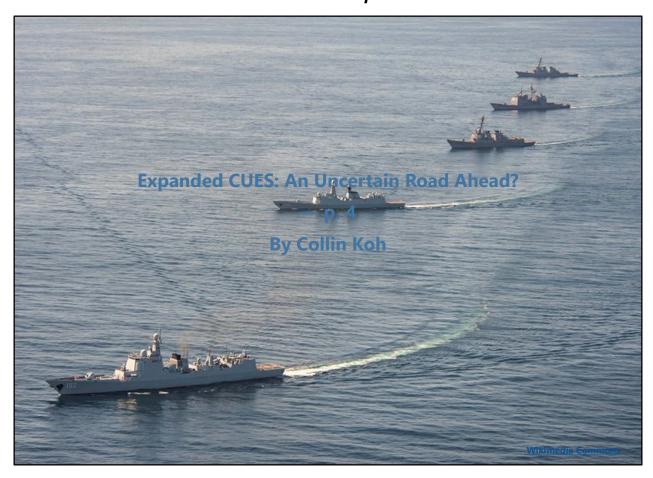




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A Monthly Maritime Bulletin and Perspectives of the Maritime Security Programme at the S. Rajaratnam School of International Studies

### Featured MSP Perspectives:



### **MSP Perspectives:**

Expanded CUES: An Uncertain Road Ahead?

— p. 4

### **Naval Development and Policy:**

Singapore navy's unmanned aerial vehicles make their debut in an overseas exercise — p. 5

### **Maritime Safety and Security:**

Duterte: Indonesia can chase pirates into Philippine waters
— p. 7

### **Shipping, Ports, and the Maritime Economy:**

Hanjin bankruptcy causes global shipping chaos, retail fears

— р. 9

### **Table of Contents**

MSP PERSPECTIVES	4
Expanded CUES: An Uncertain Road Ahead?	4
NAVAL DEVELOPMENT AND POLICY	5
Singapore navy's unmanned aerial vehicles make their debut in an overseas exercise	5
Poll: Most people oppose submarines purchase plan	5
Philippines worried, says more Chinese boats spotted at disputed shoal	5
Leak won't sink Scorpene submarine deal: MoD	5
Pakistan developing maritime doctrine	5
Japan to provide planes, ships for Philippines amid sea dispute with China	6
New South Korean Destroyers to Have Ballistic Missile Defense Capability	6
US, Taiwan Move Forward on New Torpedoes	6
China, Russia Kick Off Joint South China Sea Naval Exercise; Includes 'Island Seizing' Drill	6
Australia's first Air Warfare Destroyer in builder's trials	6
New stealth destroyer launched, yet navy faces major fleet shortfalls	6
Around the region: ASEAN cadets join Cadet Sail 2016	6
China air force holds drills in Western Pacific for second time this month	6
Japan's Naval Chief Rules Out Joint-US Freedom of Navigation Patrols	6
New aircraft carrier's development in 'orderly progress'	6
MARITIME SAFETY AND SECURITY	7
Duterte: Indonesia can chase pirates into Philippine waters	7
Batam-Singapore ferry accident: Ferry ran aground after taking shortcut, MPA says	7
AM-HEx 2016 joint exercise begins in Thailand	7
Southern Naval command conducts maritime security drill at Kochi units	7
Jokowi signs declaration of One ASEAN One Response on Disasters	7
US to give Philippines military planes: Government	8
Japan offers to train maritime security officials from ASEAN	8
Three kidnapped by gunman in Malaysia	8
Indonesia seizes fertilizer ship in Bali, suspecting bomb plot	8
Ministry to Tighten Up Vessel Certification to Prevent Accidents	8
Higher traffic in Malacca Strait raises concerns about accidents	8
Maritime security exercise to strengthen cooperation among countries kicks off	8
Police beef up waterway security with 2 new boats	8
3 Chinese die after illegally fishing in Korean waters and fleeing Coast Guard	8
Coastguard intensifies surveillance along Gujarat coast	8
SHIPPING, PORTS, AND THE MARITIME ECONOMY	9
Hanjin bankruptcy causes global shipping chaos, retail fears	9
India plans massive shipping birth venture	9
Committed to blue economy; to create 10 mn jobs: Gadkari	9
South Africa: Minister Rob Davies Launches Composite Floating Dock in Durban	9
DP World Sign Major Russian MoU	9
Iran Oil Facility Expresses Hope For Japanese Investment	10
Pak-China in talks to have LNG terminal at Gwadar	10
Indonesia invites Taiwan to invest in maritime sector	10
Indonesia president opens Priok port expansion in Jakarta	10
Vice Premier urges efforts to promote Belt and Road Initiative	10
Arctic shuttle tanker carries first crude cargo from Novy Port field	10
Australia's busiest port sold for RM30bil to consortium	10
India's Adani buys Australian port operator	10
Fujairah launches UAE's first jetty for huge crude carriers	10
Abu Dhabi Ports announces concession agreement with COSCO SHIPPING Ports	10

### **NOTES**

Please click on the links for the full report. All links and news reports are correct at the time of publication. Through this bulletin, you will be linked to external websites. We have no control over the nature, content, and availability of those sites. The inclusion of any links does not necessarily imply a recommendation or endorsement of the views expressed within them.

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### **MSP PERSPECTIVES**

### **Expanded CUES: An Uncertain Road Ahead?**



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The Code for Unplanned Encounters at Sea (CUES), promulgated during the Western Pacific Naval Symposium in 2014 to mitigate the risks of accidental or inadvertent clashes in times of encounters between naval forces at sea, should expand to include coastguards, as proposed by Singapore earlier this year. Expansion could promote peace and stability in the South China Sea, which has witnessed resurgent tensions involving maritime law enforcement (MLE) or "white hull" forces. Thus far, despite overt support by various regional countries, including the United States, there has been little movement.

Observers have identified several factors that would hinder the promulgation of this expanded mechanism. Some coastguards in the region are still attempting to centralize maritime law enforcement powers from the various agencies, thus making it harder for their governments to commit to such a code. Another problem concerns sovereignty, given that such a mechanism might mean subjecting these forces typically regulated by domestic laws to international rules created with other countries.

But often overlooked are problems that have long plagued naval arms control negotiations. In particular, many types of naval armaments are dual-functional, which allows them to fulfil both offensive and defensive roles. The type and quantity, as well as the manner of deployment, of naval armaments also complicate such negotiations. Moreover, there is also problems concerning how "coastguards" are defined — an increasingly not-so-straightforward answer given the range of law enforcement and other forces operating in the region, especially from China.

The situation in the South China Sea has evolved drastically ever since an expanded CUES was proposed. Irregular forces – popularly epitomized by China's maritime militia or "little blue men", as Andrew Erickson and Conor Kennedy had aptly labelled them – have emerged to the forefront of action. In view of this, it becomes necessary to consider two possible approaches that can be adopted in negotiating an expanded CUES.

The first may be called a "Phased Approach" focusing first on coastguards, which could be defined as agencies that, like regular militaries, possess distinctively marked personnel and assets. The Heads of Asian Coast Guard Agencies Meeting (HACGAM) may serve as a useful basis for this rather straightforward exercise. Assuming this takes off, coastguards will, like their "grey hull" naval counterparts, gradually decrease their aggressive actions. There are grounds to believe that this approach would have a relatively higher chance of success than the alternative described below, given that regional governments may seek quick victories and demonstrate their willingness to play a constructive role. For the wider international community, having an expanded CUES based on this "Phased Approach" serves as a way of alleviating tensions through reducing the uncertainties during any coastguard encounters. If successful, the initial phase of expanding CUES to encompass distinctively-identified coastguards may then lead to the follow-on phase to look at irregular maritime forces.

The second, what may be called a "Blanket Approach", simply adopts a broader definition of MLE forces. But parties at the negotiating table will have to agree on what those forces are. Unlike the "Phased Approach", this option is less straightforward and prone to higher risks of failure typical of many negotiated arms control measures. This is because a "Blanket Approach" essentially conflates all types of MLE forces, which in this particular case would include irregulars such as maritime militia. The Philippine Government, for example, supports the idea of incorporating irregular forces in the expanded CUES, to which some other parties (presumably China and Vietnam), may not necessarily agree.

For both approaches, there is a common denominator that does not bode well for the prospects of an expanded CUES. Ultimately, parties involved in either the "Phased Approach" or "Blanket Approach" may find it difficult to agree on the role of irregular forces that perform MLE functions. Precisely because such forces are so elusive and ambiguous that they render a wide range of tactical, operational, and strategic flexibility for their governments, it is hard to incorporate them in such mechanisms as far as implementation, verification, and compliance by parties are concerned.

If accomplished, the elation following the successful expansion of CUES to encompass distinctively-recognized coastguards will then give way to subsequent frustrations. Identifying the forces in question will be the precondition for meaningful discussions, eventual conclusion of such a mechanism, and for future verification and compliance purposes. It is therefore necessary for parties at the negotiating table to agree that irregular MLE forces do exist. Going down the path of the lowest common denominator of how MLE forces are defined will obfuscate the real crux of those realities playing out in the South China Sea and in the foreseeable future. China, being the foremost protagonist in South China Sea disputes when it comes to the use of irregular MLE forces in asserting its sovereignty and jurisdictional claims, will almost certainly not admit to the existence of these "little blue men", and will never be willing to give up a useful tool that gives Beijing so much tactical, operational, and strategic flexibility. The same goes for Vietnam which also operates its own version of the maritime militia, albeit at a smaller scale than what the Chinese muster.

On a final note, the increasing activities of irregular maritime forces in the South China Sea observed recently mean that an expanded CUES, though still theoretically possible, will face an arduous and challenging road ahead.

This is an abridged version of the commentary published with East-West Center (click <u>here</u>).

### **NAVAL DEVELOPMENT AND POLICY**



SINGAPORE | 9 SEPTEMBER | STRAITS TIMES

#### Singapore navy's unmanned aerial vehicles make their debut in an overseas exercise

The Republic of Singapore Navy (RSN) is deploying unmanned aerial vehicles (UAV) in the 18th edition of Exercise Singaroo, an eight-day bilateral exercise with the Royal Australian Navy (Ran).

Full Report

THAILAND | 1 SEPTEMBER | BANGKOK POST

# Poll: Most people oppose submarines purchase plan

A clear majority of people are opposed to the navy's plan to buy three submarines at a cost of 36 billion baht, according to PeoplePoll (Thailand).

**Full Report** 

CHINA | 4 SEPTEMBER | REUTERS

# Philippines worried, says more Chinese boats spotted at disputed shoal

The Philippines expressed "grave concern" on Sunday and demanded an explanation from China's ambassador over what it said was an increasing number of Chinese boats near the disputed Scarborough Shoal in the South China Sea.

**Full Report** 

INDIA | 5 SEPTEMBER | DNA – DAILY NEWS & ANALYSIS

### Leak won't sink Scorpene submarine deal: MoD

Government sources have said that navy's ongoing \$3.5 billion six Scorpene submarine project is not affected in the wake of sensitive data leaks even as the Ministry of Defence (MoD) has also questioned the basis of reports that suggested additional order of three more submarines with the French submarine maker DCNS has been cancelled.

**Full Report** 

PAKISTAN | 6 SEPTEMBER | DAWN

#### Pakistan developing maritime doctrine

Pakistan is developing its maritime doctrine in response to 'disturbing developments' in the Indian Ocean Region (IOR) to protect its maritime interests and respond to conventional and sub-conventional threats emerging there.

#### JAPAN-THE PHILIPPINES | 6 SEPTEMBER | REUTERS

## Japan to provide planes, ships for Philippines amid sea dispute with China

Japanese Prime Minister Shinzo Abe on Tuesday agreed to provide two large-sized patrol ships and lend up to five used surveillance aircraft to the Philippines, a Japanese government spokesman said, with both countries locked in territorial disputes with China.

**Full Report** 

#### SOUTH KOREA | 6 SEPTEMBER | USNI NEWS

# New South Korean Destroyers to Have Ballistic Missile Defense Capability

A trio of planned South Korean guided missile destroyers will be built with the capability to intercept ballistic missile threats, USNI News has learned.

**Full Report** 

#### TAIWAN | 8 SEPTEMBER | DEFENSE NEWS

#### **US, Taiwan Move Forward on New Torpedoes**

The United States is set to approve the sale of Mk-48 heavyweight torpedoes for Taiwan after many years of delay, said a Taiwan Ministry of National Defense (MND) official.

**Full Report** 

#### CHINA-RUSSIA | 12 SEPTEMBER | USNI NEWS

# China, Russia Kick Off Joint South China Sea Naval Exercise; Includes 'Island Seizing' Drill

China and Russia kicked off more than a week of naval exercises in the South China Sea that will include an "island seizing" exercise, the Chinese Ministry of National Defense announced on Monday.

**Full Report** 

#### AUSTRALIA | 13 SEPTEMBER | UPI

## Australia's first Air Warfare Destroyer in builder's trials

The first Air Warfare Destroyer for the Royal Australian Navy is performing sea trials to demonstrate its propulsion and control and navigation systems.

**Full Report** 

#### INDIA | 17 SEPTEMBER | BUSINESS STANDARD

## New stealth destroyer launched, yet navy faces major fleet shortfalls

Amid celebrations over the launch of INS Mormugao at Mazagon Dock, Mumbai (MDL), on Saturday -- the second of four destroyers MDL is building under Project 15B -- there is growing concern over capacity shortfall in Indian defence shipyards for equipping an Indian Navy that desperately needs more warships.

Full Report



#### ASEAN | 22 SEPTEMBER | JAKARTA POST

## Around the region: ASEAN cadets join Cadet Sail 2016

Naval cadets from several ASEAN countries are taking part in a month-long journey on board an Indonesian training ship, the legendary 64-year-old tall ship KRI Dewaruci, to enhance cooperation among cadets.

Full Report

#### CHINA | 25 SEPTEMBER | REUTERS

## China air force holds drills in Western Pacific for second time this month

China's air force said on Sunday it had flown more than 40 bombers and other fighter planes through a strait between Japanese islands on their way to drills in the Western Pacific.

**Full Report** 

#### JAPAN | 28 SEPTEMBER | VOICE OF AMERICA

# Japan's Naval Chief Rules Out Joint-US Freedom of Navigation Patrols

Japan's top naval officer has said Tokyo has no plans to conduct freedom of navigation (FON) operations in the South China Sea, either alone or with the U.S. Navy, contradicting earlier comments by Japanese Defense Minister Tomomi Inada.

Full Report

### CHINA | 30 SEPTEMBER | PEOPLE'S DAILY

# New aircraft carrier's development in 'orderly progress'

The development of China's next-generation aircraft carrier is in "orderly progress," confirmed Senior Colonel Yang Yujun, spokesperson for China's Ministry of National Defense (MOD), at a routine press briefing on Thursday.

### **MARITIME SAFETY AND SECURITY**



INDONESIA-THE PHILIPPINES | 9 SEPTEMBER | THE JAKARTA POST

#### **Duterte: Indonesia can chase pirates into Philippine waters**

Philippine President Rodrigo Duterte gave Indonesian forces the right to pursue pirates into Philippine waters, saying piracy is one of the main problems between the two countries.

Full Report

SINGAPORE | 1 SEPTEMBER | CHANNEL NEWSASIA

# Batam-Singapore ferry accident: Ferry ran aground after taking shortcut, MPA says

A Batam passenger ferry heading to Singapore ran aground last year after taking a shortcut, the Maritime and Port Authority (MPA) said on Thursday (Sep 1).

Full Report

INDO-PACIFIC | 6 SEPTEMBER | XINHUA

### AM-HEx 2016 joint exercise begins in Thailand

Troops from 18 countries -- 10 ASEAN member states and its eight dialogue partners on Monday began a joint exercise on humanitarian assistance and disaster relief here in Thailand.

**Full Report** 

INDIA | 7 SEPTEMBER | THE NEW INDIAN EXPRESS

# Southern Naval command conducts maritime security drill at Kochi units

The Southern Naval Command (SNC) on Tuesday conducted a coordinated security drill for its units based in Kochi, for streamlining procedures and practicing appropriate response during contingencies such as hostage crisis.

**Full Report** 

ASEAN | 7 SEPTEMBER | ANTARA

# Jokowi signs declaration of One ASEAN One Response on Disasters

President Joko Widodo (Jokowi) and nine other ASEAN leaders have signed a declaration of One ASEAN One Response on Disasters in and out of this region.

**Full Report** 

Continue on page 8

THE PHILIPPINES-UNITED STATES | 7 SEPTEMBER | CHANNEL NEWSASIA

#### **US to give Philippines military planes: Government**

The United States is giving the Philippines two used military aircraft in December, the coast guard said Wednesday (Sep 7), to help Manila expand sea patrols in the face of territorial disputes with China.

**Full Report** 

JAPAN-ASEAN | 8 SEPTEMBER | THE STRAITS TIMES

## Japan offers to train maritime security officials from ASEAN

Japan is offering to train some 1,000 maritime security officials from ASEAN, Prime Minister Shinzo Abe said during the ASEAN-Japan summit yesterday. The three-year initiative would cover mainly coast guards, but also include personnel who monitor sea traffic.

**Full Report** 

MALAYSIA | 11 SEPTEMBER | THE MARITIME EXECUTIVE

#### Three kidnapped by gunman in Malaysia

Three Filipino crew members on board a Malaysian fishing boat were kidnapped by gunmen in waters near Pulau Pom Pom, Sabah, in Malaysia early on Monday.

Full Report

INDONESIA | 22 SEPTEMBER | REUTERS

# Indonesia seizes fertilizer ship in Bali, suspecting bomb plot

Indonesian authorities on the resort island of Bali on Thursday detained a ship from Malaysia carrying around 30 tonnes of fertilizer which police believe may have been intended for making bombs.

**Full Report** 

INDONESIA | 25 SEPTEMBER | TEMPO

## Ministry to Tighten Up Vessel Certification to Prevent Accidents

In a bid to prevent sea accidents, Transportation Ministry will tighten up the certification process of vessels.

**Full Report** 

INDONESIA-MALAYSIA-SINGAPORE | 27 SEPTEMBER | JAKARTA POST

## Higher traffic in Malacca Strait raises concerns about accidents

The increasing number of ships passing through the Malacca Strait is a cause for concern, said participants of a tripartite forum seeking to negotiate joint control measures to prevent maritime accidents.

**Full Report** 

SINGAPORE | 27 SEPTEMBER | THE STRAITS TIMES

## Maritime security exercise to strengthen cooperation among countries kicks off

More than 800 personnel from 21 countries will be involved in a series of shore and sea activities, in an exercise to address potential threats such as the spread of weapons of mass destruction. Over the next four days, Singapore will be hosting the exercise, codenamed Deep Sabre.

**Full Report** 



#### SINGAPORE | 28 SEPTEMBER | STRAITS TIMES

#### Police beef up waterway security with 2 new boats

Two new patrol boats will ply the waters around the Marina Reservoir, providing extra pairs of eyes during major events such as the National Day Parade or Formula One Grand Prix.

Full Report

CHINA-SOUTH KOREA | 30 SEPTEMBER | KOREA JOONGANG DAILY

## 3 Chinese die after illegally fishing in Korean waters and fleeing Coast Guard

A Chinese fishing boat caught fire west of South Jeolla on Thursday, killing three Chinese fishermen, when Korean Coast Guard threw flash grenades onto the boat after the fishermen refused to stop the boat and receive inspections for fishing in Korean waters.

Full Report

INDIA | 30 SEPTEMBER | THE HINDU

## Coastguard intensifies surveillance along Gujarat coast

The Indian Coast Guard (ICG) has intensified vigil on Gujarat coast in a bid to prevent infiltration of terrorists, using sea route from Pakistan.

### SHIPPING, PORTS, AND THE MARITIME ECONOMY



SOUTH KOREA | 2 SEPTEMBER | THE BALTIMORE SUN

#### Hanjin bankruptcy causes global shipping chaos, retail fears

The bankruptcy of the Hanjin shipping line, which is not a big player in Baltimore, has thrown many other ports and retailers around the world into confusion, with giant container ships marooned and merchants worrying whether tons of goods will reach their shelves.

**Full Report** 

#### INDIA | 1 SEPTEMBER | PORT TECHNOLOGY

#### India plans massive shipping birth venture

The Cabinet Committee on Economic Affairs for India, chaired by the country's Prime Minister, Shri Narendra Modi, has given its approval for 'Redevelopment of Berths 8, 9 and Barge Berths at the Port of Mormugao, Goa on Public Private Partnership (PPP) mode'.

**Full Report** 

#### INDIA | 1 SEPTEMBER | THE TIMES OF INDIA

#### Committed to blue economy; to create 10 mn jobs: Gadkari

In line with Prime Minister Narendra Modi's vision of "Blue Economy", country's ambitious Sagarmala project has identified 173 projects entailing huge investment of around Rs 4 lakh crore by 2020, Union Minister Nitin Gadkari said today.

**Full Report** 

### SOUTH AFRICA | 4 SEPTEMBER | ALL AFRICA

#### South Africa: Minister Rob Davies Launches **Composite Floating Dock in Durban**

The Minister of Trade and Industry, Dr Rob Davies has launched a more than R290 million composite Floating Dock held at the Dormac ship-repair facility at the Port of Durban. The project wills create more than 300 jobs.

**Full Report** 

#### RUSSIA | 5 SEPTEMBER | PORT TECHNOLOGY

#### **DP World Sign Major Russian MoU**

Global port operator DP World and the Summa Group, a diversified business with significant infrastructure investments in Russia, have signed a Memorandum of Understanding (MoU) to explore investment opportunities in ports, special economic zones and inland logistics facilities in the Russian Federation.

#### IRAN-JAPAN | 6 SEPTEMBER | JAPAN BULLET

## Iran Oil Facility Expresses Hope For Japanese Investment

The biggest oil terminal in the Persian Gulf, located on Iran's Kharg Island, is ready to receive Japanese tankers, and will give priority to Japan for future deals and investment, officials told Kyodo News on a recent visit to the facility.

**Full Report** 



CHINA-PAKISTAN | 6 SEPTEMBER | PAKISTAN OBSERVER

#### Pak-China in talks to have LNG terminal at Gwadar

The experts from China and Pakistan are currently in hectic talks for installing the LNG terminal at Gwadar for 600 MMCFD (million cubic feet gas per day which will be built on government to government basis with the hope that the project will be completed at the cost of \$250-300 million.

**Full Report** 

#### INDONESIA-TAIWAN | 7 SEPTEMBER | FOCUS TAIWAN

## Indonesia invites Taiwan to invest in maritime sector

Indonesia is encouraging Taiwan businesses to invest in its maritime sector to help realize its goal of becoming a world maritime hub.

**Full Report** 

#### INDONESIA | 13 SEPTEMBER | REUTERS

## Indonesia president opens Priok port expansion in Jakarta

Indonesian President Joko Widodo inaugurated an expansion of the country's main seaport in Jakarta on Tuesday, a facility upgrade that will cut the time container ships must spend waiting to load or unload.

Full Report

#### CHINA | 13 SEPTEMBER | XINHUA

## Vice Premier urges efforts to promote Belt and Road Initiative

Vice Premier Zhang Gaoli on Tuesday called for a

steady advance of the Belt and Road Initiative to ensure it benefits the people along the routes.

**Full Report** 

ARCTIC | 19 SEPTEMBER | TANKER SHIPPING AND TRADE

## Arctic shuttle tanker carries first crude cargo from Novy Port field

Sovcomflot Artic shuttle tanker Shturman Albanov has delivered its first significant consignment of crude oil produced at Gazprom Neft's Novy Port field to Murmansk.

Full Report

#### AUSTRALIA | 19 SEPTEMBER | THE STAR ONLINE

## Australia's busiest port sold for RM30bil to consortium

A consortium of global and domestic funds, backed by investors including China Investment Corp, agreed to buy Australia's busiest port for a higher-than-expected A\$9.7bil (RM30.2bil), a sign that tough equity markets are fueling appetite for infrastructure.

**Full Report** 

INDIA-AUSTRALIA | 20 SEPTEMBER | THE MARITIME EXECUTIVE

#### India's Adani buys Australian port operator

A unit of India's Adani Enterprises will buy the company that operates Australia's Abbot Point Coal Terminal from Glencore for A\$19.25 million dollars (\$14.52 million), ending a legal wrangle over control of the port.

**Full Report** 

UNITED ARAB EMIRATES | 21 SEPTEMBER | KHALEEJ TIMES

### Fujairah launches UAE's first jetty for huge crude carriers

Fujairah on Wednesday launched the UAE's first very large crude carrier (VLCC) jetty on the Indian Ocean by investing Dh650 million with the aim to boost its influence as an oil-trading hub.

**Full Report** 

ABU DHABI | 29 SEPTEMBER | HELLENIC SHIPPING NEWS

## Abu Dhabi Ports announces concession agreement with COSCO SHIPPING Ports

Abu Dhabi Ports announced the signing of a container terminal concession agreement with COSCO SHIPPING Ports Limited.