



IDSS COMMENTARIES (33/2005)

IDSS Commentaries are intended to provide timely and, where appropriate, policy relevant background and analysis of contemporary developments. The views of the authors are their own and do not represent the official position of IDSS.

MARITIME SECURITY AND INTERNATIONAL COOPERATION

Joshua Ho*

20 June 2005

THE strategic sea lanes in Southeast Asia are constricted at key straits such as the Malacca and Singapore Straits, the Sunda Straits and the Lombok Straits. The Straits of Malacca is the main corridor between the Indian Ocean and the South China Sea and is the major sea-lane used by tankers from the Middle East. In terms of total volume, more than 200 vessels pass through the Straits of Malacca on a daily basis, or about 60,000 (more than half the world's merchant fleet capacity) on an annual basis, carrying 80 percent of the oil transported to Northeast Asia as well as one-third of the world's trade. The resources carried through the Malacca Straits amount to a total of US\$390 billion, making it the busiest Straits in the world currently.

The Lombok Straits is wider, deeper and less congested than the Straits of Malacca. As a result, it is considered the safest route for supertankers and the bigger of these eastbound ships sometimes transit this channel. Most ships transiting the Lombok Straits also pass through the Makassar Straits. About 3,900 ships transit the Lombok Straits annually, with this waterway carrying a total of US\$40 billion worth of resources on an annual basis.

The Sunda Straits is the last of the strategic waterways in Southeast Asia, and is another alternative to the Malacca Straits. However, because of its strong currents and limited depth, deep draught ships of over 100,000 deadweight tonnes do not transit the strait and it is not as heavily used. About 3,500 ships transit the Sunda Straits annually, providing the Straits with US\$5 billion in resources annually.

Besides the transportation of oil and iron ore to the major economies in Northeast Asia like China, Japan, Taiwan and South Korea, the Malacca Straits and the Sunda Straits also carry a significant amount of container traffic given that four of the world's top 30 container ports sit astride both these sea lanes.

Because the Malacca, Lombok and Sunda Straits are so important to the transportation of oil and raw material, like iron ore, as well as for the conveyance of container traffic, the free and safe navigation of commercial vessels in these sea lanes become important issues. In this respect piracy and terrorism are major threats to the security of shipping in the sea lanes of Southeast Asia.

Piracy

Despite the drop in worldwide pirate attacks, attacks in the Malacca and Singapore Straits continued unabated. However, for the first four months of 2005, the number of actual and

attempted incidents dropped by two-thirds and ten percent respectively, which may be attributed to the presence of foreign troops in the region as part of the post-tsunami relief effort. The number of incidents is expected to rise as the foreign troops depart Aceh. Already, the number of attempted acts in April has increased two-fold over the same period last year.

The emphasis on combating piracy is important, as sea piracy has been linked to the threat of maritime terrorist attacks since the events of 11 September 2001. Although it has been widely recognised that the motivations of the terrorist and that of the pirate are fundamentally different, the possibility of an overlap between piracy and maritime terrorism cannot be ignored. This is simply because the manner of operations are similar and it is difficult to distinguish between the two when an incident is unfolding.

Maritime Terrorism

Today, ports have evolved from being traditional interfaces between sea and land to providers of complete logistics networks brought about chiefly by containerisation. Containerisation has made it possible for the carriers to shift from a port-to-port focus to a door-to-door focus. This process has also benefited from 'intermodalism', or the interchangeability of the various modes of transporting the container by road, rail, or sea. Intermodalism has made it possible for goods to move from the point of production, without being opened, until they reach the point of sale or final destination. As a result of ports being providers of complete logistics networks, high-volume, mainline trade will focus on just a few mega ports, making these ports the critical nodes of global seaborne trade.

So important are hub ports in the global trading system that it has been estimated that the global economic impact from a closure of the hub port of Singapore alone could easily exceed US\$200 billion per year from disruptions to inventory and production cycles. Hub ports therefore are potential lucrative targets for the terrorist and the three important ports of Port Klang, the port of Singapore, and Tanjung Priok sit astride the main waterways of Southeast Asia.

Besides attacks on hub ports, attacks on shipping can also be an attractive option for maritime terrorists. If attacks on shipping become severe, it is possible that ships may choose to divert from the current sea lanes to a safer route. The diversion could also impose costs to industry. A study done by the U.S. National Defence University has concluded that if the Malacca, Sunda, Lombok and Makassar Straits were blocked, the extra steaming costs would account for US\$8 billion dollars a year based on 1993 trade flows.

Coping with the Threat

In view of these threats, Singapore has implemented a range of measures to step up maritime security. These include an integrated surveillance and information network for tracking and investigating suspicious movements; intensified navy and coastguard patrols; random escorts of high-value merchant vessels plying the Singapore Straits and adjacent waters; and the re-designation of shipping routes to minimise the convergence of small craft with high-risk merchant vessels. Singapore will also be putting up radiation detectors at its ports to scan containers for nuclear and radioactive material under the US Megaports Initiative. The Republic of Singapore Navy has also formed the Accompanying Sea Security Teams (ASSeT), akin to armed marshals, to board selected merchant ships proceeding into and out

of harbour to prevent the possibility of a ship being hijacked by terrorists.

Besides individual measures, there have been efforts at bilateral cooperation based on a web approach. Indonesia and Singapore agreed in 1992 to establish the Indonesia-Singapore Coordinated Patrols in the Singapore Straits. This has involved the setting up of direct communication links between their navies and the organisation of coordinated patrols every three months in the Singapore Straits. Indonesia and Malaysia also decided in 1992 to establish a Maritime Operation Planning Team to coordinate patrols in the Straits of Malacca. The Malaysia-Indonesia Coordinated Patrols are done four times a year, and so is the Malaysia-Indonesia Maritime Operational Coordinated Patrol, which is conducted together with other maritime institutions from the two countries, such as customs, search and rescue and police.

Besides the three littoral states, other countries are also beginning to get involved in the security of the Malacca Straits. For example, India has begun talks with Indonesia on how to improve maritime security in the northern part of the Malacca Straits. Thailand has recently expressed interest in contributing to the security of the Malacca Straits, especially in terms of capacity building. However, in both these cases concrete measures have yet to materialise. China has also recently signed a strategic partnership agreement with Indonesia and one of the items is increased maritime cooperation that could include joint efforts to combat smuggling and piracy. At a more concrete level, the US has also conducted anti-piracy exercises with Indonesia which has involved the boarding and inspection of shipping.

Towards a Stable Maritime Environment

The Asia-Pacific century looks set to be established with China, India and Japan leading the pack. Fuelling Asia-Pacific growth will be the continued economic dynamism of China, India, Japan, and the US. Because of regional economic growth, trade flows into and within the Asia-Pacific and the demand for energy in the region will increase, both of which mean an increasing reliance on the sea as a mode of transport.

This surge in the use of the sea a mode of transport means that the security and the safeguarding of the sea lanes will become more crucial than ever. Hence, besides individual measures, there is a need to move towards a more cooperative regime between both the littoral states as well as other stakeholders to enhance the security of the sea lanes as the threats are transnational in nature.

In this respect, the creation of a stable maritime environment needs to remain high on the regional political agenda. Moreover, the three broad principles espoused by Singapore's Defence Minister at a recent ASEAN Regional Forum conference remains pertinent: first, littoral states have the primary role in addressing maritime security issues; second, other stakeholders have important roles to play; and finally, both consultation and respect for international law should be observed in the implementation of any new initiatives.

* Joshua Ho is a Senior Research Fellow at the Institute of Defence and Strategic Studies, Nanyang Technological University, where he is also the Coordinator of the Maritime Security Programme.