



# MAKING WAVES

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## MARITIME SECURITY



NIMASA boss suggests careful planning for good Maritime Security

-Dakuku Peterside

The Director-General, Nigerian Maritime Administration and Safety Agency (NIMASA), Dr Dakuku Peterside, has said that good security in the maritime industry requires careful planning and strict implementation. Peterside stated this at the closing ceremony of a five-day training programme tagged ``Train the Trainers'', facilitated by the International Maritime Organisation (IMO) and NIMASA on ISPS Code Compliance in Lagos.

He said that the agency was committed to improving the fortunes of Nigeria by creating an enabling environment for a business-friendly and secured environment for stakeholders in the industry. The director-general said that the training was predicated on the premise that a fact-finding team was in Nigeria earlier in the year to conduct a Needs Assessment where a number of gaps were identified.

According to Peterside, this necessitated the training, with a view to addressing some of the gaps identified. I guess that in the course of this exercise, we have learnt that good security requires planning and stringent implementation. I know that in the course of this training, the seed of co-operation and collaboration between NIMASA as mDesignated Authority (DA) for ISPS Code Implementation in Nigeria, Nigerian Ports Authority (NPA) Nigerian Inland Waterways Authority (NIWA) and the Federal Ministry of Transportation has been planted.

My expectation and desire of the leadership of these Agencies is that it will grow and blossom in a tripartite series of planned training programmes. This is expected to culminate with the lead auditors training, which will place you the drivers of the system at the cutting edge of professionalism in ISPS code implementation," the director-general said. He thanked the Minister of Transportation, Mr Rotimi Amaechi, for his

support and enduring commitment to the imperatives of NIMASA's DA status and indeed all matters pertaining to the maritime industry in Nigeria. Peterside urged participants to bring to bear the knowledge acquired during the five-day training programme, adding that this would enhance security at the nation's ports.

Source: [pulse.ng](http://pulse.ng), 4 September 2016

Philippines plans 14% Defense budget rise to beef up Maritime Security, fight rebels

-Reuters, kyodo

VIENTIANE – The Philippines is proposing a 14 percent increase in defense spending next year to buy new ships and aircraft to boost its fight against Islamist militants and enhance maritime security in the disputed South China Sea. According to internal documents seen by Reuters on Monday, about 130 billion pesos (\$2.8 billion) or 96 percent of the proposed defense budget will go to the armed forces.

The push to beef up military spending reflects regional concern about China's maritime assertiveness and the new government's determination to crush the entrenched and lucrative network of the Islamic State-linked Abu Sayyaf rebels behind a spree of kidnappings. Some 25 billion pesos will go to a modernization program, the Department of National Defense said in the documents, including the acquisition of two surveillance planes and six close-air support planes to fight Abu Sayyaf.

The rebels, who have their stronghold in two southern islands in the Muslim-majority south, are holding more than 20 hostages of five nationalities. Abu Sayyaf has this year beheaded two Canadian hostages and President Rodrigo Duterte has ordered the military to "destroy" the group. The government believes it was behind Friday's bombing in Davao City that killed 14 people. The government has proposed a 3.35 trillion peso national budget for next year, which the bicameral legislature is expected to approve before the end of the year. A senior defense official said 2017 will be the second year in a row that the government is spending 25 billion pesos for the modernization

plan, which is slated to cost 82 billion pesos over a five-year period. The country is set to award contracts for two frigates for the navy and three radar systems for the air force, which are designed to improve monitoring in the South China Sea.

Part of the funds will go to installments to pay for 12 South Korean-made FA-50 jets, two of which arrived last year. Last month, Manila took delivery of one of 10 Japanese patrol vessels provided by official development assistance to improve Manila's maritime capabilities. In addition to the patrol vessels, Japan has agreed to lease up to five Maritime Self-Defense Force TC-90 training aircraft to Manila.

The Philippines has long complained about China's aggressive assertion of territorial claims in the South China Sea and its driving away of Filipino fishermen from Scarborough Shoal and its deployment of energy-surveying ships at resource-rich Reed Bank. The two features are within the 200-nautical-mile exclusive economic zone of the Philippines, based on the 1982 United Nations Convention on the Law of the Sea.

After seeking international arbitration in 2013, in July the Philippines successfully debunked China's "nine-dash line" claim to nearly the entire South China Sea, and also received legal affirmation for its fishermen, as well as those from other nations, to fish around Scarborough Shoal. The Permanent Court of Arbitration in The Hague also criticized China for causing massive damage to the marine environment in the waters through its reclamation and construction activities on some of the disputed features.

Source: [japantimes.co.jp](http://japantimes.co.jp), 6 September 2016



## IBIA comments on efforts to reduce Maritime Security risk by leveraging biometrics

-Stephen Mayhew

The International Biometrics and Identity Association (IBIA) has published a new focus paper commenting on the U.S. Coast Guard's efforts to reduce maritime security risk by leveraging biometrics and advanced smart card technology. The paper, *Maritime Security Enhanced through Biometric Readers*, authored by Walter Hamilton, Vice Chairman, IBIA, comments on the U.S. Coast Guard's recently published final rule, which outlines the implementation requirements for electronic biometric readers used in conjunction with the Transportation Worker Identification Credential (TWIC) – a biometric-enabled identity card.

TSA began issuance of TWICs in 2007 and over 2 million cards have been issued. A sophisticated smart card, the TWIC contains biometric fingerprint data that can be read electronically and matched with the presented finger of the card holder to confirm identity when a worker seeks unescorted access to secure areas. Until now, only visual inspection of the card and its presenter has been mandated for TWIC validation.

“By mandating electronic biometric verification of TWIC card holders in high risk facilities and vessels, the U.S. Coast Guard is finally using the biometric and other electronic validation technology on the TWIC credential to achieve a higher level of security at our most sensitive maritime assets,” said Tovah LaDier, Managing Director, IBIA. “This is a welcome step that reduces maritime security risk by leveraging biometrics and advanced smart card technology.”

IBIA sees the rule to require electronic TWIC readers as a clear signal that the U.S. Coast Guard believes that biometric technology should be a part of the nation's maritime security. The full IBIA focus paper details the history of TWIC, the benefits of electronic readers, and how the Transportation Security Administration (TSA) is supporting the implementation of the new electronic readers.

Source: [biometricupdate.com](http://biometricupdate.com), 6 September 2016

## Cooperation key to Enhancing Maritime Security in Indian Ocean

-Aishwarya Lakshmi

Further cooperation on maritime security in the western Indian Ocean area was discussed between members of International Maritime Organization (IMO) Secretariat and staff from the EU Critical Maritime Routes Indian Ocean (CRIMARIO).

The talk focused on cooperation with Member States to enhance information sharing in the region. They also discussed an EU-funded project to develop an Indian Ocean regional information sharing and crisis management network (IORIS-CMN).

In addition, maritime security and maritime law enforcement beyond the Djibouti Code of Conduct and joint IMO/EU support to maritime security training in the region were highlighted during the meeting.

Source: [marinelink.com](http://marinelink.com), 10 September 2016

PHL, US Defense Chiefs to discuss Maritime Security, terrorism in Hawaii meet

-Joseph Tristan Roxas

Defense Secretary Delfin Lorenzana is set to fly to Honolulu, Hawaii, at the end of the month to meet with US Defense Chief Ashton Carter and other ASEAN defense ministers to discuss ways on addressing maritime security and terrorism. "At the end of this month, end September, I will be traveling to Honolulu to be able speak with Secretary Carter of US and the other defense ministers from ASEAN," Lorenzana told reporters in Maguindanao on Monday. "We are going to discuss the security in the South China Sea, security against terrorism and other problems, general problems concerning our security," he added without elaborating. The Philippines and China have been engaged in a territorial dispute over the resource-rich West Philippine Sea, with

Manila claiming the West Philippine Sea is part of its exclusive economic zone under the United Nations Convention on the Law of the Sea.

China, on the other hand, is asserting its historical claim over the area through the so-called "nine-dash line," which almost covers the entire South China Sea. A recent ruling by an international arbitral court invalidated China's nine-dash line. PHL-US ties "rock solid" Lorenzana also said the Philippines' defense relations with the US remains "rock solid" despite the rift between President Rodrigo Duterte and US President Barack Obama over human rights issues.

"It's strong.. It's rock solid as the Americans described our defense relation or relationship," said Lorenzana. "US is our ally, military ally because of the Mutual Defense Treaty which was signed in 1950s." However, Lorenzana said that the Duterte administration is open to having more military allies. "What the President said is that we are going to also talk with others who can give us quality equipment to strengthen our defense and we will do that. But we are going to still have our treaty alliance with the United States," he said.

Source: [gmanetwork.com](http://gmanetwork.com), 12 September 2016

## Malaysia steps up Maritime Security after abduction

- P Prem Kumar

Malaysia has ordered its maritime security forces to step up surveillance around the eastern state of Sabah to tackle kidnap-for-ransom activities in piracy-ridden waters bordering the Philippines' troubled south. The order came a day after a gang based in the neighboring archipelago's south managed to evade detection in Malaysian waters and seized three non-local fishermen near Semporna island. Malaysia's deputy prime minister, Ahmad Zahid Hamidi, revealed Monday that the government has issued stringent orders to the Eastern Sabah Security Command, Malaysian Maritime Enforcement Agency and the Royal Malaysia Navy. "This gang operates in the southern Philippines, specifically near islands located in the vicinity of the Malaysian border. We

have done a lot of surveillance in the area but this gang has somehow managed to continue to operate under the radar," Hamidi said in a statement. Hamidi noted that the three fishermen abducted Sunday were non-locals holding IMM13 documents, a temporary residence permit issued under Regulation 11 of the country's Immigration Rules. Such permits had been issued to many Filipino refugees who came to Sabah, especially in the 1970s, after fleeing the conflict in the southern Philippines -- where several armed Muslim groups operate, including some involved in an ongoing peace process with the government.

The majority of the refugees are still regarded as migrants. On Sunday, the three crew members were kidnapped from a Malaysian-registered fishing boat in waters off Pom Pom Island, a popular scuba diving location in Sabah. Meanwhile, Defense Minister Hishammuddin Hussein said among new initiatives to combat such kidnappings was a plan to equip local authorities with more firepower to boost security in Sabah.

The weapons are aimed at overcoming threats posed by Daesh-influenced militants and other terror groups based in the southern Philippines. Around 20 armored four-wheel vehicles will be placed in Lahad Datu along with four additional Agusta helicopters equipped with Gatling gun systems, Hussein was quoted as saying by national news agency Bernama.

In the past five months, more than 20 Indonesian and Malaysian sailors have been kidnapped in the Celebes and Sulu seas, many of whom remain captive by Abu Sayyaf militants in the Philippines. In November, the group beheaded a Malaysian after ransom negotiations for his release failed. Since 1991, the Abu Sayyaf -- armed with mostly improvised explosive devices, mortars and automatic rifles -- has carried out bombings, kidnappings, assassinations and extortion in a self-determined fight for an independent province in the Philippines. It is one of two militant groups in the south to have pledged allegiance to Daesh, prompting fears during the stalling of a peace process between the government and the Moro Islamic Liberation Front that it could make inroads in a region torn by decades of armed conflict.

Source: [aa.com.tr](http://aa.com.tr), 12 September 2016



### US likely to clear India's request for MQ-9B Guardian drones

-Aditya Bhat

India has shown keen interest in buying armed Predator drones from the United States, but emerging reports indicate that the Obama administration is more likely to positively respond to the request for MQ-9B Guardian drones. The Indian Navy wants 22 drones developed by General Atomics for maritime surveillance.

The approval of the sale might be the first after India was designated as a major defence partner under the Obama administration. The U.S. has already started the inter agency process for speedy approval, PTI reported. The MQ-9B Guardian is a larger and heavier aircraft than MQ-1 Predator. They are likely to be equipped with SeaVue radar system that provides inverse synthetic aperture radar and weather detection and avoidance capabilities, MTS-B electro-optical/infrared sensor with laser illuminator/rangefinder, and an automatic identification system (AIS). The MQ-9B Guardian will not be armed.

Sources said that if green signalled, it would help in "sealing India, U.S. defence relations" and could be considered as a "lasting legacy" for U.S. President Barack Obama's Asia-Pacific pivot. Moreover, the issue of Guardian drone sale was discussed during Defence Minister Manohar Parrikar's recent visit to Pentagon. U.S. Defence Secretary Ash Carter had also assured his Indian counterpart of personally "championing" it "within the system".

Later this year, General Atomics is also set to open its office in India with an experienced hand as its global chief executive, Dr. Vivek Lall. Lall's previous job as Boeing vice-president and country head saw India and U.S. conclude defence deals for C17 strategic lift, P-8I aircraft and Harpoon Missiles.

Source: [ibtimes.co.in](http://ibtimes.co.in), 7 September 2016

## China, Russia naval drill in South China Sea to begin Monday

China and Russia will hold eight days of naval drills in the South China Sea off southern China's Guangdong province starting from Monday, China's navy said. The exercises come at a time of heightened tension in the contested waters after an arbitration court in The Hague ruled in July that China did not have historic rights to the South China Sea and criticised its environmental destruction there.

China rejected the ruling and refused to participate in the case. The "Joint Sea-2016" exercise will feature surface ships, submarines, fixed-wing aircraft, ship-borne helicopters and marines, the Chinese navy said in a statement on Sunday on its official microblog. The two countries will carry out defence, rescue and anti-submarine operations, as well as "island seizing" and other activities, it added.

Marines will participate in live-fire drills, island defence and landing operations in what will be the largest operation ever taken together by the two countries' navies, the statement said. China announced that it had called the "routine" naval exercise in July, saying the drills were aimed at strengthening cooperation and not aimed at any other country.

China and Russia are veto-wielding members of the U.N. Security Council, and have held similar views on many major issues such as the crisis in Syria, often putting them at odds with the United States and Western Europe. Last year, they held joint military drills in the Sea of Japan and the Mediterranean. China claims most of the South China Sea, through which more than \$5 trillion of trade moves annually. Brunei, Malaysia, the Philippines, Taiwan and Vietnam have rival claims.

Source: [uk.reuters.com](http://uk.reuters.com), 11 September 2016

## China's Air Force Revisits the Bashi Channel: Here's Why That Matters

-Ankit Panda

China's air force held exercises on Monday in the Bashi Channel, the waterway connecting the South China Sea with the western Pacific Ocean, between Taiwan and the Philippines' northernmost island of Luzon. Chinese People's Liberation Army-Air Force (PLAAF) "bombers, fighters, and early warning and aerial refueling aircraft" flew through the channel on Monday, according to a Reuters report, citing a post on the PLAAF's official microblog account. "This move is to raise the air force's abilities via training, to meet the needs to maintaining national sovereignty, protecting national security and guaranteeing peaceful development," the PLAAF noted in a statement posted online, translated by Reuters. "This is common practice for the air forces of littoral states, and a normal need for China national defense and military building," it added.

Chinese exercises in the Bashi Channel appear to be turning into a regular occurrence. As I discussed last year, the PLAAF held its first exercise in the airspace over the channel. Colonel Shen Jinke, a PLAAF spokesperson, said at the time, that "Training in the airspace far from China is an effective way for the PLA Air Force to temper its combat capability and also a common practice of world powers' air forces." As I'd explained at the time, the PLAAF's growing interest in the Bashi Channel is evidence of the Chinese armed forces' increased focus on far sea and expeditionary operations. The Bashi Channel in particular is a strategically pivotal waterway, marking the rim of what Asian security analysts call the first island chain—the chain of major archipelagos running down the eastern Asian frontier, beginning with the Kuril Islands off the coast of Hokkaido in Japan all the way south to the Philippines and Borneo.

The channel's proximity to both the disputed waters of the East and South China Seas, as well as Taiwan and the Philippines, means that Beijing has a strong interest in ensuring that its military is comfortable operating in the area. A conflict with Taiwan remains at the top of Chinese strategic planning and, while Beijing's offensive would

mostly play out across the Taiwan Strait, securing the Bashi Channel would be critical to denying intervention by third parties, including U.S. forces based in the Philippines.

For China, familiarizing its military with operations both along and beyond the first island chain are an increasing strategic priority. The first island chain's importance in the People's Liberation Army's strategic thinking grew starting in the 1980s, under the strategic tutelage of former PLA Navy commander and Central Military Commission Vice Chairman Liu Huaqing. Unsurprisingly, the PLAN has taken the lead in the Bashi Channel. Last year, in July, the PLAN held a major drill in the area, simulating real combat conditions. "Going forward, similar drills and exercises will keep taking place," noted Liang Yang, a spokesperson for the PLAN, at the time.

The Bashi Channel additionally bears relevance for the PLAN in China's ongoing dispute with Japan in the East China Sea. In April 2013, a Chinese Type 054A frigate and Type 052C destroyer transited the Bashi Channel after returning from a deployment to the Philippine Sea. That transit came during a time of particularly heightened tensions between China and Japan over the disputed Senkaku/Diaoyu Islands in the East China Sea. Accordingly, the two vessels traveled north and transited the Miyako Channel westward, near the disputed islands.

Source: [thediplomat.com](http://thediplomat.com), 13 September 2016

### Libya unity Govt loses third oil port to rivals

Libya's UN-backed unity government lost control on Monday of a third oil port seized by rival forces, raising fears of a major outbreak of fresh violence in the chaos-ridden country. The loss comes after fighters backing a rival administration in east Libya seized two other terminals from guards loyal to the Tripoli-based Government of National Accord (GNA) on Sunday. All three Mediterranean ports are in Libya's "oil crescent", an area seen as a vital source of income for the GNA which has struggled to assert its authority across the country. "Our armed forces were able to take control of Zuwaytina port and secure it completely," a spokesman for the fighters who took the terminals said.



The LANA news agency loyal to the eastern administration reported a military source as saying: "The armed forces are now concentrated at the port and have secured it after expelling outlaw militia from it." The forces are commanded by controversial General Khalifa Haftar, who has refused to back the GNA and supports the parallel authority based in eastern Libya near the border with Egypt. On Sunday, they took the Al-Sidra and Ras Lanuf ports before attacking Zuwaytina to the east. It is the first time that Haftar's forces and fighters loyal to the GNA have clashed directly since the unity government started working in the capital in March. The UN special representative to Libya, Martin Kobler, urged Haftar's forces "to immediately stop fighting and refrain from further military escalation".

"I call for the respect of UN Security Council Resolution 2259 which recognises the Government of National Accord... as the sole executive authority in Libya," he said in a statement. Kobler said oil installations must remain under the authority of the presidential council and stressed that Resolution 2259 "contains a clear prohibition on illicit oil exports". Meanwhile the United States and its major European allies condemned the offensives.

"The governments of France, Germany, Italy, Spain, the United Kingdom and the United States condemn this weekend's attacks on Zuwaytina, Ras Lanuf, Es Sider and Brega oil terminals in Libya," they said, in a statement. The unity government, for its part, called on all forces loyal to it to "protect and defend" the ports, while the head of the rival government in the eastern city of Bayda said it would work on reopening the ports as soon as possible. "We will work on the oil ports resuming work as soon as possible so as to guarantee all Libyans a decent life," Abdullah al-Thani said.

Haftar's forces said they would hand over management of the ports to the National Oil Corporation (NOC) to resume oil exports. The NOC is split into two rival branches, however, one allied to the GNA and the other to the administration that Haftar supports. Oil is Libya's main natural resource with reserves estimated at 48 billion barrels, the largest in Africa. But since 2010 the country's production has plummeted.

The seizure of the ports deals a heavy blow to the unity government, depriving it of a key source of income. In late July, the GNA agreed to resume oil exports out of Ras Lanuf and Al-Sidra -- which together have a capacity of 700,000 bpd -- after a months-long closure following jihadist attacks. They shut after attacks in January by the Islamic State (IS) group, which has gained a foothold in the country.

Libya has been in chaos since the 2011 uprising that toppled and killed longtime dictator Moamer Kadhafi, with rival authorities and militia vying for control. The port of Brega -- between Ras Lanuf and Zuwaytina -- remains in the hands of the oil installation guards. Haftar's assault on the ports came as pro-GNA forces, including oil installation guards, have been battling for months to oust IS from the coastal city of Sirte. The US Africa Command, meanwhile, said American warplanes carried out four air strikes in Sirte on Sunday in support of GNA forces, targeting IS "fighting positions".

The latest raids brought to 143 the total number of air strikes in support of the loyalist fighters since they began on August 1, said a statement issued Monday. Italian Foreign Minister Paolo Gentiloni said Monday his country would establish a military field hospital in the Libyan city of Misrata, to where GNA casualties from Sirte are evacuated, and deploy troops to ensure security. Italy's La Repubblica newspaper said the operation would involve 100 medical staff and 200 paratroopers.

Source: [dailymail.co.uk](http://dailymail.co.uk), 13 September 2016

## U.S. Air Force's Greaves nominated to lead Missile Defense Agency

-Mike Gruss

WASHINGTON – U.S. Air Force Lt. Gen. Samuel Greaves, who has led the Defense Department's efforts to end reliance on a Russian rocket engine, has been nominated by President Barack Obama to lead the Missile Defense Agency. The move had long been expected within the missile defense community. Defense One first reported the news Sept. 13. The MDA has a \$7.5 billion budget and is responsible for acquiring and developing defense systems to prevent successful ballistic missile attacks.

Greaves will replace Navy Vice Adm. James Syring, the agency's current director. Syring's next stop is not immediately clear. Greaves has served as the head of the Air Force's Space and Missile Systems Center at Los Angeles Air Force Base in California since June 2014. There he oversaw the Air Force's space hardware acquisition efforts. Most notably, he has led the Air Force's program to wean itself from the Russian RD-180 rocket engine that powers United Launch Alliance's Atlas 5 rocket, which has been used to launch a majority of national security satellites.

He also oversaw SpaceX's entry into the national security launch market, guiding the certification process to approve the Falcon 9 rocket for military and spy satellites. SpaceX then won the first competitive contract in the Air Force's primary launch program in more than a decade in April. Previously, Greaves, a Cornell graduate, served as the deputy director of the Missile Defense Agency from 2012 to 2014.

Syring has emphasized three programs during his tenure: a redesigned kill vehicle to top ground-based interceptors, a new Long Range Discrimination Radar in Clear, Alaska and improved discrimination capabilities to distinguish between decoys and warheads. MDA hatched the Redesignated Kill Vehicle program following a string of intercept failures of the Boeing-built Ground-based Midcourse Defense system, the primary U.S. territorial shield. The Defense Department has attributed at least two of those failures to the Raytheon-built Exo-atmospheric Kill Vehicle, which is designed to destroy incoming missile warheads by force of direct impact.

The EKV has not had a significant change to its fundamental design in more than a decade, experts say, and Raytheon officials have said the EKV was deployed in 2004 as a prototype because of urgent national defense priorities. Lockheed Martin, Boeing and Raytheon are working with MDA on a new best-of-breed program to deliver new kill vehicles around 2021. A flight test is planned for 2018 with an intercept test planned for a year later.

In October, Lockheed Martin Mission Systems and Training won a \$784 million contract to build a long-range discrimination radar (LRDR) that would identify incoming missile threats from the Pacific region, primarily North Korea. Though intended primarily for missile defense, the LRDR also could contribute to the Air Force's space situational awareness mission, defense and industry officials have said.

Syring has gone into little detail publicly to discuss the improved discrimination capabilities. In a speech last month in Huntsville, Syring emphasized the need for the MDA to develop a space-based sensor layer to help improve missile defense. Greaves spoke about the intersection of space and missile defense during an event earlier this year in California. Greaves' remarks can be found at the 1 hour mark.

Source: [spacenews.com](http://spacenews.com), 13 September 2016

## Malaysia announces 70% tax exemption for Shipping Industry

-Dezan Shira & Associates

Malaysia's Ministry of International Trade and Industry revealed tax incentives on August 9th targeting the shipping industry. Incentives will be applied with immediate effect and will be available for periods of five years.

### Understanding Incentives

Shipbuilding incentives will be applied to both shipbuilding companies as well as those involved in supporting industries such as ship repair. In terms of their structure, incentives target both existing and prospective investors. Those involved or considering investment in the aforementioned industries should make note of the following incentive particulars:

- First time investors will be eligible for pioneer status in Malaysia for a period of five years. Under this status, investors may exempt up to 70 percent of their statutory income from corporate income taxation.
- Existing and first time investors will be allowed to deduct 60 percent of all capital expenditure for a period of five years. It should be noted, however, that first time investors will be required to choose between capex deductions and pioneer deductions.
- Applying for incentives: All applications will be evaluated on an individual basis by the Malaysian Investment Development Authority.

### Implications for Investment

Incentives create significant advantages for those involved or considering investment in targeted industries. The possibility for increased investment in Malay ports also creates serious potential for the overall infrastructure surrounding the import and export of goods from Malaysia.

Source: [aseanbriefing.com](http://aseanbriefing.com), 5 September 2016

## Traffic rises at major Indian Ports as productivity efforts proceed

India's major state-owned ports booked healthy growth in container volumes in August, expanding 5.7 percent compared with the same month in 2015 as the ports work to increase their productivity and reduce chronic bottlenecks to protect market share from private competitors. The country's 12 major ports handled a combined volume of 718,000 twenty-foot-equivalent units during the month, up from 679,000 TEUs in August 2015, according to the newest provisional port statistics compiled by JOC.com. Containerized cargo tonnage rose 3.7 percent to 10.5 million tonnes (11.5 million tons) from 10.1 million tonnes.

The four terminals at Jawaharlal Nehru Port Trust, India's biggest container gateway, together moved 377,155 TEUs in August, up 4.3 percent year-over-year, representing more than 50 percent of the nation's total containerized freight via major ports. Chennai Port's throughput in August was relatively flat year-over-year, at 128,000 TEUs, reflecting a gradual return to normal traffic trends after truck bottlenecks and productivity issues drove some of the carriers away from the public harbor to nearby private terminals such as Kattupalli and Krishnapatnam.

JNPT and Chennai together load the lion's share of India's containerized shipments moving through major public ports. On a fiscal year-to-date basis, from April to August, volumes were up 4.3 percent to 3.55 million TEUs from 3.4 million TEUs in the same period of 2015, statistics show. Of that, JNPT contributed 1.9 million TEUs, up 1.85 percent from 1.87 million TEUs a year earlier.

By terminal, the latest figures for the five-month period were as follows: APM Terminals-operated Gateway Terminals India, down 0.5 percent from 749,833 TEUs to 746,075 TEUs; DP World's Nhava Sheva International Container Terminal, down 35 percent from 498,256 TEUs to 324,307 TEUs; and port-owned Jawaharlal Nehru Container Terminal, up 22.5 percent from 583,812 TEUs to 657,990 TEUs, while volume at Nhava Sheva (India) Gateway Terminal, DP World's new facility, totaled 174,410 TEUs, compared with 36,332 TEUs in the same period last year when the terminal was partially operational. In a trade advisory issued this week, JNPT said

terminals processed 20,639 trucks and 21,750 gate transactions in August via its “inter-terminal truck transfer” procedure designed to speed drayage.

The top port said shipper response also has been building up on its direct port delivery scheme for import cargo, with DPD transactions reaching 6,659 TEUs in August, the highest-ever monthly volume. Most notably, the port’s radio frequency identification technology-based logistics data bank system allowing exporters and importers to track their goods while in transit began operations in full last month, according to the advisory.

Statistics show Chennai booked a 5.5 percent year-over-year throughput decline in the first five fiscal months, handling 632,000 TEUs, compared with 669,000 TEUs a year earlier. Five-month container volumes at other major ports were as follows: Kolkata, up 19.5 percent from 268,000 TEUs to 317,000 TEUs; Tuticorin, or V.O. Chidambaranar, up 4.5 percent from 260,000 TEUs to 272,000 TEUs; Cochin (Vallarpadam), up 21 percent from 167,000 TEUs to 202,000 TEUs; and Visakhapatnam, up 42 percent from 110,000 TEUs to 156,000 TEUs, according to the collected data.

The volume increases come as India lined up heavy investments in new berths, port-related rail projects, dredging, equipment upgrades, mechanization, and automation of cargo processes at major ports as part of its Sagar Mala program.

Source: [joc.com](http://joc.com), 8 September 2016

Newsome’s state of the Port: Growth, Modernization and abundant opportunity ahead for SC Ports

CHARLESTON, SC - Today South Carolina Ports Authority president and CEO Jim Newsome’s State of the Port focused on growth, modernization and the abundant opportunities ahead for South Carolina’s public port system. In his eighth address at the annual event hosted by the Propeller Club of Charleston, Newsome reviewed the Port’s

financial and volume gains in recent years and the investments required for SCPA to meet the changing needs of the shipping industry.

SCPA posted increases in both containerized and breakbulk cargo at its Charleston facilities in fiscal year 2016 amid challenges in the world economy. The Port's container volume grew 1.4 percent fiscal year over year, and non-containerized cargo handled in Charleston exceeded planned tonnage by 33 percent. Continued growth of intermodal rail drove record-setting volumes at Inland Port Greer, which handled 91,698 rail moves in FY2016.

“The Port achieved growth of volumes and operating earnings in spite of an overall slowing of world trade,” Newsome said. “We also accomplished significant progress on numerous critical projects - modernization of the Wando Welch Terminal wharf, and implementation of an advanced gate system that enables us to efficiently handle that facility's growing cargo volumes; continued fill activity and other construction work on the Hugh K. Leatherman, Sr. Terminal; and enhancements to refrigerated cargo handling capabilities at both container terminals.”

In the year ahead, Newsome expects the Southeastern port market to continue to enjoy strong volume growth relative to the overall U.S. port market, supported by foreign-direct investment in manufacturing as well as a steadily increasing consumer market. For SCPA, the automotive industry will remain a bright spot both in the coming fiscal year and long-term, with the opening of the Volvo North America plant. Establishment of retail distribution centers, such as the Dollar Tree facility in Cowpens, will also be a driver of growth enabled by the Port's inland facilities. SCPA will build upon the success of Inland Port Greer with the construction a second inland facility in Dillon, South Carolina, that will open by the end of 2017. Despite financial uncertainty in the container shipping industry and further consolidation of major carriers, Newsome said big ships remain the catalyst for port investment and will drive the focus of SCPA's short and long-term projects.

“Today 16 of 26 weekly container services calling the Port of Charleston utilize New Panamax vessels, and we expect to see others upsized in the future,” Newsome said.



“Top 10 ports must make significant investments to prepare facilities to serve these bigger ships, including taller cranes and stronger terminal infrastructure, as well as harbor deepening projects. We have worked diligently to ensure that the Charleston Harbor Deepening Project to 52 feet remains on track to deliver all of the capabilities needed of a modern harbor by the end of the decade.”

Looking ahead, Newsome said SCPA’s major priorities are investment, terminal optimization and cargo base expansion. He predicted another fiscal year of record capital investments in the Port, and together SCPA and the state of South Carolina will invest \$2.2 billion over ten years to deliver projects critical to the Port’s competitiveness. As the Port prepares to commission two new ship-to-shore cranes this fall, two additional cranes have been ordered and plans are underway to raise four more cranes at the Wando Terminal. In addition, a new terminal operating system and improved land utilization top Newsome’s plans to ensure SCPA can efficiently work two 14,000 TEU vessels simultaneously.

Vital to the Port’s ability to sustain the volumes and revenue required for such investments is the expansion of its cargo base. In addition to the large cargo volumes driven by manufacturing, private sector investment in near-port facilities also plays a key role in SCPA’s growth. The Port is seeing the benefits of such facilities to serve specialized markets, including cold chain and plastics. “We must be innovative to attract new types of cargo,” Newsome said. “While there are challenges ahead, we are making significant progress in all the fundamental areas that will drive our success. There is no question that global businesses will locate near global ports, bringing with them promising opportunity for our state and region.

SCPA is a strong partner for business.”Newsome concluded his remarks with an inward look at SCPA’s organizational approach to meeting industry needs. With the adoption of new vision and values as part of a culture change initiative, SCPA’s nearly 500 employees have ownership of the Port’s future. “SCPA has a talented workforce and maritime community, and they are critical components of our success,” Newsome said.

“We provide a good product, and our customers can rely on us to keep their freight moving.”

Source: [ajot.com](http://ajot.com), 12 September 2016

## Government to extend pact with ISA on exploring manganese nodules

New Delhi, Sep 12 () Government has decided to extend the agreement with International Seabed Authority (ISA) by 5 years for exploration of manganese nodules that will also help in extracting minerals like, nickel, cobalt and copper. The Cabinet, chaired by Prime Minister Narendra Modi, has approved extension of contract between Ministry of Earth Sciences and ISA for exploration of Polymetallic Nodules (manganese nodules) for five years (2017-22), an official statement said.

The earlier contract is due to expire on March 24, 2017. "By extending the contract, India's exclusive rights for exploration of Polymetallic Nodules in the allotted area in the central Indian ocean basin will continue and would open up new opportunities for resources of commercial and strategic value in area beyond national jurisdiction," it said. Further, it would provide strategic importance for India in terms of enhanced presence in the Indian Ocean where other international players are also active, it added.

These potato-shaped, largely porous nodules, also called manganese nodules, are found in abundance carpeting the sea floor of world oceans in deep sea. Besides manganese and iron, they contain nickel, copper, cobalt, lead, molybdenum, cadmium, vanadium, titanium, of which nickel, cobalt and copper are considered to be of economic and strategic importance.

India had signed a 15-year contract for exploration of Polymetallic Nodules (PMN) in Central Indian Ocean Basin with the ISA, an institution set up under the Convention on Law of the Sea to which India is a party, on March 25, 2002 with the approval of the Cabinet. At present, India has an area of 75,000 sq km, located about 2,000 km away from her southern tip for exploration of PMN.

Ministry of Earth Sciences is carrying out the survey and exploration, environmental impact assessment, technology development (Mining and Extractive Metallurgy) under PMN through various national institutes. They include National Institute of Oceanography (NIO), Institute of Minerals and Materials Technology (IMMT), National Metallurgical Laboratory (NML), National Centre for Antarctica and Ocean Research (NCAOR) and National Institute of Ocean Technology (NIOT). RNK ABK

Source: [timesofindia.indiatimes.com](http://timesofindia.indiatimes.com), 12 September 2016

Hanjin brings one of World's Busiest Shipping Terminals close to standstill

-Heejin kim

The Hanjin Shipping Co. terminal at South Korea's largest port used to be one of the world's busiest. Dozens of container carriers would line up to ferry boxes to and from the giant cranes that loaded and unloaded the world's biggest ships. Last week the terminal, as big as 100 football fields, came to a virtual standstill. In front of hundreds of containers stacked four-high, Seo Seong Deok, a 35-year-old driver of the port tractors, wondered if he would ever get to move them again. "We have no work now," said Seo, one of about 1,000 tractor drivers without work. "This Hanjin terminal used to be always bustling with trucks and ships. Now, I heard some fresh food such as mango or banana is rotting in Hanjin container ships drifting somewhere in the ocean." Since the world's seventh-largest container line filed for protection from creditors on Aug. 31, the port has been paralyzed as unshipped boxes piled up. The collapse has come at the worst time: September is peak season for the industry as manufacturers look to stock store shelves for holidays like Thanksgiving and Christmas. Port officials say cargo owners have been scrambling to find alternative ways to send goods.

The port in Busan, on the tip of the Korean peninsula about 325 kilometers (200 miles) southeast of Seoul, handles more than 70 percent of the containers that enter or leave South Korea, according to local government data. Until last week, Hanjin alone

accounted for about 10 percent of goods that flow through its wharves. The company declined to comment on the current situation in Busan. “The biggest concern is Busan losing its longtime reputation as a maritime hub in Asia,” said Kim Kyu-Ok, the city’s vice mayor for economic affairs. Hanjin’s collapse “could make ship owners shun Busan.”

### Worst Scenario

That could mean more business for rival ports in Asia. Shipping companies use large centralized transshipment ports like Singapore to store containers and distribute them among vessels in order to move goods more efficiently around the world. Busan had risen to become the fifth-biggest container port and the city has ambitious plans to expand with new docks near Gimhae International Airport, where Hanjin’s terminal is located.

“The worst scenario for Korea because of the collapse of Hanjin is vessels could head to other ports, such as Tokyo, Singapore, or China,” said Jeon Jun Mo, research fellow at IBK Economic Research Institute. “The primary reason for the popularity of Busan was its cheaper service charges than other ports, and Hanjin’s exit will lead to an increase in charges for Korean exporters.”

The city has long played a strategic role in the country’s history. As the closest port to Japan, it was the center of shipments between the two countries and officially became Korea’s first port in 1876. When the North Korean army poured south in 1950, driving back South Korea’s forces, it was around Busan that the United Nations troops made their stand, using the port to bring in massive supplies of troops and equipment that eventually drove the communist soldiers back. After the war, the port continued to prosper from South Korea’s industrialization, anchoring the nation’s biggest industrial belt. The city of 3.5 million holds Asia’s biggest international film festival and has plans to bid to host the Olympic games.

## Shipbuilding Slump

The city's shipping crisis comes on the heels of a slump in shipbuilding, once a mainstay of Busan and other Korean yards. Daewoo Shipbuilding & Marine Engineering Co., the world's second-largest shipbuilder, based at Busan's neighboring Geoje City, has said it will cut its workforce by 20 percent and could reduce capacity by 30 percent. A group of companies in Busan said another 11,000 jobs could be at risk in the city if the troubled container line isn't rescued.

## Temporary Relief

"11,000? No way. There will be much more," said Kwon Ok Bong, a 68-year-old taxi driver in the city, who witnessed the aftermath of the shipbuilding decline in Geoje. "Lots of restaurants and pubs shut down after the shipbuilders got into trouble," he said. "If Hanjin is closed, Busan will have no big company." After roiling the global supply chain for more than a week, Hanjin won some respite over the weekend after its biggest shareholder, Korean Air Lines Co., agreed to inject 60 billion won (\$54 million) to help pay for handling charges at ports. That'll provide temporary relief for goods already on ships, but may give little respite for the thousands of Busan workers who are waiting for the return of the vast container ships.

Business has already fallen off on Chungjangdae-ro, the street full of restaurants and bars behind Hanjin Shipping's office in central Busan among offices of small shipping lines and sailors' unions. During dinner time last Thursday, the street was quiet, with many restaurants and coffee shops empty. "Spending here is shrinking," said Lee Su Man, a 57-year-old owner of a coffee shop on Chungjangdae-ro.

"The atmosphere is changing." The slowdown could worsen South Korea's unemployment rate which already rose to 3.8 percent in August from 3.6 percent in July, according to Statistics Korea. The government agency noted that the jobless rate was particularly noticeable in Busan and South Gyeongsang province, home to the world's three biggest shipyards. "The deterioration of Busan's economy is not just a local issue," said Jeon at IBK Economic Research. "It could shake Korea's economy overall."

Source: [bloomberg.com](http://bloomberg.com), 14 September 2016



## New Zealand Defence Minister blames Beijing for South China Sea tension

-John Braddock

In a speech to the NZ Institute of International Affairs on August 25, New Zealand's Defence Minister Gerry Brownlee discussed the rising tension in the South China Sea, which he attributed to China's land reclamation activities. "While we take no position on the various claims in the South China Sea, New Zealand opposes actions that undermine peace and erode trust," Brownlee declared. During a visit to Beijing last October, Brownlee raised concerns with Central Military Commission Vice-Chairman, General Fan Changlong, over the reclamation of 2,500 hectares in the South China Sea.

In last month's speech, Brownlee asserted that the reclamations would "be a considerably greater area now." He claimed Fan had "accepted the scale of all this was bound to cause some excitement." Brownlee added: "Another word for it is tension, which these developments continue to cause." Brownlee's comments indicate a shift by a section of the government and ruling elite closer to Washington's belligerent anti-China position. In an attempt to maintain a balance between China, its second most important trading partner and the US, its major strategic ally, the New Zealand government has insisted that it did not "take sides" over the South China Sea.

In mid-July, the Permanent Court of Arbitration in The Hague backed the Philippines in a legal case over the disputed waters, ruling that reefs and atolls controlled by China could not be used as the basis of territorial claims. China rejected the court's jurisdiction, but Brownlee explicitly endorsed it, saying: "We support the right of states to access dispute settlement mechanisms in managing complex issues."

The Hague case was orchestrated by the US as a pretext to extend its military build-up and preparations for war with China. Condemning China's "illegal activities," the US is preparing further provocative "freedom of navigation" operations, including by its allies,

into Chinese-claimed territorial waters. These operations have nothing to do with protecting regional trade, but seek to ensure access for US warships and aircraft in the strategically sensitive waters.

Noting the “growing economic might of China and its emergence as a military big power,” Brownlee said “we are seeing increasing challenges to the international rules-based order,” which New Zealand had “a strong interest in supporting.” He said this was the prime reason NZ had sought a seat on the UN Security Council. The call for a “rules-based order” echoes US demands for a global order in which Washington sets and enforces the rules.

Following The Hague ruling, US Vice President Joe Biden visited Australia and New Zealand. NZ Foreign Minister Murray McCully had earlier given what the Dominion Post described as a “nuanced” response to the ruling. Ostensibly leaving the door open for limited concessions to China, he said it provided a “platform” for resolving the “longstanding and complex issues in the South China Sea.” Before flying into Wellington, however, Biden delivered a menacing speech in Sydney. He laid down the law to Australia and other regional allies, making it clear that Washington expects their unequivocal support in its deepening confrontation with China. Biden said the US would use its “unparalleled” military strength to maintain its dominant position in the Asia-Pacific.

In New Zealand, Biden formally accepted an invitation from Prime Minister John Key for the US Navy to send a warship to the NZ Navy’s 75th anniversary celebrations in November. This will be the first visit by a US warship since the New Zealand’s “anti-nuclear” legislation was enacted in 1984. Key said it would be “a further demonstration of the strength of our close relationship, our friendship and our shared values.” Brownlee repeated Key’s enthusiasm for the US response.

While criticising China, Brownlee used his speech to emphasise New Zealand’s “deep historical ties” with the US. “Our relationship, which dates back almost 180 years, has seen us work together in two world wars and in all the major conflicts in between and thereafter,” he said. Brownlee highlighted “our shared experience in Afghanistan—a

country where we both still deploy troops.” The New Zealand Defence White Paper, released on June 8, marked a major step in the country’s integration into US war plans, which has proceeded behind the backs of the population and in defiance of widespread anti-war sentiment. Brownlee stated at the time that \$NZ20 billion worth of planned upgrades to frigates, planes and land vehicles would make NZ forces “interoperable ... with our close partners,” particularly the US and Australia.

In line with the White Paper, Brownlee last week announced the signing of a \$NZ36 million contract with Boeing to upgrade the air force’s underwater intelligence, surveillance and reconnaissance capability, and tenders for a new naval ship to support littoral operations. These measures are directly related to the escalating arms race between Beijing and Washington and its allies, in which naval supremacy is a central focus.

Every party in the New Zealand parliament supports the alliance with US imperialism. Labour Party leader Andrew Little told the Institute of International Affairs in July it was “strongly in New Zealand’s interests that we have deep, friendly military co-operation with the US.” The forthcoming US naval visit has been welcomed by the Greens and Greenpeace, highlighting the further shift to the right by former anti-war protest leaders, who have embraced imperialist war.

Labour and the Maori nationalist Mana Party—which includes the pseudo-left groups Fightback and Socialist Aotearoa—have joined the anti-immigrant NZ First Party in seeking to whip up anti-Chinese xenophobia. Their scapegoating of China for the NZ’s speculative housing bubble, unemployment and underfunded public services, along with trade union allegations of Chinese steel “dumping,” dovetails with New Zealand’s growing integration into Washington’s military build-up against China.

Brownlee concluded his speech by noting that New Zealand was “acutely aware of the dynamic between China and the United States,” and insisted yet again that “we do not see our defence relationships as mutually exclusive.” New Zealand’s increasingly explicit orientation toward Washington has not gone unnoticed in Beijing. On the eve of Key’s official visit there in April, China’s state news agency Xinhua warned New Zealand to



take an independent stance on the South China Sea, rather than be “hijacked by the ambitions of its military allies.” “New Zealand is an absolute outsider” in the dispute and “not a concerned party,” Xinhua declared. It warned that any attempt by Wellington to break its promise not to take sides would “risk complicating the flourishing trade ties between China and New Zealand.”

Source: [wsws.org](http://www.wsws.org), 3 September 2016

## China to display its Global clout as G-20 Summit host this weekend

-Hannah Gardner

BEIJING — Factories have been shuttered, cooking with gas stoves banned, the first day of school delayed and people sent on vacation. It's all in preparation for this weekend, when China's eastern city of Hangzhou hosts the Group of 20 Summit, an event that China's communist government sees as evidence of its growing global influence. Before the summit, the coastal tech hub, already one of China's most beautiful cities, has undergone a massive face lift. It has spent more than \$1 billion on a new convention center and installed extra lights around its famous West Lake to make sure it twinkles just the right amount for the world leaders gathering there.

In the past few days, the city has been largely empty. The first day of school, usually Sept. 1, was delayed a week, and residents were given vouchers to go on a holiday. To make sure the air stays clean and the skies blue, people living near the conference center have been told not to turn on their gas stoves. Instead, police will deliver them ready-made meals cooked elsewhere. Migrant workers and those from China's restive Xinjiang region were ordered to leave. Christian churches, the subject of a government crackdown, have been ordered to suspend services.

The meticulous preparations underscore the government's eagerness to showcase its development and prove that the world's second-largest economy deserves a leading role in global affairs. Even though it is a permanent member of the United Nations Security

Council and a key player in international finance, China often feels it is not given the respect it deserves, according to China experts. “The summit will force the world to focus on and listen to China. It will allow President Xi Jinping to speak with a louder voice,” said Wang Wen, dean of the Chongyang Institute for Financial Studies at Beijing’s Renmin University.

China pushed an ambitious economic development agenda during its year-long presidency of the G-20 to raise the importance of the summit and cement the communist country’s role as a leader of the developing world, Wang said. “The West has underestimated China. This year has shown China can set the agenda,” Wang said. Xi may want to confine the summit discussions to economic issues such as boosting global growth, encouraging innovation and removing barriers to world trade. The approximately two dozen other leaders probably will raise other issues that may put China on the defensive, such as its weak human rights record, aggressive territorial claims in the South China Sea and overproduction of steel that is hurting foreign producers. Saturday, President Obama will meet one-on-one with Xi to discuss some of these contentious issues, the White House said.

“The president will emphasize all countries need to play by the same rules, regardless of size or power, because that’s the way everyone can compete and be treated equally. He’ll also affirm that we believe countries are better able to reach their full potential when they protect the universal rights of all of their citizens,” Daniel Kritenbrink, National Security Council director for Asian affairs, said this week. Other world leaders in attendance include German Chancellor Angela Merkel, Russian President Vladimir Putin, Turkish President Recep Tayyip Erdogan and the presidents of the European Commission and European Council.

U.N. Secretary-General Ban Ki Moon will be there along with heads of international financial organizations and representatives from Africa and Southeast Asia. “This is the most important gathering of leaders in China in modern history,” said Tristram Sainsbury, project director at the G-20 Studies Centre at Australia’s Lowy Institute for International Policy. China is not a member of the more elite Group of Seven and has

“felt like an add-on to a Western-dominated process,” he said. “Instead, the G-20 — a group that included China from the start — is an acknowledgment that global decisions need to be made by both emerging and advanced economies,” he said.

Source: [usatoday.com](http://usatoday.com), 3 September 2016

## Indian Ocean Conference 2016: Takeaways and Reflections on a Critical Event

-Anuraag Saxena

I moved to Singapore a decade ago. That was a time when India was known for its tacky Bollywood movies and tackier Diwali decorations in Little India (an area of Singapore inhabited by South Asians). Our early experiences of Singapore were house-owners refusing to rent us homes and an overly friendly colleague asking me, “How come you don’t have body odour, man?”, without realising how racist that remark was.

The last week saw a sea-change in India’s image when the India Foundation pulled off a gathering that could easily have been the envy of the 21 countries that participated in it. Heads of States, Ministers, diplomats, journalists and thought leaders from different countries rubbed shoulders and discussed the future of the Indian Ocean region and each of our roles in it.

Now, to set the expectations straight: this is neither an article documenting the minutes of the meeting nor a conference report. Quite far from it, actually. This article is purely about my individual takeaways from the Indian Ocean Conference (IOC) 2016. A very personal, fly-on-the-wall account of a desi figuring out what this means for India.

### Shared Identity

The Thai Minister of Culture, Vira Rojpojchanarat, set the tone for the conference by reminding delegates of the Sanskrit roots of his name (Vira means brave in Sanskrit).

What followed was a unilateral consensus of the shared histories and shared identities across the Indian Ocean region. On how, at the very core, we are a very similar set of people – we have similar roots, similar family structures and similar outlook towards life, prosperity and spirituality, but just that we don't remind ourselves of that enough.

### Shared Culture

Sri Sri Ravi Shankar brought up easy-to-digest binary constructs, like, for commerce, you look to the west and for culture, you look east. It is time the Indian Ocean region exported its culture (spirituality, happiness, trust structures, etc.) in the way that the West has exported its commerce.

I have personally believed that the West's perceived "superiority" comes from the 'ease of measurement systems'. It is easier to measure if A is richer than B; therefore, wealth becomes the singular measure of success. Now imagine a world where you could measure other intangibles, like happiness, culture or health. That world is already just around the corner. Would our views change on a change in a nation's measure of "superiority" (say, a prosperous nation with the lowest rank on the happiness index)? Would our exports change (Yoga and Vasudaiva Kutumbakam instead of iron ore)?

### Shared Power

From a geo-political perspective, no country in the Indian Ocean region is a superpower. Not yet. Getting there, though, needs to be a symbiotic process of taking the region along. Whether it is reinvigorating the Indian Ocean Rim Association (IORA), rethinking bilateral engagements, enhanced people-to-people platforms, or plain simple opening up of markets and trade – it is clear that a closer association is enormously mutually beneficial. Now think about that for a second. Here is the Indian Ocean Region, a part of the world that has been the hub of maritime trade and activity. However, largely speaking, their maritime military might has been largely defensive in nature. Using those ships for spices and silk instead of armies and armaments means an acute mutual respect for co-existence and equilibrium.

## Shared (Geo-Political) Challenges

“Investment in conquest has to be worth the return. No one attacks a poor country,” said M J Akbar, India’s Deputy Foreign Minister. Now, what does that mean to a region that is building prosperity at a breakneck speed? While it is not the era of widespread wars that play out publicly, what kind of response should we expect from the countries that currently hold a dominant status and feel threatened? Are we ready with those responses?

## In Conclusion

Lines were drawn later: Anyone that travels around the region can’t help but notice the ‘korma’ curry in Malacca, or streets in Thailand named after characters from the Ramayana, or profound Indic structures in Cambodia and Indonesia. The connections are centuries old. The lines on the maps, though, are just 70 years old.

Let me clarify that I’m not questioning sovereign rights, nor suggesting any drastic political moves. However, the conference made me ask a simple yet profound question: What if we were to start looking at 2016 as just a point in time in a much longer history (of this region), and what if we use a soft-focus lens on the lines on the maps?

Source: [swarajyamag.com](http://swarajyamag.com), 4 September 2016

## Nutrient Pollution is changing sounds in the sea

Nutrient pollution emptying into seas from cities, towns and agricultural land is changing the sounds made by marine life – and potentially upsetting navigational cues for fish and other sea creatures, a new University of Adelaide study has found. Published online in the journal *Landscape Ecology*, the research found that marine ecosystems degraded by ‘eutrophication’, caused by run-off from adjacent land, are more silent than healthier comparable ecosystems. This marine ‘soundscape’ comes largely from the snapping of shrimps, but also the rasping of sea urchins and fish

vocalisations. The researchers PhD graduate Tullio Rossi, Associate Professor Ivan Nagelkerken and Professor Sean Connell from the University's Environment Institute – studied kelp forests and seagrass beds in South Australia's St Vincent's Gulf, many of which have been impacted by excessive nutrients washing into the sea, particularly along the metropolitan coast of Adelaide.

They compared audio recordings of these polluted waters with audio recordings at natural high-CO<sub>2</sub> underwater volcanic vents, which show what water conditions are predicted to be like at the end of the century under global ocean acidification. Remarkably, they found the same pattern of sound reduction in both locally degraded ecosystems and those that show what oceans are expected to be like under climate change.

“Kelp forests and seagrass beds are important ecosystems for commercial fishing and maintenance of marine biodiversity,” says study leader Associate Professor Ivan Nagelkerken, in the University of Adelaide's Environment Institute. “They also function as nursery habitats for a range of species. But the decrease in sound we found in these degraded ecosystems due to local eutrophication is of the same large magnitude that we find in ecosystems that will be affected by global ocean acidification.

“We know that sound is very important for some species of fish and invertebrates to find sheltering habitats in reefs and seagrass beds. The demise of biological sounds is likely to have negative impacts on the replenishment of fish populations.” The study also suggests that soundscapes may be a suitable management approach to evaluating the health of ocean ecosystems – a new cost-effective monitoring tool. “Because ocean acidification acts at global scales, local reduction of nutrient pollution as a management intervention will strengthen the health of our marine ecosystems, and set them up for coping better with global climate stressors,” says Professor Sean Connell.

Source: [adelaide.edu.au](http://adelaide.edu.au), 5 September 2016

## An Ocean of threats must be tackled to protect the world's 'Blue Economy,' U.S. undersecretary says

-Ann M. Simmons

They are the lifeblood of our planet, responsible for more than half of the oxygen we breathe. They regulate the climate, provide a major source of protein for 3 billion people, and millions of livelihoods — including 1 of every 6 jobs in the United States — are connected to the marine environment. But the world's oceans are under extreme duress, and humans are primarily to blame.

“I think we sometimes take it for granted, especially if you are located someplace where you don't see the ocean every day,” Catherine A. Novelli, U.S. undersecretary for economic growth, energy and the environment, said during a recent interview with The Times. That's why a key aim of the Our Ocean Conference to be hosted by Secretary of State John F. Kerry in Washington this week is to “elevate the ocean in people's consciousness,” Novelli said.

Participants in the first two Our Ocean conferences, launched in 2014, pledged nearly \$4 billion to conservation activities globally and committed to set aside special protection areas for nearly 2.3 million square miles of the world's seas. “We in the U.S. have about a third of our ocean protected,” Novelli said. “The global amount protected is only about 3%. So we have a ways to go.” She explained some of the reasons why in her discussion with The Times, which has been edited for length and clarity.

What are some of the main threats to the ocean?

The ocean has absorbed 30% of all the carbon that we have put out into the atmosphere since the Industrial Revolution. The carbon in the atmosphere is a huge threat to the ocean because the ocean is absorbing all of this carbon and that means that the acidity level of the ocean is increasing. That means that corals, for example, end up being bleached out, and, of course, [they] are a part of the food chain, so it's very important

that they remain healthy. The shells on shellfish become really soft and they can't survive.

Illegal fishing [is another threat]... But here's the good news: If you really start to manage your fish stocks, they can come back. In the U.S., we were in a terrible situation. The National Oceanic and Atmospheric Administration stepped in with really robust management programs and our fisheries have rebounded. The same thing happened in the EU as well. But globally, we do have a little issue.

How do you combat the threat of rising acidity?

What we're doing right now is trying to start monitoring where the higher levels of acid are, how does that move around, and then look at mitigation strategy and what can be done. For example, there are shellfish farmers who are monitoring themselves [and] what's happening with the acidity, and if they see that there's more acid than normal coming their way they can put up something that keeps the ocean from invading [their farms], and wait until it moves on.

What about tackling illegal and unregulated fishing?

So what are the ways to deal with that? One is to create marine protected areas. They're kind of like national parks of the ocean, where there isn't fishing so the fish are allowed to rejuvenate in these areas. [Then there's] the Port State Measures Agreement. It's a treaty. It started off with the idea that if you're going to illegally fish, you've got to bring the fish to land at some point to sell it. So the idea was to use the ports as a choke point, to say we who have signed on to this treaty aren't going to allow boats with illegally caught fish to dock at our ports and unload this fish.

Two years ago when we started our oceans conference, only 10 countries had signed on. You need 25 for [the treaty] to enter into force. We're over 60 countries now, so it's entered into force, and we're looking for many, many more. We have [also] launched Operation Safe Ocean Network. There's a lot of technology out there that can be used to monitor either from satellite — to see if there are boats where they're



not supposed to be — or in the ocean where you can use sonar to detect fish and distinguish them from other things, such as submarines. The theory being that if you combine [monitoring] from space and below the sea, you can actually be much more precise about where illegal fishing is going on and be able to notify countries if this is in their territorial waters ... and then work with them to interdict those who are illegally fishing and then, of course, prosecute those people.

How challenging is it to tackle these illicit activities?

It's very difficult. The ocean is huge. That's why we have this initiative because the idea is [to] use technology to pinpoint the likely places where something might be going on. We're narrowing down where we're going to be looking for these illegal fishing boats. We expect to have close to two dozen pilot projects looking at how we can combine this technology in different parts of the world, working with partner countries, and then we'll keep expanding it.

The U.S. is doing [more] to deal with illegal fishing. We have put out a regulation that will require fishers to be able to trace their fish from the place they caught it — from bait — to where it crosses to land. Our own domestic fishers already have to do this. We're now expanding those rules to everybody. Ninety percent of the seafood we eat in the U.S. is imported. So we're hoping this is going to have a big impact.

What do you mean by the term “blue economy”?

The idea is [that] the ocean has many, many resources, and they are resources that should be able to be developed for the benefit of the people who are using them. There is a way of developing these resources that also conserves them. If you want to have a sustainable economy based on the ocean, you can't sustain that unless you're conserving it at the same time. Otherwise you'll use it up. And similarly, you want to have conservation. But you can't really sustain that unless there's an ability to economically sustain that. So it's that meshing of environment and economics that is really the blue economy.

How devastating is marine pollution and what's being done to combat it?

There are two primary sources of marine pollution. Plastic and runoff from fertilizer. On the plastic side, the amount of plastic going into the ocean right now is enough to line every coast that touches the ocean five deep of garbage bags full of plastic. If we continue at the pace that we're going, there will be 1 ton of plastic for every 3 tons of fish in the ocean. Not only is it ugly, it gets tangled up in plants. It breaks down into smaller pieces. Fish eat that and then we eat fish. It's just horrible.

The problem is way worse in Asia than any other place in the world. That's because you have a rising middle class who's buying disposable things, stuff that's packaged in plastic. They have much more ability to purchase, and their waste-management systems are not as developed to keep up with that. So there are several solutions being looked at there. One is, how do you give this plastic value so that people just don't throw it away?

We have two pilot projects going, one in the Philippines, another is in Indonesia. [The first] is to take this plastic and turn it into energy. It has to be energy that doesn't pollute, otherwise you defeat the purpose. It's called waste-to-worth. The second [program involves] the design of all this packaging. How do you use less? How do you design things that are truly completely biodegradable? In terms of fertilizer, what happens is this fertilizer runs off the land. It's excess; it hasn't been absorbed. It goes into the waterways and, of course, every waterway always ends up in the ocean. Algae eats this fertilizer. The algae sucks oxygen out of the ocean and then you create these dead zones because you need to have oxygen in the water in order for fish to live.

The second largest of these dead zone is in the Gulf of Mexico off the coast of Louisiana, Mississippi. So A, how can we use smarter systems for delivering the fertilizers so you don't over-fertilize? And B, there are some simple mitigation measures you can do such as simply digging double trenches around your field so the runoff [faces] a little bit of resistance before it gets all the way into the water.

What's the goal of the Our Ocean conferences and is there a particular theme for this year?

The theme of Our Ocean, and the goal, is to educate the population of the world, not just scientists and experts, but everybody, about the importance of the ocean, about the challenges that the ocean is facing, and about what can be done about it. The areas it's going to focus on are marine-protected areas/overfishing, illegal fishing, pollution of the ocean, climate effects on the ocean, and the theme that runs through all of those is the theme of the blue economy. In other words, how do we tackle these things, keeping in mind these twin objectives of economic sustainability and environmental sustainability?

Source: [latimes.com](http://latimes.com), 11 September 2016

### The Oceans are heating up: A big problem on a blue planet

So, just as a refresher, it's always good to remember that we live on an ocean planet. Most of the Earth's surface is salt water, studded with the large islands we call continents. It's worth recalling this small fact – which can slip our minds, since we humans congregate on the patches of dry ground – because new data shows just how profoundly we're messing with those seven seas. The International Union for the Conservation of Nature has published an extensive study concluding that the runaway heating of the oceans is “the greatest hidden challenge of our generation”.

When we think about global warming, we usually fixate on the air temperature. Which is spiking sharply – July was the hottest month ever measured on our planet. But as the new study points out, 90% of the extra heat that our greenhouse gases trap is actually absorbed by the oceans. That means that the upper few meters of the sea have been steadily warming more than a tenth of a degree celsius per decade, a figure that's accelerating. When you think of the volume of water that represents, and then try to imagine the energy necessary to raise its temperature, you get an idea of the blowtorch that our civilization has become.

We see the effects of warming on land: the floods, the droughts, the refugees headed towards temporary safety. But the same scale of convulsion is under way beneath the opaque waves. The IUCN found fish fleeing toward the poles, disrupting fisheries that lasted throughout the Holocene; it found coral reefs bleaching at an ever-accelerating rate; it found, maybe most ominously, that “the warming is having its greatest impact upon the building blocks of life in the seas, such as phytoplankton, zooplankton and krill.” That is to say: we are profoundly mucking around with the very bottom of the planet’s most basic chains of life.

These risks will accelerate as the oceans warm faster: their temperature could rise four degrees celsius if we let the planet keep warming. And as that happens, of course, the warming will start to feed on itself. There are, the IUCN reminds us, huge quantities of methane frozen beneath the sea. Each degree of temperature increase will thaw some of that. There’s only word for what we’re doing, and that is “insane”. On an ocean planet, we are wrecking the ocean. On an ocean planet, we are wrecking the ocean.

And we’re doing it needlessly. Engineers have done the work to provide us with the tools we need. We have solar panels. We have wind turbines (which, when placed offshore, have become nifty little artificial reefs). We have good data to show that if we deploy them with great speed, we can affordably power the planet without wrecking it. Alas, we also have a fossil fuel industry, which has managed to prevent any real action for decades – it has lied, it has lobbied and it has poured uncountable largesse on our political class. (And on other elites: somewhat unbelievably, BP is currently sponsoring an exhibition on the relics of “Sunken Cities” at the British Museum.) As a result, we have disappearing ice caps, crackling forest fires and record rainfalls.

But we also have, thanks to them, a vibrant and rising movement to defend the Earth. In North Dakota today, Native Americans are laying their bodies on the line to block a new oil pipeline across the Missouri river. They are calling themselves Water Protectors. We would do well, all of us, to take up the same avocation. Because we live on an ocean planet.

Source: [theguardian.com](http://theguardian.com), 7 September 2016

## **Indo-US Logistics Agreement LEMOA: An Assessment**

-Gurpreet S Khurana

On 29 August 2016, during the visit of the Indian Defence Minister Manohar Parrikar to Washington DC, India and the United States (US) signed the Logistics Exchange Memorandum of Agreement (LEMOA). Essentially, LEMOA is only a 'functional' agreement 'to account for' the essential supplies and services that one country would provide (at its port or airport facility) to the visiting military force of the other – an arrangement that the US has made with over a hundred countries worldwide. Nonetheless, the significant symbolic and strategic import of the agreement cannot be ignored.

Also, while the proposal was initiated in 2002, it has fructified at a crucial time. Never before in recent history has Asia's geopolitical and security environment been so tenuous; or the strategic interests of India and the US so convergent. Understandably, therefore, the signing of LEMOA has grabbed much attention, and raised the multitude of questions and speculations. This essay attempts to clarify a few key issues, and appraise LEMOA in terms of its strategic implications. In the past, India and the US have transacted military logistics, but on an ad hoc basis and largely during combined exercises. LEMOA would change the nature of transactions. Hitherto, each transaction was considered as a separate case and on every occasion, paid for in cash by the side using the supplies or services.

LEMOA would entail both sides maintaining a ledger for the transactions, such that much of the debit would be defrayed against the credit, and only the residual balance owing to whichever side would be paid for at the end of the fiscal year. Notably, as a standing agreement, LEMOA is indicative of the expectation on both sides that logistic transactions would increase in the coming years, and expand from combined exercises to coordinated operations. However, the signing of LEMOA has led to a perception that India has sidestepped "its policy of not entering into a military agreement with any major". Owing to its civilizational ethos, India's foreign policy proscribes a 'military alliance', but not a 'military agreement'. In the past, India has entered into a plethora of

military agreements with major powers on various functional aspects, such as development of defence hardware, combined exercises, and sharing of operational information. Specifically with the US, in 2002, India entered into an agreement with the US to provide naval escort to the US high-value ships transiting the Malacca Straits. As another functional agreement, LEMOA represents no departure from India's enduring policy. Even under LEMOA, India would be able to exercise its strategic autonomy.

The agreement would not restrict India's strategic options since it is 'tier-two' agreement. This implies that only if and when the Indian government agrees to a US proposal to conduct a combined military exercise or operation (entailing a logistics exchange), will LEMOA come into play. For instance, since the India-US Malabar naval exercise is a standing arrangement approved by the Indian government, LEMOA will apply on all occasions that such exercises are conducted. As another instance, if hypothetically, the US seeks to undertake a coordinated military operation with India to flush out a terrorist group in a neighbouring country, based on many factors, India may decide to turn down the US proposal, with no obligation to offer the US forces access to Indian logistic facilities.

Furthermore, as the Indian Ministry of Defence (MoD) Press Release specifically states, the agreement does not provide for setting up of a US military base on Indian soil. The above leads to a pertinent question: Does LEMOA give the right to the US and Indian armed forces to use each others' military bases? According to the Indian MoD Press Release, LEMOA pertains to reciprocal 'access' rights to military forces for logistic supplies and services comprising "food, water, billeting, transportation, petroleum, oils, lubricants, clothing, communication services, medical services, storage services, training services, spare-parts and components, repair and maintenance services, calibration services and port services". Even at present, some of these supplies and services would be available only in the military base of the host country.

In the coming years – given the existing trends – when a substantial proportion of Indian military hardware is of US origin, the visiting military force may seek to replenish even ammunition, missiles and torpedoes from the host country. LEMOA may

then become analogous to the reciprocal use of military bases. 3 The signing of LEMOA has led to apprehensions amongst a few analysts in India that the benefits of the agreement weigh heavily in favour of the US. Such perception may not be true. The US possesses numerous globally-dispersed overseas military bases and access facilities. In an operational contingency, therefore, the US would expect India to provide essential supplies and services to its military forces only if the contingency occurs in geographic proximity of the Indian sub-continent.

Such logistics may also be required for an inter-theatre shift of US forces in an emergency – such as the Persian Gulf crises of 1990, when C-141 transport planes transiting from the Philippines to the Gulf were refueled in Indian airfields – but such occasions would be rare. In contrast, India has no overseas military base, and yet its areas of interest are fast expanding much beyond its immediate neighbourhood – notably, the Persian Gulf, southern Indian Ocean and the western Pacific – where its ability to influence events is severely constrained by stretched logistic lines. Access to the US military bases in these areas, facilitated by LEMOA, would provide useful strategic alternatives to India.

In sum, therefore, while LEMOA may be functional agreement meant to facilitate military operations and exercises, it would enhance the strategic options of the involved parties; and thus pose a credible strategic deterrence to actors – both state and non-state – that seek to undermine regional security and stability. However, to address the possibility of its negative perception in terms of India's 'policy polarization', New Delhi may consider entering into similar agreements with other major powers with whom its strategic interests converge.

Source: [maritimeindia.org](http://maritimeindia.org), 8 September 2016