory surrounding Japan and respond to all situations.” Prof. Toshi Yoshihara of the Naval War College noted that the station will extend a network of overlapping radar sites, “boost[ing] Japan’s ability to monitor the East China Sea.” The

expanded base is part of a larger military buildup throughout Japan's southwestern island chain aimed at deterring Chinese action in the East and South China Seas.

Regional tensions elevated further on Tuesday as Japan's new security laws took effect. Enacted despite substantial domestic protest last September, the laws allow Japan to aid allies, including the United States, in overseas conflicts. Prime Minister Shinzo Abe, heralding the law, said, "the bond of the [U.S.-Japanese] alliance has been strengthened." Chief Cabinet Secretary Yoshihide Suga also argued that the laws are essential to protect the Japanese people amidst an "increasingly severe security environment surrounding our country."

Chinese officials were understandably less effusive. A commentary from Xinhua said that the new security laws shifted Japan "back to a fighting stance for the first time in seven decades" and "exposed" the "warlord prime minister['s]" goal of "rid[ing] the coattails of Uncle Sam's 'pivot to Asia.'" PRC Foreign Ministry Spokesman Hong Lei also denounced Japan's new security laws and reasserted Chinese sovereignty over the Senkaku/Diaoyu Islands. Additionally, the PRC Defense Ministry suggested that the international community should resist Japanese military expansion.

Indonesia

Indonesian officials appeared divided over a medium-term strategy for responding to last week's fisheries incident off of Natuna Island. Despite strong statements last week from the Ministry of Fishery and Marine Affairs, for example, Minister of Defense Ryamizard Ryacudu said that "for the time there is no issue" in Sino-Indonesian dialogue concerning the South China Sea. The next day, however, the Commission on Defense and Foreign Affairs of the Indonesian House of Representatives called for a new military base in the Natuna Islands to strengthen "the defense system in the central region of Indonesia." Nevertheless, Chinese vessels left port the following day to join a blue-water training run by the Indonesian Navy. Prashanth Parameswaran at The Diplomat takes a deeper look at Indonesia's evolving response.

Philippines

Military procurement was the name of the game this week for the Philippines. IHS Jane's reports that three former Royal Australian Navy Balikpapan-class landing craft purchased by the Philippines in October 2015 have been received but are waiting for general servicing before deployment. Two days later, President Benigno Aquino III told reporters that the Philippines might also purchase its first submarine as the country "accelerate[s] the modernization of our armed forces." He stressed, however, that Manila is not "trying to engage anybody in an arms race, or in a military build-up."

Vietnam

Vietnam also turned its eye towards military modernization this week. Kommersant, an independent Russian newspaper, reported that Hanoi is looking to purchase up to twelve Su-35 fighters to augment its existing Su-30MK2 fleet. Vietnam is also partnering with India to build a jointly operated satellite data transmission station. The Asahi Shimbun reports that officials in the Vietnamese Ministry of Defense are using the station as part of a larger plan to "strengthen intelligence-gathering capabilities in the South China Sea."

Notwithstanding this buildup, Minister of National Defense General Phung Quang Thanh welcomed his PRC counterpart to the third Vietnam-China Border Defense Friendship Exchange. Usual pleasantries were exchanged, and Vietnamese Communist Party General Secretary Nguyen Phu Trong called on the two countries to continue high-level meetings, carry out joint patrols, and promote closer mil-mil coordination.

Singapore

Defense Minister Ng Eng Hen expressed concern about growing South China Sea militarization, worrying that Asia "doesn't have an equivalent of never again should a conflagration arise in Asia" and therefore is more at risk of unintended conflict. He called for increased mil-mil cooperation to prevent miscalculation and projected that

Singaporean defense spending would remain at 3 to 3.3% of GDP. Minister Ng also conceded that China’s “position as a leader will have to be recognized and that there will be new rules, but China has to decide what these new rules are.”

Analysis, Commentary, and Additional Information

A number of analysts this week ruminated on the strategic and political ramifications of increasing militarization in the South China Sea. Timothy Heath opined that the PRC’s HQ-9 deployment, while of limited impact militarily, signals the extent to which China is willing to bypass American criticism. Koh Swee Lean Collin explores China’s “White Hull” strategy, and Steven Stashwick looks at how China’s high-frequency radar station on Cuarteron Reef could be used to extend the Coast Guard’s reach. AMTI provides a great overview of recent, but less-noted, Chinese military buildups and how they extend detection and defense capabilities in the South China Sea. Looking forward, Robert Klipper outlines why China might occupy and build on Scarborough Shoal.

In a widely shared piece, our new Contributing Editor, Julian Ku, considers whether China’s nine-dash-line should be understood as a “super-sized exclusive economic zone.” And finally, for our 中国通 (Chinese readers), Liu Haiyang presents a Chinese perspective on how the U.S. is winning the public-relations war in the South China Sea.

Water Wars is our weekly roundup of the latest news, analysis, and opinions related to ongoing tensions in the South and East China Seas. Please feel free to email Chris Mirasola with breaking news or relevant documents.

Source: [Law Fare](#), 1 April 2016.

U.S. Coast Guard, Japan Partner to Improve Port Security

Sara Mooers

A U.S. Coast Guard international port security team completed a bilateral engagement with Japanese officials last month.

This engagement involved sharing best practices and visiting with the Ministry of Land, Infrastructure, Transport and Tourism's Ports and Harbors Bureau to observe the implementation of the International Ship and Port Facility Security Code at two port facilities in Hakata, Japan: the Hakata Chuo passenger wharf and the Hakata island city area container terminal.

"Everyone has security responsibilities in our global economy," said Lt. Cmdr. Scott Barton, ISPS Program liaison officer, U.S. Coast Guard Activities Far East Division. "The Coast Guard appreciates Japan's invitation and their commitment to improving port security."

In 2003, the U.S. Coast Guard developed the International Port Security Program to reinforce the implementation of the ISPS Code. The ISPS Program seeks to reduce risk to U.S. maritime interests, including U.S. ports and ships, and to facilitate secure maritime trade globally.

Under the auspices of this program, a U.S. Coast Guard International Port Security team conducts an annual visit to assess the effectiveness of seaport anti-terrorism measures and provides recommendations and share best practices with government officials to reduce the risk of a maritime security incidents and impacts to the global supply chain. The ISPS program is designed to assist seaports overcome security challenges in a dynamic and ever changing threat environment.

In the Asia-Pacific region, the U.S. Coast Guard's Activities Far East unit coordinates with over 40 countries to execute these bilateral engagements.

Source: [Global Trade](#), 3 April 2016.

U.S. Navy Seizes Weapons Likely Headed to Yemen

Associated Press

The U.S. Navy says it has seized a weapons shipment in the Arabian Sea from Iran likely heading to war-torn Yemen.

The Navy said in a statement Monday that the USS Sirocco on March 28 intercepted and seized the shipment of weapons hidden aboard a small dhow, a type of ship commonly used in the Persian Gulf and Indian Ocean.

The Navy said the shipment included 1,500 Kalashnikov assault rifles, 200 rocket-propelled grenade launchers and 21 .50-caliber machine guns. It said those aboard the dhow were released after sailors confiscated the arms.

Source: [US News](#), 4 April 2016.

For first time, Japan will send Ise destroyer into the South China Sea

Gil-Yun-Hyung

The ostensible reason behind the move is training with Indonesian navy, but move likely to irritate China.

The Japan Maritime Self-Defense Force (JMSDF) officially announced plans on Apr. 5 to send its Ise destroyer into the South China Sea. The large helicopter-destroyer - actually a light aircraft carrier - is equipped with powerful anti-submarine patrol capabilities. While the ostensible purpose is participation in humanitarian training exercises led by the Indonesian Navy, the move also stands to provoke China, which has been on edge recently over US-Japan alliance pressures concerning the South China Sea.

Japan's Maritime Staff Office - the equivalent of South Korea's Navy Chief of Staff office - announced on Apr. 5 that the Ise would be dispatched to the 2016 Komodo multinational training exercise spearheaded by the Indonesian Navy, as well as an Indonesian naval review.

The Komodo Exercise, which begins on Apr. 12, will be staged in the waters around Padang, Sumatra, and involve training for humanitarian aid and disaster rescue operations. The Ise is to call at the Port of Subic in the Philippines, which is currently in a territorial dispute with China in the South China Sea, the Yomiuri Shimbun newspaper and other Japanese news outlets reported.

One reason the Ise's visit to the South China Sea is drawing major attention is due to its unique capabilities. The massive destroyer measures 197 meters in length and 33 meters in width with a standard displacement of 13,950 tons, ranking it second in scale only to the 19,500-ton Izumo in the JMSDF. It is also capable of carrying up to 11 SH-60J/K Seahawk helicopters - which can be used to track enemy submarines - and operating up to four simultaneously.

Japanese news outlets said the Ise boasts the highest anti-submarine capabilities in the JSMDf.

The US is currently struggling with tracking of Chinese submarines traveling to the West Pacific across the deep waters of the South China Sea. For that reason, the first request it made to Japan now that the latter has gained the ability to exercise collective self-defense authority was to share in anti-submarine patrolling in the broad South China Sea area.

Japan had previously been cautious of such activities, citing the distance of more than 2,000 kilometers to the South China Sea from its JMSDF base in Naha, Okinawa. Further complicating operations in the South China Sea was the fact that its leading Japan Self-Defense Forces patrol aircraft, the P-3C and P-1, have respective cruising ranges of 6,600 km and 8,000 km.

But the problems could be solved all at once if light aircraft carriers like the Ise or Izumo are positioned in the South China Sea.

Another feature of the Ise is that its deck allows the arrival and departure of vertical take-off and landing aircraft. This means that if an emergency did occur in the US-Japan alliance, it could be used as a carrier for the US Marine MV-22 Osprey aircraft and the F-35B, considered a leading next-generation model.

This fact in particular may explain why fueling and ammunition supplies for aircraft readying for takeoff were added among the “rear support” functions permitted to the JSDF in the amended security laws that went into effect on Mar. 27. In other words, the Ise provides a means of literally integrating the US and Japanese armed forces.

Source: [The Hankyoreh](#), 7 April 2016.

Chinese Vessel Ducks for Cover in Vietnamese Territorial Waters

Chris Mirasola

Vietnam’s Coast Guard seized a Chinese oil tanker disguised as a fishing vessel operating illegally in the Gulf of Tonkin. The ship was carrying 26,000 gallons of oil and operated by a crew of three Chinese sailors. State media reported that the oil was being used to refuel Chinese fishing vessels also operating illegally in the area. The tanker’s captain did not disclose where the oil came from. All three crewmembers are in police custody. News reports also noted that, though it is common for Hanoi to deal with errant Chinese fishermen in its waters, it rarely seizes a boat and its crew. The Thanh Nien, a Vietnamese newspaper, noted that the Coast Guard has chased 110 Chinese fishing vessels out of its waters over the last two weeks.

In the days after the scuffle, Foreign Ministry Spokesperson Lu Kang denied that China uses its fishing fleet to advance territorial claims in disputed waters and called for increased bilateral cooperation on fisheries management. On Thursday, however,

Vietnamese Foreign Ministry Spokesperson Le Hai Binh hit back on a wider range of Chinese actions in Vietnamese-claimed waters. He called on the PRC to remove an oil rig from the Gulf of Tonkin and criticized a newly operationalized lighthouse on Subi Reef.

United States

Many words on the sidelines of last week's Nuclear Security Summit led to little change in Sino-American dialogue on maritime conflicts. Though Foreign Minister Wang Yi said that, "the Americans have said they will not take sides, so it should not be a problem for the China-US relationship," President Xi reiterated that the South China Sea was a "core" Chinese interest. Underscoring this lingering divide, President Obama met separately with President Park and Prime Minister Abe, where they reportedly "shared a common awareness of issues on many points" regarding Chinese advancement in the South China Sea. Later in the week, Secretary of Defense Ash Carter asserted that, "by far and away over the past year China has been the most aggressive" player in the Asia-Pacific. Others in the Department of Defense may be less forthcoming; the Navy Times reports that the White House has ordered senior military brass to tamp down rhetoric on China's activities in the South China Sea.

A day after the Nuclear Security Summit ended, Reuters reported that a third freedom of navigation operation (FONOP) is scheduled for early April. Some experts predict that the U.S. might choose to sail past Mischief Reef, which is now home to a military-length Chinese airfield. PRC Foreign Ministry Spokesperson Hong Lei responded that China "resolutely opposes any country using so-called 'freedom of navigation' as an excuse to damage China's sovereignty, security and maritime rights."

China

It was the switch-flip heard 'round the world: On Wednesday China operationalized a 180-foot lighthouse on Subi Reef. Before land reclamation last year, Subi Reef was submerged at high tide. In an article heralding the new light, Xinhua claimed that it

would “provide efficient navigation services” and Spokesperson Lu Kang said that it would ensure safety and freedom of navigation. The USS Lassen sailed within 12 nautical miles of Sub Reef in October as part of Washington’s first regularly scheduled FONOPS.

Following on last week’s fisheries spat with Malaysia, Spokesperson Hong Lei announced bilateral talks as part of “a tradition for China and Malaysia to utilize bilateral channels to manage our differences.” Reacting to Japan’s new radar station on Yonaguni Island, Ministry of Defense Spokesperson Yang Yujun criticized Tokyo for “making a scene” about freedom of navigation, claiming that, “Japan always criticizes others, so how can it explain its own actions?”

Philippines

8,500 American and Filipino troops are taking part in the Balikatan, an eleven-day joint military exercise. For the first time they are joined by 80 Australian troops and eight Japanese self-defense officers. The Japanese are taking part as observers. Lieutenant General John Toolan, head of U.S. forces for the exercise, announced that U.S. Secretary of Defense Ash Carter would also be observing the Balikatan, the first American Defense Secretary to do so, as part of a longer trip to the region. Secretary Carter is scheduled to “spend time out at sea,” during his visit. An editorial from Xinhua reacted to the news by cautioning that, “a provocation so fear-mongering and untimely . . . is likely to boomerang on the initiators.” PRC Foreign Ministry Spokesperson Hong Lei also said that mil-mil cooperation should “promote regional peace, stability and development, instead of the contrary.”

The day before joint exercises began, a Japanese submarine arrived in Subic Bay for the first time in fifteen years. The submarine was escorted by two Japanese destroyers and stayed in the Philippines for three days before it was scheduled to cross the South China Sea for a port call in Vietnam.

Japan

Simmering Sino-Japanese tensions persisted as President Xi Jinping and Prime Minister Abe chose not to speak to each other during last week's nuclear summit despite standing only a row apart. Though Foreign Ministry Spokesperson Yasuhisa Kawamura claimed that, "overall relations between Japan and China are going in the direction of gradual improvement," on Monday the Japanese Coast Guard deployed twelve additional ships to patrol waters around the Senkaku/Diaoyu Islands. After ten days of near constant patrols by the Chinese Coast Guard, Tokyo reported that three Chinese Coast Guard vessels crossed into territorial waters surrounding these islands for the ninth time this year.

Making good on reports two weeks ago, Japan started coordinating with G-7 nations to include South and East China Seas concerns in a communiqué at the end of the group's May summit. G-7 Foreign Ministers, meeting this Sunday, will also issue a statement calling on all nations (read, China) engaged in territorial disputes to abide by court rulings. Tokyo continued this type of outreach in a meeting between Prime Ministers Abe and Modi on the sidelines of the Nuclear Security Summit, where they shared common concerns regarding China's actions in the South and East China Seas.

Indonesia

Blowback from China's incursion near the Natuna Islands persisted this week as Jakarta announced plans to double the number of troops stationed in the region and earmarked \$34 million to expand air and naval facilities. Defense Minister Ryamizard Ryacudu also announced that five F-16 jets would be deployed to the Natuna Islands, saying that "Natuna is a door, if the door is not guarded then thieves will come inside." The Air Force also plans to deploy Special Forces equipped with a modular air defense system called Skyshield, which includes 35 mm automatic multirole cannons that can shoot at aircraft and precision-guided munitions.

Jakarta was also busy disposing of impounded foreign fishing vessels with usual flair. On Tuesday it blew up 23 foreign vessels (13 from Vietnam and 10 from Malaysia) “to protect the sovereignty of our territory,” said Maritime Affairs and Fisheries Minister Susi Pujdiastuti. Indonesian intermediary courts also ruled that 10 Chinese fishing boats, impounded in December 2014, were operating illegally in Indonesian waters. Owners are appealing the case to Indonesia’s Supreme Court. Earlier, Minister Pujdiastuti reiterated Jakarta’s demand that China hand over the fishing vessels that entered Indonesian waters two weeks ago, saying that, “as a big country you cannot bully small countries.”

Taiwan

Defense Minister Kao Kuang-chi fielded questions on the South China Sea during a wide-ranging discussion in Taiwan’s legislative session last week. He was nonplussed by Tokyo’s move to establish a radar station on Yonaguni island, saying that it was targeted at the PRC despite its proximity to Taiwan. Earlier, another Taiwanese official noted that Tokyo has “every right” to establish a radar station on Japanese territory. Minister Kao also reassured legislators that, despite recent military buildup in the South China Sea, Taiwan’s armed forces are able to defend its outposts. Relatedly, National Security Bureau Deputy Director Chou Wu-mei noted that “China does not have the military capability in the region to declare an ADIZ, therefore we believe it is unlikely China would do so in the near future.”

Vietnam

Vietnam selected a new President, Tran Dai Quang, and Prime Minister, Nguyen Xuan Phuc. State media quoted lawmakers and military officials who greeted the new President with renewed calls to defend the country’s territorial integrity. One lawmaker said it will “be more challenging and complicated” for the new President to safeguard Vietnamese sovereignty. The Prime Minister also pledged to “firmly defend the country’s independence, sovereignty, and territorial integrity.”

Singapore

Prime Minister Lee shared his take on U.S. policy in the South China Sea during an extensive interview with the Wall Street Journal Editorial Board. He called for more robust American involvement in the Pacific, recommending that Congress approve the Tran-Pacific Partnership and ratify UNCLOS. PM Lee also said that Washington should be clearer about the intent behind FONOPS, intimating that there have been conflicting narratives coming out of the Department of Defense and National Security Council. Overall, he cautioned against reciprocal responses to Chinese military buildup in the region.

Analysis, Commentary, and Additional Information

The Straits Times has three great investigative pieces on the ways in which fish and fishermen are fueling regional disputes. In the first, Leslie Lopez examines how depleted fish stocks are forcing captains to sail further afield. In the second and third, Teo Cheng Wee profiles Chinese fishermen at the forefront of asserting the PRC's regional claims and the village that many of them come from. Tom Hanson at The National Interest continues this analysis by examining how Chinese fishermen have been used as a strategic force multiplier.

Another trio of pieces examines the implications of rising military spending. Steven Stashwick at The Diplomat cautions that, notwithstanding recent hullabaloo, HQ-9 deployment on Woody Island doesn't signal that China is looking to militarize the Spratlys anytime soon. Franz-Stefan Gady, also at The Diplomat, shows how China is fueling increased military spending in Asia. The Financial Times builds on Gady's analysis by outlining how international arms manufacturers are profiting from this increased spending.

Indonesia has been on the minds of many analysts over the past couple of weeks. At The Interpreter, Evan Laksmana tries to make sense of the county's Natuna Island response through the lens of domestic politics. Editors at the East Asia Forum look to the future

and assess the relative strategic opportunities for Indonesia and China in their maritime disputes.

A number of other great pieces circulated this week on a range of other topics. Gregory Poling and Zack Cooper at AMTI outline a widely shared plan for countering Chinese reclamation in Scarborough Shoal. Richard Javad Heydarian dives into the Philippines' presidential elections and projects its impact on bilateral relations with China. Bonnie Glaser at The Interpreter explains why little will change after President Obama met with President Xi and Helene Cooper reflects on her experience sailing on a U.S. Navy Cruiser during an encounter with a Chinese frigate for NPR.

Source: [Law fare](#), 8 April 2016.

Three day coastal security exercise draws to a close

Times of India Press

The three-day comprehensive coastal security exercise 'Theera Veta', involving multiple security agencies, conducted along the entire coast of Kerala, Lakshadweep and Minicoy islands and Mahe, concluded today, the Navy said.

During the exercise, Attack and Security groups were formed with the Attack group simulating attacks on important locations called as vital areas or points (VA/VP) while the Coastal Security Group thwarted the attacks.

All fishing harbours, fish landing centres and other entry/exit points were monitored for the purpose. High security was maintained at all minor ports using boat patrols and linked with respective Coastal Security Operation Centre, the Navy said in a release.

State and U/T administration, Police and IRBN, Fisheries Department, Intelligence Bureau, Customs, Cochin Port Trust, Director General Light House and Light Ships, Department of Port, Shipping and Aviation at Lakshadweep Islands and fishermen

association as well as fishing communities besides Navy and Coast Guard took part in the exercise, it said.

The entire exercise was coordinated by the Coast Guard and monitored at the JOC (Joint Operation Centre), located at the naval base here.

'Theera Veta' is a bi-annual exercise aimed at assessing the effectiveness of the coastal fishing community in serving as 'eyes and ears' for early warning of any threats from sea.

It also evaluates interoperability and coordination between integrated maritime security agencies in intelligence gathering, surveillance and provides anti-terrorism defense and counter insurgency.

Source: [Times of India](#), 8 April 2016.

Why the South China Sea could be the next global flashpoint

When China earlier this week began operating the new lighthouse it has built on one of the artificial islands it has constructed in the South China Sea, it probably did not realise it would also illuminate the deepening tensions its policy of maritime expansion is creating in the region.

For, at a time when the world is mainly focused on the twin threats posed by Russia's new spirit of military aggression and the rise of Islamic State (Isil), there is growing concern that not enough attention is being paid to a potentially far more worrying danger emerging from the South China Sea.

For more than a year China has been engaged in a massive military build up in the area, where it has turned what was formerly partially submerged reef into a network of

artificial islands. By way of announcing the completion of what could prove to be an important strategic asset, China earlier this week began operating a newly-constructed lighthouse on one of these islands.

A statement issued by the Chinese foreign ministry tried to play down the significance of the lighthouse, arguing that it will provide a vital navigational tool for one of the world's most important shipping arteries. A breathtaking \$5 trillion in global trade is estimated to pass through the waters each year.

But turning on the 55-metre (189 foot) lighthouse has also refocused attention on the deepening tensions that have been created by China's aggressive policy of expansionism in the region.

China's island-building scheme is regarded as an unwelcome provocation by many of its neighbours, which see the programme as blatant bullying tactics aimed at consolidating Beijing's claims over the energy-rich waters of the South China Sea.

This has resulted in both the US and several Asian allies making provocative gestures of their own as a means of signalling their own displeasure with Beijing's actions. Last weekend a Japanese submarine made its first port call to the Philippines for 15 years to demonstrate increased military cooperation between the two countries, while Vietnam seized a Chinese ship for illegally entering its territorial waters.

Meanwhile, Washington has made its own displeasure known by sailing heavily-armed warships through the disputed waters and negotiating a deal with the Philippines to station weapons and troops for the first time in more than 20 years.

The question now is whether this dangerous escalation in military tensions will lead to open conflict, one that has the potential to be infinitely worse than the military challenges posed by Russia and Isil.

In an attempt to defuse the crisis US President Barack Obama left Chinese President Xi Jinping in doubt what he thought about China's tactics when the two leaders met last week.

But while Mr Xi insisted China had no interest in provoking "conflicts or confrontation", the risk of serious military escalation will remain so long as Beijing refuses to resolve its maritime disputes by peaceful means.

Source: [The Telegraph](#), 8 April 2016.

US Kicks Off New Maritime Security Initiative for Southeast Asia

Prashant Parameswaran

The United States has started implementing the Pentagon's new maritime capacity-building initiative for Southeast Asian states near the South China Sea, initially announced last June following congressional approval, U.S. officials have confirmed.

After a customary a two-week congressional notification period, U.S. officials have released the first year of funds for the five-year, \$425 million dollar Southeast Asia Maritime Security Initiative (MSI), which involves five main ASEAN states – Indonesia, Malaysia, the Philippines, Thailand and Vietnam – along with Singapore, Brunei and Taiwan, and aims to improve the ability of these countries to address a range of maritime challenges, including China's growing assertiveness in the South China Sea .

Asked about the significance of the initiative, which originated from the Senate Armed Services Committee headed by Senator John McCain, U.S. Defense Secretary Ash Carter told *The Diplomat* that MSI "seizes on a new opportunity" for the United States to work together with its regional partners and allies on maritime security amid a host of challenges.

"It's specifically [geared] towards maritime security which is important, which is timely because of everything from typhoons to tensions in East China Sea, South China Sea,

Indian Ocean, everywhere,” he said on board a Boeing 737-700 flight from New York back to Washington, D.C., before departing on a trip that will take him to the Philippines and India.

“It really signifies, first of all, the American determination to continue to play a constructive, pivotal role there, and the way we do it which is working with others and encouraging them to work among themselves.”

A senior U.S. defense official told *The Diplomat* that MSI is also geared towards creating “strong, independent partners” in the region, presumably ones capable of resisting a wide range of threats, including Beijing’s growing assertiveness in the South China Sea. “[W]e want strong, independent partners throughout the region. And the best way to help them become strong and independent is to help them build their capacity in maritime security. So that’s the idea of the Maritime Security Initiative, stated simply,” he said.

The total funding that was submitted in the congressional notification and approved for 2016 for MSI is \$49.72 million. Though specifics have yet to be released, *The Diplomat* understands from sources familiar with the congressional notification that much of the funding goes to support for a maritime and joint operations center; improvements in maritime intelligence, surveillance, reconnaissance (ISR); maritime security and patrol vessel support and sustainment; search and rescue operations support; and participation in multilateral engagements and training.

Country-wise, more than \$41 million – or almost 85 percent of the \$49.72 million total amount this year – is going to the Philippines, consistent with what U.S. officials have said previously about the “lion’s share” of MSI funding for 2016 going to Manila (See: “A Big Deal? US, Philippines Agree First ‘Bases’ Under New Defense Pact”).

As I have noted previously, the Philippines, one of the more forward-leaning among the four ASEAN claimants in the South China Sea disputes, has one of Asia’s weakest militaries and has been bearing the brunt of China’s assertiveness in the South China

Sea, with Beijing seizing Scarborough Shoal back in 2012 and harassing Philippine vessels, aircraft, and fishermen. Manila also has a South China Sea case pending against Beijing with a verdict expected in May or June.

Carter said that the MSI funding would help strengthen Manila's capabilities in the area of maritime security.

"Our having the initiative and the funding that goes with it that makes it possible, particularly for a country like the Philippines... it's a very positive thing," Carter told *The Diplomat*.

The Diplomat understands that the congressional notification details a list of specific investments for the Philippines, including strengthening command and control relationships between the Philippine military, coast guard, and the National Coast Watch Center; providing maritime intelligence, surveillance, and radar (ISR) sensors; training for unmanned aerial systems and ground radar; and support and sustainment systems for Philippine patrol vessels.

A senior U.S. defense official told *The Diplomat* that these efforts would help bolster Philippine maritime domain awareness, enhancing the country's ability to communicate internally as well as with the United States.

"We expect that our efforts will result in stronger Philippine ability to link up their Coast Watch Center with other facilities involved in maritime domain awareness to better communicate among themselves and better communicate and better operate with us," the official said.

Vietnam, the other forward-leaning ASEAN claimant in the South China Sea disputes, receives just over \$2 million.

The congressional notification, *The Diplomat* understands, details a list of specific investments for Vietnam, including assistance for maritime patrol aircraft and vessel

modernization; support for the provision of search and rescue command, control, and communications systems as well as training.

Vietnam, *The Diplomat* understands, is expected to get a larger share of MSI funding next year.

“I expect that relationship to continue to deepen,” a U.S. official told *The Diplomat*.

Malaysia, a quieter South China Sea claimant relative to the Philippines and Vietnam, receives nearly \$3 million, while Indonesia, which is not a claimant in the South China Sea disputes but is an interested party, receives almost \$2 million.

Both of these maritime Southeast Asian states have witnessed rising Chinese incursions into their waters. Malaysia has been gradually moving towards taking a tougher approach towards Beijing (See: “A Malaysia ‘Pushback’ Against China in the South China Sea?”). And a March 20 incident where a Chinese coast guard ship attempted to intercept an Indonesian crackdown on a Chinese boat for illegal fishing sparked unprecedented rage from Jakarta.

Most of the funding for these two countries, *The Diplomat* understands, is directed at improving command and control relationships between and capabilities among maritime security forces as well as other efforts such as technical advisory support in advance of U.S. exercises and subject matter expert exchanges to support maritime ISR modernization efforts.

Other than the aforementioned countries, Thailand also gets some assistance (under \$1 million) to strengthen command and control relationships between the Thai military and subordinate commands. Most countries also receive assistance for participation in multilateral engagements.

The congressional notification also specifies a few hundred thousand dollars for a “human rights element” portion of MSI for all countries. That money, a source told *The*

Diplomat, funds the Defense Institute for International Legal Studies to put together engagements including seminars at the U.S. Pacific Command in Hawaii. This is in line with the respect for human rights stipulated in Section 1263 of the National Defense Authorization Act of 2016 as well as regard for civilian control, including concurrence with the State Department on activities.

As I indicated in my previous piece on MSI, the figures for 2016 will likely shift over the next few years in terms of how they are distributed, assuming of course that it is continued under the following U.S. administration.

Source: [The Diplomat](#), 10 April 2016.



Indian Navy' First Training Squadron deployed in Thailand

Press Trust of India

Indian naval ships Tir and Sujata, and sail-training ship Sudarshini along with Indian Coast Guard's Varuna, reached Phuket in Thailand on Monday as part of an overseas deployment during spring. The First Training Squadron forms part of Southern Naval Command and will stay there till April 8.

The primary aim of the Squadron is to impart sea training to naval and Coast Guard trainees, with a 24-week ab initio sea training. All the participants are trained in seamanship, navigation, ship handling, boat work, technical aspects among other disciplines, while being exposed to the rigours of life at sea, so as to earn their 'sea legs', a naval spokesperson said. The Southern Naval Command (SNC) is the Training Command of the Indian Navy, which provides both basic and advanced training to its officers and sailors.

The Indian Navy has also been providing training to personnel from friendly foreign countries for over four decades, wherein more than 13,000 personnel from more than 40 countries have been trained. India and Thailand have a close, long-standing relationship covering a wide spectrum of activities and interactions, which have strengthened over the years.

The present deployment of the Training Squadron to Phuket provides opportunities for extensive maritime engagement, maintenance of good order at sea and further cementing of the close relations between the two nations and the two navies, the Indian Navy said in a statement.

Source: [DNA India](#), 4 April 2016.

USS Blue Ridge Makes Port Call in Goa

Liz Dunagan

U.S. 7th Fleet flagship USS Blue Ridge (LCC 19) arrived in Goa, India for a regularly scheduled port visit, promoting friendships and engagements with theater partners in the region April 8.

The Blue Ridge team, consisting of more than 900 members, including embarked 7th Fleet staff, Marines from Fleet Anti-terrorism Security Team Pacific (FASTPAC) and the "Golden Falcons" of Helicopter Sea Combat Squadron 12, is currently on patrol within the 7th Fleet area of operations, strengthening and fostering relationships in the Indo-Asia- Pacific.

"After completing a highly successful port visit in Mumbai, India, the objective of this next visit is to further engage and to continue to strengthen our relationships with our Indian Navy counterparts and local authorities," said Lt. Daniel Kohlbeck, Blue Ridge's operations officer. "Anytime we can take advantage of the opportunity to strengthen friendships with a country that shares the same democratic ideals as the U.S., is a step in the right direction."

During the ship's visit, Sailors and Marines will volunteer their time in the local community with community service events, like working with Harama School, an organization that teaches under privileged children hygiene and provides basic primary education and playing sports with students at Smt. Parvatibai Chowgule College of Arts and Science.

Blue Ridge last made a visit to Goa in February, 2005, marking the 7th Fleet flagship's first visit to the state.

"Having had the chance to sail with the Indian Navy some years ago by way of various exercises, I remain amazed at the professionalism of their Navy," continued Kohlbeck.

"We are excited about these engagements. Promoting interoperability and cooperation between our two countries is huge, as we both work to protect the shared ideals we hold dear."

Blue Ridge has been forward deployed to Yokosuka, Japan for 36 years. As the flagship for Commander, U.S. 7th Fleet, Vice Adm. Joseph Aucoin, Blue Ridge is vital in maintaining partnerships in the 7th Fleet area of operations.

Source: [Navy mil](#), 8 April 2016

Pakistan Navy successfully test-fires shore-based anti-ship missile

Press Trust of India

Pakistan Navy on Saturday successfully test-fired shore-based anti-ship missile 'Zarb', bolstering its defence mechanism. The missile was launched from a coastal site and successfully hit the surface target in the Arabian Sea, a statement released by director general public relations said. Naval chief Admiral Muhammad Zakaullah said the launch of new missile system was part of Pakistan Navy's continuous effort to enhance its capabilities.

He termed the successful test as hallmark of Pakistan Navy's preparedness.

Deputy Chief of Naval Staff Vice Admiral Zafar Mahmood Abbasi said that with the successful test launch significant capability has been added to the Pakistan Navy's arsenal.

He said that it would further bolster the defence mechanism of the country and contribute towards peace and stability in the region, according to the statement.

Source: [The Times of India](#), 9 April 2016.

US Navy leads 30-nation Maritime Exercise in Middle East

Toby Chopra

The U.S. Navy is leading a 30-nation maritime exercise across Middle Eastern waters which it says will help protect international trade routes against possible threats, including from Islamic State and al Qaeda.

The U.S. Navy is leading a 30-nation maritime exercise across Middle Eastern waters which it says will help protect international trade routes against possible threats, including from Islamic State and al Qaeda.

The exercise, which is partly being held in the Arabian Gulf, comes as tensions run high between Gulf Arab countries and Iran over its role in the region, including its support for President Bashar al-Assad in Syria's civil war, for the Houthis in the Yemen conflict and for Hezbollah in Lebanon.

The International Mine Countermeasures Exercise (IMCMEX) started on Monday with a symposium in Bahrain where the U.S Navy's Fifth Fleet is based, in part as a bulwark against Iran.

Vice Adm. Kevin Donegan, commander, U.S. Naval Forces Central Command, said on Saturday the exercise was designed to stop militants from causing disruption to shipping as, "we know that they want to disturb trade lines".

"This region provides a strong training opportunity for nations worldwide as three of the six major maritime chokepoints in the world are here: the Suez Canal, the Strait of Bab Al Mandeb and the Strait of Hormuz," Donegan said.

U.S. Secretary of State John Kerry had praised security cooperation with Bahrain on Thursday during a visit to the Gulf monarchy calling it a "critical security partner".

U.S. President Barack Obama will attend a summit in Riyadh on April 21 with the Gulf Cooperation Council states - Saudi Arabia, Kuwait, the United Arab Emirates, Qatar, Oman and Bahrain - on Iran's role in the region.

Source: [Channel News Asia](#), 10 April 2016.

Royal Navy welcomes its new First Sea Lord during ceremony on HMS Victory

Post Mouth News Press

Admiral Sir Philip Jones took over from Admiral Sir George Zambellas as the First Sea Lord during a ceremony aboard the world's oldest commissioned warship, HMS Victory. He is now in charge of more than 30,000 sailors and will oversee Britain's largest warship HMS Queen Elizabeth coming into service.

Admiral Jones said: 'We owe Sir George a huge debt of gratitude; through this vision and leadership, the Royal Navy's credibility has been strengthened immeasurably, and with it our self-belief; it is a legacy that will stand the test of time.

'In these uncertain times, the Royal Navy continues to protect our Nation's interests at home and around the world.

'In the years ahead, the introduction of the two new aircraft carriers, the largest warships in our history, will change entirely how the Royal Navy operates.

'Our sailors and Marines are the best in the world, and I intend to keep it that way.'

'With the support of our civil servants and our families, I will use all my energy and experience to lead them to success. Together, we will make the most of our opportunities, and address our challenges head-on, as we ready ourselves for this exciting new era of British maritime power.'

The ceremony was also attended by the head of the US Navy, Admiral John Richardson, and US Coast Guard, Admiral Paul Zukunft, and France's Senior Naval officer, Admiral Bernard Rogel.

Admiral Zambellas joined the Royal Navy in September 1980 and served as a Sea King pilot before commanding three warships, including HMS Chatham which saw action during operations in Sierra Leone.

As First Sea Lord he has overseen the ongoing programme to deliver the Queen Elizabeth-class aircraft carriers.

As his flag was lowered onboard HMS Victory, Admiral Zambellas said: 'It has been an enormous honour to lead the Royal Navy.'

'The Senior Service has always played an important role in the UK's defence and security. Now it has a leading role. This strategic responsibility will be delivered because the navy is full of brilliant people – sailors, marines, civilians, and their supportive families.'

'They have a fantastic future ahead of them, as they grow their Navy's capability and ambition. If I could, I'd join them all over again.'

Admiral Jones joined the Navy in 1978, saw action in the Falklands Conflict aboard HMS Fearless and commanded the frigates HMS Beaver and HMS Coventry.

Source: [The News](#), 11 April 2016.

US, South Korea Begin Joint Naval Exercises Along Southern Coast Of Korean Peninsula

Vishaka Sonawane

The United States and South Korea began a joint naval exercise Monday along the southern coast of the Korean Peninsula, Yonhap reported. The two countries will carry out the drills for 11 days in a bid to improve their combined readiness to conduct search and rescue operations, and other underwater missions, the report added.

While Seoul will conduct the naval exercises with Tongyeong, A 3,500-ton rescue vessel, along with 12 personnel from its specialized ship salvage unit, Washington has brought in the 3,300-ton rescue ship USNS Safeguard, along with 15 naval diving and salvage rescue swimmers, according to Yonhap.

The two countries will reportedly perform deep-sea diving and destruction of underwater obstacles to step up their combined capability for rescue missions during both peacetime and times of war. The joint drill is expected to finish April 21.

The exercises come at a time of heightened tensions in the Korean Peninsula, with North Korea threatening to carry out more nuclear tests. The U.S. and South Korea are in talks over deploying the Terminal High Altitude Area Defense (THAAD) missile systems in the Korean Peninsula.

Lt. Gen. David Mann, commanding general of the U.S. Army Space and Missile Defense Command, told Defense News last month that THAAD “would obviously be a huge increase in capability, really proving more of a layered missile defense there on the peninsula. ... It’s very, very important that we clarify that that radar, that system, is not looking at China. That system is oriented, if the decision is made to deploy it, that system would be oriented on North Korea.”

China has constantly opposed deployment of THAAD, saying the system could be used to monitor its missile launches as far inland as Xian in the northwest. Seoul, which has

substantial trade with the world's second-largest economy, previously denied any formal discussion about the installation of THAAD.

Source: [Ibi Times](#), 4 April 2016



Brexit Would Hurt UK's Shipping Industry

Reuters

If Britain votes to leave the European Union, the country's shipping sector faces years of disruption as trade agreements get reworked and currency volatility leads to higher costs at a time when the industry is battling its worst global downturn.

Shipping contributes some 10 billion pounds (\$14.2 billion) annually to the UK economy and directly employs 240,000 people in multiple areas including maritime services such as ports, transportation, as well as ship broking and marine insurance.

As several shipping segments struggle with worsening market conditions due to global economic uncertainty, a Chinese slowdown and a surplus of ships for hire, alarms are sounding over whether Britain will quit the EU in a June 23 referendum.

Renegotiating trade agreements with individual EU countries as well as the EU itself could take years following Brexit, which would also add to the burden on companies.

"No one has left the European Union before, and the EU may seek to 'punish' the UK for leaving, in order to discourage others from leaving too. The Brexit negotiations are unlikely to be quick or easy," said Guy Platten, chief executive of the UK Chamber of Shipping trade association.

"If it is lengthy, with tariffs and other penalties built in, then the consequences could be profoundly negative."

John Nelson, chairman of the Lloyd's of London insurance market, said it was "fantasy" to expect bilateral negotiations to be simple.

"It would be impossible to do that except over many, many years," Nelson told Reuters. Legal experts said there were also likely to be complications over commercial paperwork.

"If existing contracts are drafted in a way that presumes the existence of an EU containing the UK, or makes a reference to the EU without specifically defining what that is, such contracts may give rise to disputes as to the meaning or ambit of the contract," law firm Ince & Co said in a note.

Potential currency turmoil could also hit port operators given that over 40 percent of overall shipping traffic passing through terminals in Britain is with EU countries.

"The exchange rate could have some impact on trade and therefore on the volumes handled by the UK ports," said Joanna Fic, senior analyst with ratings agency Moody's.

"If sterling weakens, imports become more expensive. Given imports account for a larger chunk of movement of goods through UK ports, you could see some implications for domestic demand."

Leading operators Associated British Ports and Peel Ports declined to comment. Scotland's Forth Ports said it would "work within the outcome of the referendum", declining further comment.

SINGLE MARKET

Britain's Transport Minister Robert Goodwill told Reuters the shipping industry had benefited from the EU's single market, which had brought fairer competition between shipping firms operating in Europe, cut costs for freight shippers and removed customs duties for UK shippers trading within the bloc.

That view was echoed by the City of London Corporation, which runs the only global financial centre to rival New York and last month formally backed Britain staying in the EU.

"At a time of increasing competition in shipping markets, we want businesses in the UK to be able to keep their eyes strictly on doing business and not worrying about what ifs and a level of uncertainty," said Jeffrey Evans, lord mayor of the City of London and a senior director with ship broker Clarksons.

Britain ranked in the top 10 of global ship-owning countries as of January 2015, according to the latest report by U.N. trade and economic think tank UNCTAD. The UK accounted for nearly 3 percent of the world total or just over 48 million deadweight tonnes, versus over 16 percent or 279 million dwt held by Greece, the No.1 ship-owning nation, the UNCTAD report showed.

Danish shipping company DFDS, which has active business operations with the UK, said it was better for Britain to stay in the EU given the potential impact on the wider bloc.

"We are concerned that Brexit will bring about a prolonged period of uncertainty which could in itself be negative for investments, trade and growth," DFDS Chief Executive Niels Smedegaard said.

Source: [Maritime Executive](#), 5 April 2016.

Singapore: MPA Extends Further Support to Shipping Industry with 10 Per Cent Port Dues Concession for Bulk Carriers

Port News Press

In view of the current downturn in the shipping industry, the Maritime and Port Authority of Singapore (MPA) will grant, with effect from 15 April 2016, a 10 per cent concession on port dues for bulk carriers. This concession will be applicable if the vessels are carrying out cargo works with a port stay of not more than five days and will be in place for one year.

This latest move follows MPA's announcement in January of an additional 10 per cent concession on port dues granted to container vessels that carry out cargo works with a port stay of not more than five days. The concession was on top of existing port dues concessions such as the Green Port Programme incentives and the 20 per cent concession first introduced in 1996.

Taken together with the existing concessions including those granted to offshore support vessels and container vessels, these concessions are expected to yield S\$18 million in savings for shipping companies over one year.

The roll out of these measures demonstrates Singapore's commitment to help the maritime sector through this challenging time, and its importance in contributing to our economy and creating good jobs for Singaporeans. MPA will continue to work closely with our industry partners and stakeholders to support the long-term development of Maritime Singapore.

Source: [Hellenic Shipping News](#), 6 April 2016.

37th SAARC Council of Ministers Meeting: Bangladesh Takes the Lead on Blue Economy

G. padmaja

The 37th Session of the SAARC Council of Ministers (COM) Meeting was held at Pokhara in Nepal on 17 March 2016. It carries great significance as this is the highest SAARC level meeting to take place before the 19th SAARC Summit is held in Pakistan on 9-10 November 2016. The members spoke on – regional trade and economic integration; traditional and non-traditional security challenges; terrorism; education and SAARC knowledge network; culture; climate change, natural disasters and disaster management; SAARC satellite; energy; connectivity; motor vehicles agreement; agriculture; poverty alleviation; tourism; science and technology and many other issues

of concern to the region. But with regard to Blue Economy, Bangladesh took the lead. It circulated a concept note on Blue Economy and said that once it receives the views of member states, it will host an expert-level meeting in order to shape the Blue Economy discourse within the SAARC region.

The concept of Blue Economy was first spelt out in 2010. Later since 2012, it has been discussed in the United Nations and other forums. Most of the SAARC countries have discussed Blue Economy as part of their national economic agendas and in the international forums. But, at the regional level in the SAARC platform it is yet to gain the urgency and importance which it deserves though the 18th SAARC Summit Declaration makes a mention about it.

The paper tries to understand this duality. It observes that the limited success of SAARC; the pre-occupation with other SAARC issues; inherent trust deficit in the region; not all member countries having access to sea; the persistence of maritime disputes among some of the members – has prevented SAARC from actively discussing it to develop a regional approach. The paper argues that these obstacles are surmountable. Since Blue Economy is already part of the national discourse of some of the members, these can be transposed onto the regional SAARC platform and all can benefit from the combined knowledge pool; secondly, since it is Bangladesh and not India which is taking the lead, the veil of suspicion generally associated with India will not be there; third, the landlocked SAARC countries should be convinced that the benefits of Blue Economy will percolate to them too; and lastly, it is seen that at the core of the concept of Blue Economy is ‘sustainable development’ which is inclusive, people centric and has been on the SAARC agenda since a long time. This now needs to be implanted on the template of Blue Economy.

In the above context the paper briefly looks at the concept of Blue Economy; the 37th Session of SAARC Council of Ministers; and mechanisms to make Blue Economy part of the SAARC Agenda.

Blue Economy: The Concept

The Prime Minister of Nepal K P Oli, inaugurating the 37th Session of SAARC Council of Ministers said that, the two ‘enemies’ of South Asia are poverty and backwardness. Blue economy addresses this very challenge of poverty alleviation through sustainable use of resources of the ocean, including humankind’s common heritage of the high seas. It rests on the belief that oceans and its resources can lead to growth; and in this context coastal regions of countries and island nations should get maximum benefit of their marine resources.

At the core of Blue Economy is that sustainable development and utilisation of the vast ocean resources should be such that there is realisation of greater revenue in a manner which contributes to eradicating poverty, leads to sustained economic growth, enhances social inclusion, improves human welfare, creates opportunities for employment and decent work for all while maintaining healthy functioning of the Oceans eco system.

The Abu Dhabi Declaration of January 2014 on Blue Economy - highlighted the contribution of Fisheries in providing food security and sustainable livelihoods; tourism as a source of decent employment and contribution to poverty alleviation; Ocean as a source of renewable energy from wind, wave, tidal, thermal and biomass sources; Ocean as a source of hydrocarbon and mineral resources and; Ocean as the primary medium of global trade through shipping and port facilities. Thus Blue Economy brings with it opportunities in the Shipping and Port Facilities; Fisheries; Tourism; Aquaculture; Energy; Biotechnology; and submarine mining.

This paper argues that once the above benefits are tapped by coastal and island member countries of SAARC, the landlocked countries too would benefit from Blue Economy. They too would get access to better port and shipping facilities; the fish resources accessed would avail to them too contributing to their food security ; and new sources of hydrocarbons would contribute to their energy security too. Thus, it would be a win-win situation for all the member countries.

Blue Economy & 37th SAARC COM Meeting

The 37th Session of SAARC COM Meeting was preceded by the 52nd session of the Programming Committee of SAARC at the level of Director General that took place from 14-15 March 2016; and the 42nd Standing Committee of SAARC held at the level of Foreign Secretaries that took place on 16 March 2016. All these meetings held at Pokhara in Nepal took stock of the working of SAARC with regard to decisions arrived at the 18th SAARC Summit and during other SAARC meetings. Thus, it was termed as SAARC Inter-Summit Session, as the next important SAARC meeting would be in November 2016 when the 19th SAARC Summit would be held in Pakistan.

The 18th SAARC Summit Declaration, spelling out the regions view on Blue Economy stated, “They (the member countries) recognized the manifold contributions of ocean-based Blue Economy in the SAARC Region and the need for collaboration and partnership in this area.” However, since then no major follow up at the regional level has been reported, though individually member countries have discussed and debated it. In the meetings held in Pokhara in March 2016, presentations made by various officials spoke of climate change and oceans but did not mention Blue Economy in a prominent manner, with the exception of Bangladesh.

The Bangladesh Foreign Minister, Abul Hassan Mahmood Ali said,

“The maritime resources hold huge potential for our development. There is much to benefit through collaborative exploration of the living and non-living marine resources in the Indian Ocean. The ocean resources based Blue Economy can play a critical role for poverty alleviation and sustainable development of the SAARC region. We should collaborate on development of capacities, partnerships and research in utilizing our marine resources. Our common undertakings must secure protection, development and exploration of seas and oceans in a sustainable manner. I am glad that Bangladesh has circulated a concept note on ‘Blue Economy’. Once we receive the views of the Member States, we would like to host an

expert-level meeting in order to shape the Blue Economy discourse within the SAARC region”.

Even at the 18th SAARC Summit, Prime Minister Sheikh Hasina had echoed similar thoughts and urged that the new Global Development Agenda requires the member countries to focus on the fourth frontier – The Indian Ocean.

India’s External Affairs Minister, Sushma Swaraj and India’s Foreign Secretary Jaishankar, in their respective presentations, brought out India’s contribution regarding connectivity with reference to rail and road building, power generation and transmission, waterway usage and shipping through regional, sub-regional, trilateral and bilateral arrangements; integration especially financial integration, the SAARC Annual Disaster Management Exercise (SADMEX), the SAARC Regional Supra-Reference Laboratory for TB and HIV, the Satellite for SAARC; the SAARC Knowledge Network; the SAARC Business travellers Card; need for collaboration on security and other issues. However, there was no specific mention of Blue Economy.

National Debates on Blue Economy

Interestingly, in the last two years discussion on Blue Economy has acquired a prominent place in debates in most SAARC member countries. Bangladesh has actively initiated debates following the resolution of its maritime boundary dispute with India in 2014 and Myanmar in 2012. It now has sovereign authority over 118,000 sq km area in the Bay of Bengal, and refers to it as its third neighbour. Bangladesh hosted a major conference in Dhaka in September 2014 and proposed a ‘Bay of Bengal Partnership for Blue Economy’ for the sustainable development of the sea-based resources.

India in the past year has spoken of Blue Economy more as part of its vision for the Indian Ocean commonly known by its acronym – SAGAR (Security and Growth for All in the Region). On 12 March 2015, Prime Minister Narendra Modi while speaking in Mauritius for the first time about SAGAR said that the littoral countries of the Indian Ocean need to promote greater collaboration in trade, tourism and investment;

infrastructure development; marine science and technology; sustainable fisheries; protection of marine environment; and overall development of ocean or blue economy. He stressed the importance of Indian Ocean Rim Association (IORA) in pursuing the goal of blue economy.

Most recently, in his public address on 7 February 2016 on the occasion of the International Fleet Review at Visakhapatnam, Prime Minister Modi stated that Blue Economy would be one of the instruments for transforming India and stated that a special programme of skilling India's youth in the coastal areas of the country will be implemented.

Maldives and Sri Lanka, the two island member countries of SAARC have persistently highlighted the challenges of climate change, the importance of sustainable development and the role of Blue Economy in their development agendas in both national and international forums.

Conclusion

The paper has highlighted the manner in which Blue Economy addresses the SAARC regions twin challenge of poverty and backwardness. Since most of the member countries have made Blue Economy part of their national discourse, they need to now transpose it in a regional approach in SAARC. At one level Blue Economy is knowledge, skill and capital intensive. The regional approach would facilitate cutting costs since all the member countries need not duplicate efforts. The paper has also highlighted the manner in which Blue Economy can contribute to the economies of landlocked member nations. All the member countries therefore should constructively respond to Bangladesh's concept paper on Blue Economy. These efforts should then be part of the discussions which will take place in the 19th SAARC Summit in November 2016 in Pakistan.

Source: [National Maritime Foundation](#), 7 April 2016.

Indian concerns over Colombo Port City project addressed: Sri Lanka

Press Trust of India

Ruling out chances of an India-China clash to gain control of the Indian Ocean, Sri Lankan Prime Minister Ranil Wickremesinghe on Saturday said that his government has addressed New Delhi's security concerns over the newly-modified \$1.5 billion Colombo Port City project.

"There is no question of security problem. The Indian security issues have been addressed by us. There will be further discussions with India" on this, Wickremesinghe told the media here wrapping up his four-day visit — during which he held talks with Chinese President Xi Jinping and Premier Li Keqiang.

"We have discussed with India also. We are prepared to discuss it further," he said answering a volley of questions about the \$8 billion Chinese investments, including the Port City project made during former Lankan President Mahinda Rajapaksa's regime — which sparked off security concerns in India.

In a politically significant statement, Wickremesinghe said he has embarked on his China visit after holding talks with Rajapaksa and former president Chandrika Kumaratunga to build consensus.

"I had discussion with Rajapaksa few days ago we came. We briefed him on issue we were going to discuss in China. He was for it. Also discussed with Kumaratunga. Because we want to build consensus on long-term arrangement with China," he said.

About the likelihood of Chinese military presence in Lanka, he said: "Chinese have not asked for any military base in Sri Lanka."

"We are going to have further military co-operation by training. They offered offshore patrol vessel," he said, adding that India is also building two for Sri Lanka.

About the likelihood of an India-China clash in the Indian Ocean, Wickremesinghe said the ocean should be governed by law of the sea principles with freedom of navigation.

"Sri Lanka is committed to freedom of navigation in the Indian Ocean," he said.

"India has naval presence as part of anti-piracy operation. China is also setting up base in Djibouti. Many countries are setting up bases. But that is part of UN agreement on anti-piracy operation," he said.

"As it stands now, we cannot see a major clash or a threat taking place in the Indian Ocean because the Chinese military presence is one that is connected with the anti-piracy operations," Wickremesinghe said.

There are many navies that are operating in the Indian Ocean, including the US which has bases, he said.

He also said that the \$1.5 billion Port City project, which was halted for over a year by his government, had been changed with several key factors altered.

The deal was entered during Rajapaksa regime.

"Port city and megapolis is not a threat to anyone. It is an opportunity to make everyone money," he said.

"As far as Sri Lanka is concerned we are the oldest state in SAARC (South Asian Association for Regional Cooperation). We are friendly with everyone. We have decided and taken step that any of our SAARC neighbors are not threatened in anyway," he added.

On Sri Lanka backing China's Maritime Silk Road project, which is not endorsed by India over apprehensions of Chinese domination in the Indian Ocean, he said: "Our

policy is to make Sri Lanka as the hub of the Indian Ocean. We can accommodate one belt and one road (Silk Road) and Make in India both."

About the Chinese project, he said "we found many shortcomings in many of the (foreign funded) projects but we did not reject them. We modified and corrected them. We have gone ahead. One is the port city".

His government has changed ownership of the contract with the state-owned Chinese firm to build the 583-acre city on reclaimed land.

Under the previous contract, the Chinese company was due to get 20 hectares of land on freehold basis, which has been changed into 99 years lease.

"Now the government in Sri Lanka like government in China does not believe in transferring freehold land. But we will give 99 year lease," he said.

Also, the Port City will be turned into a financial and business hub in the Indian Ocean.

"We selected port city to be the location. So from land filled real estate is becoming a financial hub," he said.

On the \$125 million compensation demanded by the Chinese firm for one year, he said now that the project has been made a financial hub, the company may have to pay money to Sri Lanka, but did not elaborate.

"We can talk and settle. There is not too much of a problem," he said.

About plans of turning \$8 billion Chinese debt into equity, he said in order to reduce the debt burden, the Sri Lankan government is in talks with China to invite its companies to take part of the equity in Lanka's state-owned firms.

He said he is in talks with Andhra Pradesh Chief Minister Chandrababu Naidu for cooperation between Sri Lankan ports and Visakhapatnam port. Once the planned Economic and Technology agreement with India comes into effect, the cooperation will be finalised, he said.

"The Chinese are already investing in some parts of Andhra Pradesh. We will be linked up with Mumbai. So there will be connectivity," he said.

About speculation that Sri Lanka will hand over the Hambantota port project to China, he said Hambantota development is not a Chinese but a Sri Lankan development.

"Anyone can come and develop in the areas," he said. "As far as the operations of the port and airport are concerned, state will be regulator and there will be separate independent operators. We will have a stake in operations both in operations in the airport and in the Hambantota harbour."

He said that the Sri Lankan Navy will shift its base from Galle to Hambantota. "India itself is interested in developing more harbours" in Sri Lanka, he said.

Source: [Business Standard](#), 9 April 2016.

India to invest \$20 billion in Iran's Chabahar Port Development

Indo-Asian news Service

India is ready to invest \$20 billion in the development of Iran's Chabahar port and has requested it to allocate adequate land in the Chabahar Special Economic Zone (SEZ), state-run Oil and Natural Gas Corp (ONGC) said in a statement on Sunday.

India's intent to invest was made by Petroleum Minister Dharmendra Pradhan at a meeting with his Iranian counterpart Bijan Zangeneh in Tehran on Saturday.

“Pradhan conveyed to the Iranian side that Indian companies could invest upto \$20 billion and were interested in setting up petrochemical and fertiliser plants, including in the Chabahar SEZ, either through joint venture between Indian and Iranian public sector companies or with private sector partners,” the statement said.

“In this regard, he requested Iran to allocate appropriate and adequate land in the SEZ. He also expressed India’s interest in setting up a LNG plant and a gas cracker in the Chabahar port,” it said.

“He also requested the Iranian side for favourable treatment in the pricing of gas for India and also supply of rich gas at competitive price and on long term basis for the life of the joint venture projects that Indian companies are interested in setting up,” it added.

In May 2014, India and Iran signed an MoU to jointly develop the port once the international sanctions against Iran were lifted.

Chabahar is located in the Gulf of Oman on the border with Pakistan, and Iran plans to turn it into a transit hub for immediate access to markets in the northern part of the Indian Ocean and Central Asia.

The statement said Pradhan also expressed India’s interest in importing LPG from Iran and said that companies from both sides could, if required, discuss setting up an extraction plant in Chabahar.

On the final day of his two-day visit to Iran on Sunday, the first visit by an Indian minister to the country since sanctions against it were lifted earlier this year, Pradhan and his delegation visited the Chabahar free trade zone and port and discussed the facilities and incentives which could be offered to Indian companies, it added.

Source: [Hindustan Times](#), 10 April 2016.

America's Expectation versus India's Expediency: India as a Regional 'Net Security provider'

Gurpreet S Khurana

During the 'Raisina Dialogue' held in March 2016 at New Delhi, Admiral Harry Harris, the Commander of United States (US) Pacific Command (CINCPAC) referred to the first ever tri-lateral (Australia, Japan and India) 1 ministerial discussions held in September 2015, which had addressed "maritime security – including freedom of navigation patrols", and proposed "expanding this tri-lateral to a quadrilateral venue", also involving the US.² Later, while addressing questions, the crux of his message was that the high level of 'inter-operability' achieved during complex IndiaUS Malabar exercises should not be an end in itself, but translated into "coordinated operations".³ The US Admiral thus prodded India – albeit implicitly – to undertake 'coordinated freedom of navigation patrols' in the South China Sea (SCS). Evidently, such patrols could be used to restrain China's growing military assertiveness in the SCS, and the process of legal norm-building in its favour in the maritime-territorial disputes with the other littoral countries of the SCS.

India has consistently upheld the US position in terms of being non-party to the SCS disputes, dispute-resolution through the well-established norms of international law, and freedom of navigation in international waters, including in the SCS. Nonetheless, the Indian Defence Minister Mr Manohar Parrikar lost little time to clarify India's position, saying that "As of now, India has never taken part in any joint patrol; we only do joint exercises. The question of joint patrol does not arise."

The case indicates an 'apparent' mismatch between the US expectation from India, and what New Delhi is willing to deliver to its 'strategic partner'. This could be contextualized and explained through analytical insight into the salient policy

pronouncements from either side. The most instructive among these are those articulating India's role as a 'net security provider' in Asia. This essay aims to analyse such role to understand the 'aberration' in the otherwise healthy trajectory of IndiaUS strategic relationship contemporary times, thereby enabling a better comprehension of the Indian perspective, and its compelling strategic and foreign policy considerations.

America's Articulation

The 'net security provider' concept emerged during the 2009 'Shangri La Dialogue', when the then US Secretary of Defence Mr Robert Gates stated,

“When it comes to India, we have seen a watershed in our relations – cooperation that would have been unthinkable in the recent past... In coming years, we look to India to be a partner and net provider of security in the Indian Ocean and beyond.”

This sentiment of the USA was thereafter reiterated on various occasions – both formally and otherwise – including in the 2010 US 'Quadrennial Defense Review' (QDR). The statement in QDR-10 predicted,

“India's military capabilities are rapidly improving through increased defense acquisitions, and they now include long-range maritime surveillance, maritime interdiction and patrolling, air interdiction, and strategic airlift. India has already established its worldwide military influence through counterpiracy, peacekeeping, humanitarian assistance, and disaster relief efforts. As its military capabilities grow, India will contribute to Asia as a net provider of security in the Indian Ocean and beyond.

India's Articulation

The Indian political leadership and policymakers clearly supported the proposed role for India in principle. Addressing the top brass of the Indian Navy and the Defence Ministry in 2011, the then Indian Defence Minister Mr AK Antony emphatically assured India's

maritime neighbours of an “unstinted support for their security and economic prosperity”, and stated the Indian Navy has been:

“mandated to be a net security provider to island nations in the Indian Ocean Region... most of the major international shipping lanes are located along our island territories. This bestows on us the ability to be a potent and stabilising force in the region”.

More recently, in 2013, the then Prime Minister of India, Dr Manmohan Singh said, “We have...sought to assume our responsibility for stability in the Indian Ocean Region. We are well positioned... to become a net provider of security in our immediate region and beyond.”

These seminal articulations represent a valuable take-off point for the analysis on India’s projected role as a ‘Net Security Provider’, which – for the sake of objectivity – is divided into three parts, with each one analysing a specific fact of India’s broader national-strategic imperative for it to fulfil such role. These aspects are Geographical Area; Capacity and Capability; and Cultural Ethos.

Geographical Area

Primary Area of Interest

Notably, by virtue of its geographic location and peninsular disposition, India’s most critical national interests are closely connected with events in the Indian Ocean, broadly in its northern part; and more specifically in the areas categorized in the Indian Maritime-Security Strategy, 2015 (IMSS-15) as the ‘primary areas of maritime interest’.

In nearly all articulations on India’s role as a ‘net security provider’ – both Indian and American – whereas the ‘Indian Ocean’ is the ‘common thread’, the phrase “...and beyond” has never been specifically defined. Arguably, the phrase would refer more accurately to the Persian Gulf or Red Sea that are India’s ‘primary areas of maritime interest’, rather than the SCS that – notwithstanding India’s increasing economic and

strategic stakes here – is the ‘secondary area of maritime interest’. (Such classification does not, however, undermine the criticality of the SCS for India’s vital interests). In this context, India’s Professor Mahapatra aptly enquires:

“If India and the U.S. have not contemplated similar kind of patrol in Indian Ocean, what could justify India and U.S. patrolling waters of South China Sea?”

Geo-Strategic Frontiers

As a related though distinct concept of ‘Geo-Strategic Frontiers’ is also relevant here. As part of a country’s military-strategic calculus, it refers to the geographical boundaries necessary for it to achieve ‘strategic depth’ against a potential State adversary. The recent analyses by American analysts such as the one by Professor James Holmes on ‘Get Ready, India: China’s Navy is Pushing West’¹¹ (towards the Indian Ocean) is indeed instructive for India, and adds to the trends that were noted and analysed in India beginning nearly a decade ago.¹² However, it is unlikely that India would need to extend its strategic depth vis-à-vis China eastwards beyond the Southeast Asian straits. Notably, these maritime choke-points constitute a major strategic challenge for the PLA Navy itself.

The ‘Geo-Strategic Frontiers’ of a country are also contingent upon the ‘capacity’ and ‘capability’ its own and friendly military forces to be able to influence events in the area within the said frontiers. This aspect is addressed below.

In 2012, the IDSA undertook a study on Out of Area Contingency (OOAC) missions by Indian armed forces. The study deduced that:

“the reach of current air and sealift capabilities means that, realistically speaking, India can conduct OOAC operations only within the Indian Ocean region (IOR).”

Even while India's strategic sealift and airlift capacities are being augmented, the aforesaid finding of the study is likely to remain valid in the foreseeable future. The same is true for India's ability for other forms of maritime power projection.

The new Indian Maritime Security Strategy (IMSS-15) aptly emphasises on the term 'net security', rather than 'net provider (of security)'. Further, it pegs India's role as a 'net security provider' to the question of 'capability'. Accordingly, it defines the term 'net security' as:

“a state of actual security available in an area, upon balancing prevailing threats, inherent risks and rising challenges in a maritime environment, against the ability to monitor, contain and counter all of these.”

The analysis of IMMS-15 clearly indicates that the Indian Navy seeks to contribute to maritime security and stability in its primary and secondary areas of interest, broadly constituting the entire swath of the Indo-Pacific region. For doing so, it is not only developing its own capabilities for distant operations, but is also providing 'capacity building' and 'capability enhancement' assistance to friendly countries of the region. However, since the November 2008 seaborne terrorist attacks against Mumbai, the sub-conventional threats to India's coastal and offshore security will continue to pose major challenges for the Navy to deftly balance its force accretion and modernisation between the two competing imperatives of 'blue water' and 'brown water' operations.

Cultural Ethos

As stated above, IMSS-15 dwells upon India's regional role as a “provider of net security” rather than a 'net provider of security'. Ostensibly, an additional aim is to dispel any notion that India seeks to act as a hegemonic power or a 'policeman' in the region. Such intent flows from India's cultural ethos and is closely linked to its evolution as a modern nation-State.

Another facet of cultural ethos is the pride that Indians identify themselves with based on their civilizational genesis, something more profound and deep-seated than the concept of 'nationalism'. Together with the afore-mentioned non-hegemonic stance, this facet manifests in India's long-standing policy of not involving itself in coalition military operations, except those mandated by the United Nations. This policy also manifests in the operational domain. Unless operating under the UN flag, Indian military forces are averse to undertaking 'joint' operations (like joint patrols), since such operations would involve placing Indian forces under foreign Command and Control (C2). The Indian Defence Minister's negation of the possibility of 'joint (naval) patrols' may be seen in this context.

Notwithstanding, the statement by the US CINCPAC at the Raisina Dialogue deserves more attention than it has received. He proposed turning India-US "joint (naval) exercises" into "coordinated (naval) operations". His preference for the term 'coordinated' rather than 'joint' is noteworthy. While in common English parlance, the two terms may be considered synonymous, the difference is significant in 'operational' terms. Whereas a 'joint' operation involves a unified C2 of military forces, in a 'coordinated' operation, the forces maintain their respective national C2 structures. In the past, the Indian Navy has indeed undertaken 'coordinated' operations with the US Navy on various occasions. The examples are the 2002 Escort Mission of US High-Value ships in the Malacca Straits and the 2004-05 Humanitarian Assistance and Disaster Relief (HADR) mission in the aftermath the Indian Ocean Tsunami. Even during the more recent anti-piracy mission in the Gulf of Aden involving escort of merchant vessels, the Indian Navy coordinated its operations with the US-led coalition naval forces, as well as with the other navies deployed for the mission. The notable commonality among these operations, however, was that these were all conducted in the Indian Ocean (or its contiguous straits).

Concluding Remarks

The subtext of the US-India Joint Statement of January 2015 on “our diversified bilateral strategic partnership”¹⁷ clearly indicates the broader strategic convergence and the fact that India needs the strategic partnership of America as much as the other way around. However, occasional dissonance in the bilateral relationship cannot be ignored. Notwithstanding the diplomatic ‘refrain’ as a natural occurrence between two major democracies, the dissonance cannot be slighted, particularly in the light of the emerging regional security environment. Also, the discord may does not lie in Indian’s longstanding foreign policy tenet of ‘Strategic Autonomy’ (or ‘NonAlignment 2.0’), as it is usually touted to be. As in case of a few other facets of the bilateral relationship, the occasional discord mostly manifests at the functional level. In context of India-US military strategic cooperation in the Indo-Pacific region, the aberrations at this level could be addressed by bridging national policymaking with strategy formulation of the military forces.

Given the ‘overstretch’ of America’s maritime-military resources, and its increasing contribution to the Indian Navy’s ‘capacity building’ and ‘capability enhancement’ over the years, its expectation for India to provide for regional security and stability in the maritime-configured Indo-Pacific region is not misplaced. At the operational level too, the US expectation for India to convert ‘joint’ naval exercises into ‘coordinated’ operations may be justifiable. However, it seems that India’s broader strategic imperatives in terms of the three key facets of Geographical Area, Capacity and Capability, and Cultural Ethos are not in consonance with such expectations, at least not yet.

Source: [National Maritime Foundation](#),

All-women team of Indian Navy scales Pindari glacier

IANS

An all-women team of the Indian Navy has completed a high altitude trek to Pindari Glacier at a height of 3,353 metres, thereby opening an alternate route, after the original route was damaged in the Uttarakhand floods of 2013. An official statement from the Indian Navy on Tuesday said the team led by Cdr Priya Khurana comprised 24 women officers. The trek that started on March 24, concluded on April 2.

The aim was to introduce the women officers to the extreme adventure sport of mountaineering.

"The team had to face treacherous terrain of gravel and boulders and snow blocks thereby making personnel movement a difficult task," said the statement.

A total of six landslide zones were encountered enroute.

With the original trek route being damaged in the 2013 floods in Uttarakhand, the team opened an alternate route along the Pindari river to reach its destination.

The team started its descent on March 30, reaching Loharkhet on March 31, and Delhi on April 2.

Source: [Zee News](#), 6 April 2016.

Expanding US-Japan-India Cooperation in the Indian Ocean

Jessie Daniels

One of the focus areas within the growing trilateral cooperation between the United States, Japan and India is the Indian Ocean.

Covering one-fifth of the water on the Earth's surface, the Indian Ocean generates vital long-term trade flows and energy interests, particularly for Asia. However, tensions between China and India in their waters are increasing as New Delhi grows concerned about the expansion of PLA Navy submarine deployments in what it considers its backyard.

These Chinese submarine deployments have ramped up since a 2013 Indian Defense Ministry report warned that they constituted a "grave threat." In the past three years, developments like the docking of Chinese submarines in Colombo and Karachi and Air Independent Propulsion technology upgrades to the *Yuan*-class of submarines have sparked continued questions about China's ulterior motives in the Indian Ocean. Despite China's claims that its submarine deployments are part of its counter-piracy missions, many of its actions suggest a desire to establish an expanded undersea presence in the Indian Ocean.

India, in turn, is responding with a stronger hand in the space, emerging from its so-called "maritime blindness" with hopes of being more than just a continental power. On a trip to the Seychelles and Mauritius in March 2015, prime minister Narendra Modi fashioned a far-reaching vision for the space, in which he put the Indian Ocean at "the top of our [India's] policy priorities" and promised to defend India's maritime interests. They were not empty words; as of last summer, India plans to spend at least \$61 billion in the next 12 years expanding its navy. In addition to adding 100 new warships to its current 137-ship fleet, India is focusing on the undersea domain, building its first anti-submarine force. Notably, the Indian Navy also plans to add six nuclear ballistic missile submarines.

Modi also promised to bolster maritime security cooperation, and the United States and Japan are working with India to do so. Last year, U.S. president Barack Obama became the first American president to attend India's Republic Day parade. The visit led to the US-India Joint Strategic Vision for the Asia Pacific and Indian Ocean Region as well as a new U.S.-India Defense Framework, signed six months later. The agreement expanded defense cooperation and sent a very strong signal that the two countries want to work together and achieve a vision in the maritime space, according to a senior U.S. defense official. In addition, recent reports suggest that Japan and India will sign a defense pact that may include cooperation on maritime surveillance.

Japan also became a permanent member of the annual U.S.-India Malabar exercises in the Bay of Bengal last year for the first time in eight years, during which the three countries conducted anti-submarine warfare exercises. Furthermore, the U.S. military recently announced that it will hold joint naval exercises with Japan and India off the northern Philippines, near the South China Sea.

In addition, trilateral cooperation could extend into the technology realm. At the annual U.S.-Japan Security Seminar organized by the Center for Strategic and International Studies and the Japan Institute for International Affairs in Washington last month, Vice Admiral Umio Otsuka, the president of the Japanese Maritime Self Defense Force Command and Staff College, noted that China's increasing undersea presence increases the need for more intelligence, surveillance, and reconnaissance to better monitor China's intentions.

India, already reliant on the United States for technology for its warships, could also work with Washington "to explore technologies that can augment India's next-generation submarine fleet," as a recent CSIS report suggests. Japan also has extensive experience in the field of robotics that could prove crucial, especially if unmanned underwater vehicles—an underexplored area, according to retired Admiral Gary Roughead—come increasingly into play in the Indian Ocean.

Technological advances will add a new dynamic to the undersea environment, and the United States, Japan and India will need to think about how to deal with the new

instabilities that can arise in that domain. This means it will be even more important to fashion an updated regional security architecture in the Indo-Pacific. As the trilateral relationship strengthens, it could also look at ways to effectively manage the space, including incorporating other countries in the region into such a framework.

There will likely be rough waters ahead. Expanding undersea operations, complicated by a nuclear deterrent, put the region in a strategic flux that is unlikely to diminish in the near-term. But the way in which India is integrated into the larger Indo-Pacific picture is crucial. Done right, it will go a long way toward stabilizing the Indian Ocean Region and it may also tell us something about how far the three countries can extend their reach.

Source: [The Diplomat](#), 8 April 2016.

Philippines gets U.S. military aid boost amid South China Sea dispute

Nick Macfie

The United States has allocated more than \$120 million in military aid to the Philippines this year, the biggest in about 15 years, a senior Filipino diplomat said on Friday, amid rising tension with China over the disputed South China Sea.

Jose Cuisia, Manila's ambassador to Washington, said Manila was also in talks with the United States to acquire a fourth Hamilton-class cutter to strengthen the Philippine capability to patrol the waters.

"We got the largest-ever allocation from the U.S. government this year to enhance defense and security of our country," he told members of the American Chamber of Commerce in Manila.

Cuisia said Manila received \$79 million in annual military aid this year compared to about \$50 million in 2015.

He said Manila would get an additional \$42 million from the new U.S. Southeast Asia Maritime Initiative, a maritime capacity-building program announced by U.S. Defense Secretary Ash Carter, who is visiting Manila next week.

The two amounts represent the biggest amount of military aid since 2000 when the U.S. military returned to its former colony after the American bases closed in 1992.

China claims almost the entire South China Sea, believed to have huge deposits of oil and gas. Brunei, Malaysia, the Philippines, Taiwan and Vietnam also have claims to parts of the waters, through which about \$5 trillion in trade is shipped every year.

Beijing's more assertive pursuit of its claims over the past year or so has included land reclamation and the construction of air and port facilities on some isles and reefs.

The Philippines has sought international arbitration on the dispute and a decision is expected late this month or in early May. China has declined to take part.

Source: [Reuters](#), 8 April 2016.

EU, ASEAN to strengthen political, security ties

Elly Burhaini Faizal

The European Union has expressed its interest in strengthening its political and security partnership with ASEAN.

EU high representative for foreign affairs and security policy Federica Mogherini, who is also EU Commission vice president, said stronger cooperation in the field of security and at a political level was key for people in the EU and ASEAN.

“So we are increasing the level of partnership in all fields, including politics and security; we are increasing our daily work — the EU has appointed a dedicated ambassador to ASEAN for the first time ever, and we are looking forward to moving to the strategic partnership between the EU and ASEAN,” she said after a meeting with ASEAN secretary-general Le Luong Minh in Jakarta on Saturday.

Mogherini said the EU and ASEAN cooperation had seen many achievements, which she believed would help to increase economic development, trade and investment for their member countries.

Mogherini handed over the “EU-ASEAN Blue Book 2016” – a report on the EU's overall cooperation with ASEAN – to Minh at the meeting.

In recent years, the EU has stepped up its involvement in security and defense related matters, commensurate with its global role and responsibilities.

Cooperation on broader security issues is a growing element in the EU’s relationship with ASEAN.

Mogherini said she and her ASEAN counterpart also discussed the South China Sea, saying the EU had a stake in guaranteeing maritime security.

The EU stands ready to work with ASEAN on confidence-building measures, and believes that negotiations on a code of conduct are key, she said.

“This is not something which we are entering into. This is not so an issue that affects us directly, but our approach to controversies is always the same. Out of our European experience, controversies need to be resolved on the basis of respect of international rules that are valid for everybody and in a cooperative way,” she said.

Source: [The Jakarta Post](#), 10 April 2016.

G7 foreign ministers ‘strongly oppose’ provocation in East and South China Seas

Kyodo

Foreign ministers from the Group of Seven (G7) advanced economies say they strongly oppose provocation in the East and South China Seas, where China is locked in territorial disputes with nations including the Philippines, Vietnam and Japan.

“We express our strong opposition to any intimidating coercive or provocative unilateral actions that could alter the status quo and increase tensions,” the foreign ministers said in a statement on Monday following a meeting in Hiroshima, Japan.

In an apparent reference to China’s territorial spat with the Philippines, the group also called on countries to observe international maritime laws and implement any binding judgments delivered by courts and tribunals.

Manila has asked the International Court of Arbitration in the Hague to decide on its dispute with Beijing. A ruling is expected by June.

China is building islands on reefs in the South China Sea to bolster its claims.

Brunei, Malaysia, the Philippines, Taiwan and Vietnam also have claims on the waters, that are believed to have huge deposits of oil and gas and through which about US\$5 trillion in trade is shipped every year.

The G7 foreign ministers from Canada, France, Germany, Italy, Japan, Britain, the United States and a representative from the European Union also condemned North Korea’s January 6 nuclear test, calling it “profoundly deplorable”.

“We reaffirm our commitment to seeking a safer world for all and to creating the conditions for a world without nuclear weapons in a way that promotes international stability,” they said in a written declaration on nuclear disarmament.

“This task is made more complex by the deteriorating security environment in a number of regions, such as Syria and Ukraine, and, in particular by North Korea’s repeated provocations.”

Source: [South China Morning Post](#), 11 April 2016.

Dutch shipping company DSD fined for illegal oil tanker discharge

International Shipping News Press

Dutch shipping company DSD was fined \$2.5 million in U.S. federal court for operating a crude oil tanker without the proper environmental safeguards in the Gulf of Mexico, and lying to the Coast Guard about it.

The company was convicted of eight felonies. Additionally, four crew members were also charged. Three have been convicted and sentenced to up to six months in jail. A fourth crew member has pleaded guilty and is awaiting sentencing.

The sentences were announced by the U.S. Justice Department on Friday. It stems from a November 2014 spot inspection of DSD’s 56,000-ton crude oil tanker the M/T Stavanger Blossom by the Coast Guard. Officers determined the ship lacked what is known as an oily water separator. Crude oil tankers generate large amounts of oil-contaminated wastewater, which is illegal to discharge without first being filtered.

If accidental discharges happen, they are supposed to be recorded in a log the crew is legally bound to maintain. When the Coast Guard boarded the ship for a spot inspection, officers said it did not have the proper environmental equipment and the crew had forged the logs to hide the fact they were illegally discharging the oily wastewater.

The Coast Guard said the ship had discharged 20,000 gallons of oil-contaminated water in just the last two months of its operation.

Additionally, prosecutors presented evidence that showed DSD officials were aware the ship was operating illegally. A company memo dating back to 2010 showed evidence DSD officials were aware of the potential problem, but continued to allow the ship to operate in violation of U.S. and international laws for another 57 months.

A U.S. district judge ordered DSD to pay \$500,000 of the \$2.5 million fine to fund marine research in the Gulf Coast region. Additionally, DSD was placed on three years' probation. The four crew members named will have their merchant marine licenses revoked and will no longer be allowed to work on cargo vessels in the future.

Source: [Hellenic Shipping News](#), 11 April 2016.

Indo-US Joint Naval Patrol – Plausible Proposal or Rhetoric

Dinesh Yadav

Speaking at the Raisina Dialogue in New Delhi on 02 March 2016, Admiral Harry B Harris, Commander, United States Pacific Command, exhorted that the 'Quadrilateral Security Dialogue (QSD)' between India, Japan, Australia and the United States be re-initiated. He further urged India and US to be "ambitious together" and along with Japan, Australia and other like-minded nations 'aspire to patrol together anywhere international law allows.' The Admiral, however, did not specify as to where such patrols could be envisaged to be conducted.

The statement on 'Joint Patrol' by Admiral Harris has been made in the backdrop of numerous media reports starting early February 2016, wherein, it was reported that the issue of joint naval patrols had been discussed between the US and India and specifically added that these could include the disputed South China Sea. Pentagon then clarified that the two countries had not taken any decision on conducting joint naval

patrols, but stressed that the two countries were exploring ways to expand their defence ties.

Beijing reactions were on expected lines; the press release on the issue stated that "Conducting joint naval patrols with Washington in the South China Sea will do nothing but showing its hostility against Beijing and devastate their strategic mutual trust..." India, on the other hand, clarified that it was not launching joint patrols with the US in the South China Sea.

India and US have ramped up their military ties in recent years. The maritime exercise between the two navies, MALABAR, has been conducted annually since 1992, in which Japan became a permanent partner in October 2015. In the run-up to MALABAR 2015, in July 2015, Washington had advocated for permanently expanding the scope of MALABAR exercise. In addition, in September 2015, Australia also pushed for its inclusion in the exercise, as was done in 2007.

Among the three countries envisioned to be involved with the US in the MALABAR exercise at the operational level and the QSD on the strategic level, only India would have reservations as it would continue to zealously protect its ability to forge an independent foreign policy. Also, the risks and benefits involved in such a Dialogue, which Beijing might consider as inimical to its interest, would be totally different for India than for the other countries involved. It would, therefore, be fair to argue that, solely based on India's response on the issue, future editions of MALABAR could also involve Australia; and also, the QSD, involving the US, India, Japan and Australia, may re-assert in the near future. Admiral Harris' advocacy about the QSD could, therefore, hold well in the near future.

In respect of the Joint Patrol by the US Navy and the Indian Navy in the South China Sea, as was reported in the media, and in general, as advocated by Admiral Harris, it would be of essence to note that the Indian Navy has never carried out joint patrols with any other country. New Delhi currently follows the policy of only joining an international military effort under the United Nations flag. Accordingly, Indian Navy

conducts its anti-piracy operations also independently and has not joined any multi-nation effort in this regard.

Joint Naval Patrol mandates unified Command and Control mechanism. This would, thereby, imply that the naval assets of the concerned countries partaking the joint patrol would be placed under the command of the unified Commander, a proposition that New Delhi would not be comfortable with, as has been exemplified by India's position on Joint Anti-Piracy Operations. Traditionally, New Delhi has always zealously guarded its strategic autonomy and, therefore, has been averse to military alliances or even joint operations. Joint patrols involving the Indian Navy, therefore, cannot be envisaged in the near future, unless New Delhi revises its long standing policy on the issue.

Coordinated Patrols, on the other hand, are undertaken by the Indian Navy with several regional navies for enhancing maritime security. Such Patrols, as per the Indian Maritime Security Strategy (IMSS 2015), are conducted in respective waters, on either side of the International Maritime Boundary Line (IMBL), by naval ships and aircraft in a coordinated manner, for instance, the Indo-Thai Coordinated Patrol in the Andaman Sea.

As has been highlighted above, the scope of Coordinated Patrols, as defined in the IMSS 2015, is limited to India's maritime neighbours and conducted in respective waters of the concerned countries. Indo-US Coordinated Naval Patrols, accordingly, do not qualify for the Coordinated Patrol, as defined in the IMSS 2015. The two navies, however, as advocated by the US Pacific Commander, could undertake Coordinated Patrols, in their common area of interest, for instance, in the pirate infested region near the Horn of Africa, earmarking their respective areas of responsibilities. It would be interesting to note that the Indian Navy coordinates its 'Escort Missions' in the Gulf of Aden with the other navies operating in the area, including the Combined Task Force (CTF) 151. The scope of Coordinated Patrols, as exemplified in the IMSS 2015, would then need to be accordingly amended to allow Coordinated Patrol between these two navies.

Coming to the South China Sea, India has legitimate stakes for protecting its trade to and from Russia, Japan, China, South Korea, and Southeast Asian nations and energy flow from Sakhalin (Russia) and Vietnam, quite similar to the Chinese economic and strategic interests in the Indian Ocean Region. The presence of the Indian Navy in the South China Sea is as much a foregone conclusion as is the presence of the Chinese navy in the Indian Ocean. Each navy, in coming times, must therefore, get accustomed to the other's presence in their 'supposed backyard'.

Although, India is not party to the contested claims in the South China Sea, it has always advocated freedom of navigation and overflight in the waterway. Further, India has never taken sides in the South China Sea dispute and has been urging the stakeholder countries to resolve the dispute in a peaceful manner in accordance with international law.

Since there are no immediate threats to its interests in the South China Sea, Coordinated Patrols, involving the Indian Navy in the South China Sea, as speculated in some sections of the media, appears to be farfetched at this juncture. However, should a common threat develops; the Indian Navy could keep its option open to undertake Coordinated Patrols in international waters in order to safeguard its interests.

Source: [National Maritime Foundation](#) , 11 April 2016.

Maritime Summit: India to partner Korea

Herald

India will host the first maritime summit to empower global partnerships and unveil investment opportunities, and Korea is the first single-partner country.

As Asia's third-largest economy, India has concentrated efforts to industrialize its mammoth capacities, choosing the marine sector as "a means of driving the country's

economic transformation and enhancing connections with the world,” according to Indian Ambassador Vikram Doraiswami.

A maiden undertaking, the Maritime India Summit 2016 will take place at the Bombay Convention and Exhibition Center in Mumbai from Thursday to Saturday.

The event will delve into port-led development, shipbuilding, ship repair and recycling, dredging, shipping and logistics, hinterland connectivity, inland water transport, green energy, security, education and training, financing, island development, cruise and lighthouse tourism, marine food and aquaculture.

“Recognizing Korea’s leading capacity in the world in shipbuilding and maritime logistics, Korea became the first partner country for the summit,” Doraiswami said at a press conference on Thursday.

“This was the result of meetings between our Prime Minister Narendra Modi and President Park Geun-hye on the margins of the East Asia Summit in Myanmar in November 2014, and in Seoul in last May, as well as discussions between our foreign ministers in Seoul in December 2014.”

In each of the aforementioned areas, the ambassador noted, foreign investment value would amount to \$4 billion up to this year, \$8 billion to \$16 billion over the next three years and \$35 billion in the next five years.

The envoy added that the figures exclude naval, coastal guards and other defense sectors, which make up the bulk of marine construction and shipbuilding in India.

An outcome of a memorandum of understanding in maritime transport and logistics signed between the two leaders last year, the event will gather a Korean delegation of over 50 companies and government branches.

Participating institutions include the Ministry of Oceans and Fisheries, Ministry of Trade, Industry and Energy, Korea Polar Research Institute, Korean Register, Korea Institute of Ocean Science and Technology, Korea Institute of Marine Science and Technology Promotion, Korean Marine Environment Management Corporation and Korea Research Institute of Ships and Ocean Engineering.

Cho Shin-hee, director general of the overseas fisheries and international policy bureau at the Ministry of Oceans and Fisheries, said that various political and policy agreements have been signed over the years, following state visits of Park and Modi in 2014 and 2015.

“Politically, our two countries have become much closer through our strategic partnership, and policy-wise, the ‘Make in India’ initiative since 2014, which aims to shore up the economy through manufacturing, presents vast markets for Korean companies,” she said.

“To implement the ‘Make in India’ policy, India needs the necessary port facilities and maritime technologies. Korea’s shipbuilding and maritime logistics industries having been in dire straits, the venue will introduce blue oceans.”

India has had a rich heritage of overseas trade with Asia and Africa, using ports of Tamralipta, Poompuhar, Muziris, Kozhikode and Dwarka, noted Parth Sharma, vice chairman of the Indian Chamber of Commerce in Korea. “Rivers were the lifelines of our economy, while ports acted as gateways to India for foreigners and foreign goods.”

The country has over 7,500 kilometers of coastline, across and around which coal, cement, petroleum, oil and lubricants, food grains, steel and fertilizers are transported. Its five inland waterways have a navigable network of 14,500 kilometers, key to hinterland production and relief on road and railway congestion.

Currently, four waterways are being built along the Ganges, Brahmaputra, Mahanadi and Buckingham Canal, and one is in operation between Haldia and Farakka. Through

inland waterway development—worth over \$19 billion—logistics costs would be significantly lowered over the next seven years by over \$4 billion, according to the vice chairman.

“India is looking for a long-term partnership with Korea in the maritime sector, as Korea is a global logistics hub with the world’s fourth-largest throughput at 25 million 20-foot (6 meters) equivalents,” Sharma said. “Korea is a world leader in marine technologies, manufacturing, education and training, with a 30 per cent international market share in shipbuilding, ship repair and ship recycling.”

The Government provides various incentives for foreign investors, including a viability gap-funding using public private partnership; a 70 per cent abatement on service tax for coastal shipping; 10 consecutive years of tax holidays for infrastructure development; exemption on customs and central excise duties; endowment of infrastructure status to shipyards; shipbuilding subsidies; and simplified immigration procedures for cruise shipping.

The flagship “Sagarmala” scheme—involving over 150 projects worth \$19 billion—targets port modernization, improved hinterland connectivity, coastal community development and port-led industrialization. With a plan to increase cargo from 1 billion of “million tons per annum” to 2.5 billion by 2025, the initiative covers greenfield ports, roads, railways and pipelines, multimodal logistics hub, inland waterways, port-linked clusters and maritime tourism.

“In the last couple of years, India has initiated 15 to 20 projects annually in port development, which were owned by Dubai, Singapore and Dutch port authorities,” Sharma pointed out. “There are at least 55 ships under construction in India right now, but Korea has been absent.”

India has some 1,200 commercial ships, 40 per cent of which are over 20 years old, compared to the average life span of 26 years. For upgrading or repair, most ships go to Colombo, Sri Lanka or Singapore.

In shipbuilding, over 95 percent of production is naval, and less than 5 percent is commercial in India, which is the opposite of Korea. While explaining that most components in shipbuilding are the same, except weapons and military-related hardware, Doraiswami said: “In the defence industry, we want Korea to increase our scale of manufacturing in vessel components. The entire logistics chain in Korea, which is so efficient, will meet huge opportunities in India.”

Source: [The Statesman](#), 11 April 2016.