



**S. RAJARATNAM SCHOOL
OF INTERNATIONAL STUDIES**
A Graduate School of Nanyang Technological University

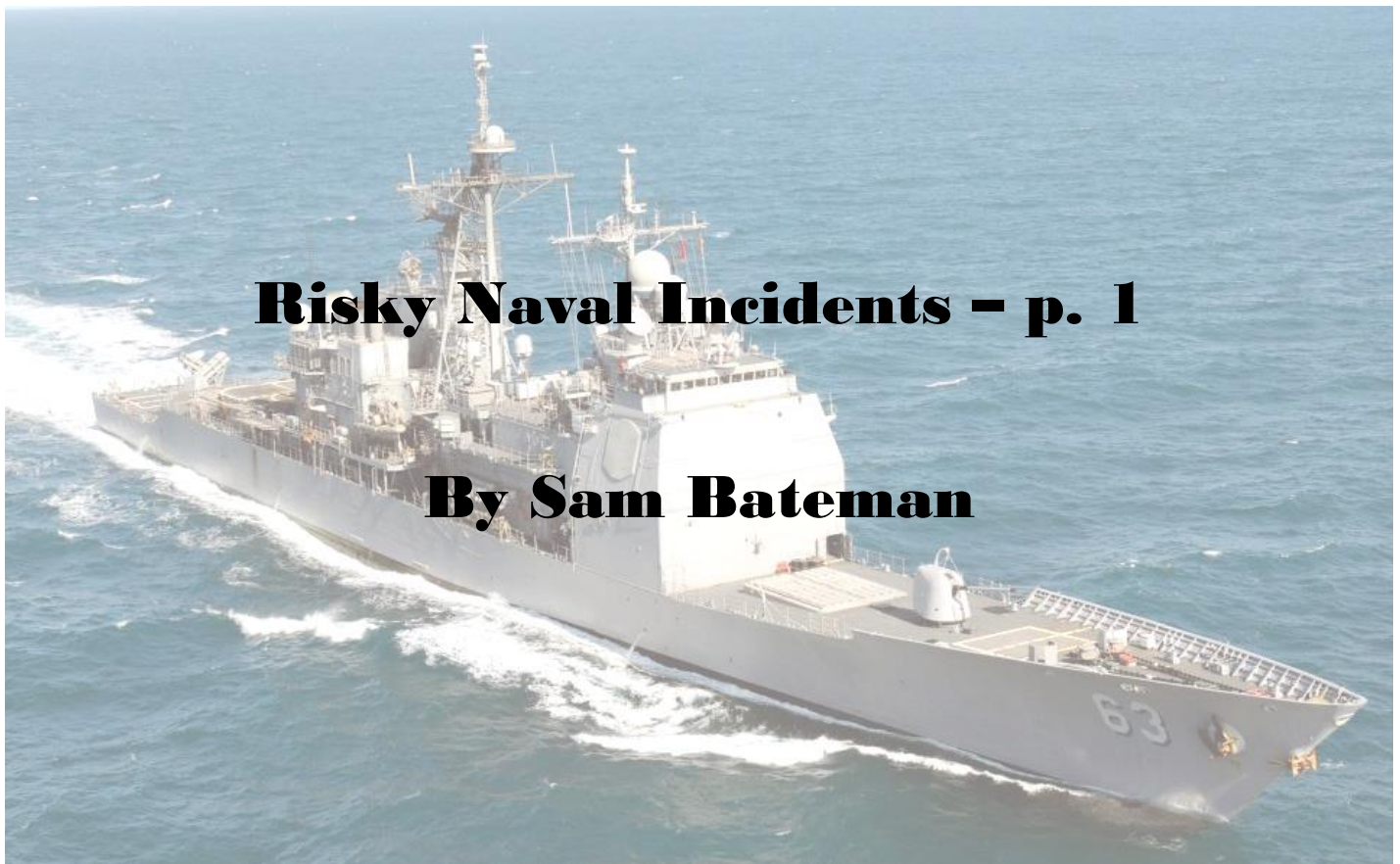
Broader Horizons

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

Featured *MSP Perspective*:

Risky Naval Incidents – p. 1

By Sam Bateman



MSP Perspectives:

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MSP Perspectives

Risky Naval Incidents

By Sam Bateman
Senior Fellow, Maritime Security Programme

IN an incident early last month, the American guided-missile cruiser, USS Cowpens, took avoiding action to prevent a collision with a Chinese Navy landing ship that had reportedly stopped in her path. In an earlier incident in late October, China protested that Japanese naval and air patrols had disrupted a Chinese live-firing naval exercise in the East China Sea.

These two incidents are similar - both involve one navy disrupting exercises by another. They suggest Cold War scenarios when the Soviet and NATO navies regularly harassed each other's activities. Similar scenarios in the region have an adverse impact on regional maritime security and suggest a need for bilateral Avoidance of Incidents at Sea (INCSEA) agreements, particularly between the Chinese Navy on one hand and the American and Japanese navies on the other.

The Cowpens incident occurred when the Chinese aircraft carrier Liaoning and other surface warships were exercising in the South China Sea. Despite navigational warnings promulgated by China, the Cowpens was closing monitoring operations by the Liaoning group - "tailing and harassing" as alleged by the Chinese. These operations are not just a matter of collecting intelligence, but also involve demonstrating presence and occasionally "getting in the way."

The Cowpens incident is believed to be the first occasion when a major U.S. surface warship has been used in this role. U.S. defence officials maintained that the ships were in international waters, and that 'it is routine for different navies to operate in close proximity to each other.' However, this claim is open to question - it is not routine for navies to operate in close proximity to each other, particularly if one has issued an appropriate navigational warning about an exercise.

The conventional wisdom has been that an INCSEA arrangement, such as those negotiated during the Cold War and still applicable between the Russian and NATO navies, was not necessary in the region - there was no "Cold War" between the U.S. and China, and the two parties did not engage in close monitoring and harassment of each other's forces, as did the Western and Soviet navies during the Cold War. The recent Cowpens incident suggests this situation is changing.

The status of waters where an agreement would apply is another difficulty. The agreements between the Soviet and NATO navies originally applied only to operations on the high seas, but were later extended by agreement to cover "waters outside the limits of the territorial sea." Thus they include exclusive economic zones (EEZs), but negotiations between China and the U.S. on an INCSEA would likely open up their differences on the conduct of military operations in another country's EEZ.

The waters of the East and South China seas are not high seas or international waters. Rather they are EEZs where military activities by another state should have due regard to the rights and duties of the coastal state.

The U.S. and China have both downplayed the Cowpens incident because it was resolved in a routine professional manner with good bridge-to-bridge communications. The one positive development from the incident is that both parties demonstrated preparedness to prevent the incident escalating.

All navies have the right to exercise at sea, particularly in their own EEZ, or on the high seas, without interference by another navy. Questions need to be asked about whether the benefits of close surveillance

of another navy's exercises, in terms of intelligence collected that cannot be obtained by other means, outweigh the costs. Was the Cowpens obtaining worthwhile intelligence, or was it merely the assertion of rights as a matter of principle?

An INCSEA arrangement would help. If that is not achievable, then a more modest understanding might be possible regarding non-interference with the legitimate naval exercises of another country. The most basic requirement is that all parties should refrain from actions that just add to levels of strategic mistrust.

Naval Development & Policy

CHINA—UNITED STATES | 14 DECEMBER | NEW YORK TIMES

American and Chinese Navy ships nearly collided in South China Sea

BEIJING — In a sign of the increased tensions between the United States and China on the open seas, navy vessels from the two countries almost collided in the South China Sea when a Chinese ship cut across the bow of an American cruiser, a senior United States defense official said on Saturday. An accident was averted when the missile-carrying cruiser Cowpens, travelling in international waters, manoeuvred to avoid the Chinese vessel, the official said.

[Full Report](#)

CANADA—CHINA | 1 DECEMBER | CANADIAN BROADCASTING CORPORATION

Canadian accused of trying to pass ship secrets to China

The RCMP say they disrupted a “threat to Canadian security” this week after arresting and charging a Canadian citizen who they allege was trying to pass on classified information to the Chinese government. At a news conference in Toronto on Sunday, authorities announced they had arrested 53-year-old Qing Quentin Huang in Burlington, Ont., on Saturday and charged him under the Security of Information Act.

[Full Report](#)

JAPAN—UNITED STATES | 2 DECEMBER | REUTERS

U.S. sends new submarine-hunting jets to Japan amid East Asia tension

The U.S. Navy's first two advanced P-8A Poseidon patrol aircraft have arrived in Japan, U.S. military officials said on Monday, helping to upgrade America's ability to hunt submarines and other vessels in seas close to China as tension in the region mounts. The initial deployment - another four of the aircraft are due to arrive in the coming days - was planned before China last month established an air defense identification zone covering islands controlled by Japan and claimed by Beijing.

[Full Report](#)

SINGAPORE—GERMANY | 2 DECEMBER | DEFENSE NEWS

Singapore contracts for 2 new German subs

TAIPEI — Singapore's Ministry of Defence (MINDEF) signed a contract to procure two new Type 218SG attack submarines from ThyssenKrupp Marine Systems. Signed on Nov. 29, the contract includes a logistics package, crew training in Germany, and air independent propulsion (AIP) systems, with projected delivery in 2020.

[Full Report](#)

RUSSIA | 3 DECEMBER | NAVAL-TECHNOLOGY

Russian Navy's first Varshavyanka-class stealth submarine launched

The Russian Navy's first of six Project 636 Varshavyanka-class diesel-electric submarines, Novorossiisk, has been floated out by a St. Petersburg-based shipyard. Construction of the Novorossiisk submarine began in August 2010 at Admiralty Shipyards, followed by the second submarine construction Rostov-on-Don in November 2011 and the third submarine of the class Stary Oskol in August 2012.

[Full Report](#)

AUSTRALIA—JAPAN | 7 DECEMBER | THE AUSTRALIAN

Japan asked to share submarine technology

AUSTRALIA has asked Japan to consider providing highly advanced propulsion technology to be used in the navy's planned 12 new submarines. Defence Minister David Johnston has told The Weekend Australian Japanese officials had visited submarine maintenance facilities in Adelaide and talks were continuing.

Full Report Available Upon Request

INDONESIA—RUSSIA | 7 DECEMBER | JAKARTA POST

RI looks to Russia for submarines with multi-role missile systems

Indonesia is in talks with Russia on the purchase of a number of Kilo Class submarines, as the country expands its deterrent capabilities in anticipation of future regional disputes. Defense Minister Purnomo Yusgiantoro said on Friday that a team of officials, led by Navy chief of staff Adm. Marsetio, would head to Russia at the end of this month to initiate a deal and assess the technical capabilities of the arsenal.

[Full Report](#)

JAPAN—CHINA | 11 DECEMBER | REUTERS

Japan's defense plans focus on China and islands dispute

Japan will set up a new amphibious military unit and deploy unarmed surveillance drones in its southwest, where it faces a row with China over disputed islands, according to drafts of the nation's latest defense plans seen on Wednesday. Prime Minister Shinzo Abe ordered the defense policy review after returning to office last December, pledging to strengthen the military and boost Japan's global security role.

[Full Report](#)

JAPAN—S.KOREA—CHINA | 12 DECEMBER | SOUTH CHINA MORNING POST

Japan and South Korea hold joint exercise in China's air defence zone

Japan and South Korea have conducted a joint naval exercise in an area covered by China's air defence identification zone - a move that is seen as sending a firm message to Beijing. Both countries said that while they didn't inform the Chinese authorities, the joint maritime rescue drill was planned long before Beijing announced the controversial zone over the East China Sea.

[Full Report](#)

India to Construct 4 Landing Platform Docks (LPDs)

NEW DELHI — The Indian Navy has floated a US\$2.6 billion domestic tender for construction of four landing platform docks (LPDs) and bids were sent to domestic shipyards, Larsen & Toubro (L&T), Pipavav Defence and Offshore Engineering, and ABG Shipyard. A senior Navy planner said the service will select a winning design based on the low bidder. State-owned Hindustan Shipyard Ltd. (HSL) then will build two LPDs based on that design and the winning company will build two.

[Full Report](#)

India assures Maldives of stronger defence cooperation

NEW DELHI: India has reassured Maldives of its commitment to further strengthen bilateral defence cooperation, ranging from supply of military equipment and training to conduct of joint combat exercises, in the backdrop of ties between the two facing some rough weather during the internal power struggle in the archipelago over the last two years.

[Full Report](#)

Pentagon downplays near-collision in South China Sea

PENTAGON — U.S. Defense Department officials say a December 5 near-collision between U.S. and Chinese warships in the South China Sea was resolved in a routine, professional manner, and they are downplaying reports that the incident raised tensions between the two militaries. Officials said the near-collision happened December 5, but it was not until several days later - after media had reported it - that they commented on the incident.

[Full Report](#)

Fears of \$1bn bailout as Australian navy destroyer project leaks \$10m a month

AUSTRALIA'S biggest defence project is now in crisis, with the \$8 billion construction of three Air Warfare Destroyers rocked by budget blowouts of almost \$10 million a month amid fears it could eventually require a \$1bn federal government bailout. In a new blow to the nation's beleaguered manufacturing sector, an Australian National Audit Office report will today reveal that the AWD project was \$106m over its \$618m budget for 2012-13.

Full Report Available Upon Request

Indian Navy and JMSDF to conduct JIMEX 2013 bilateral naval exercise

The Indian Navy and the Japan Maritime Self-Defense Force (JMSDF) will conduct Japan-India Maritime Exercise (JIMEX) 2013 in waters off the Indian coast in the Bay of Bengal from 19 to 22 December 2013. During the four-day bilateral naval exercise, personnel from the two navies will conduct harbour and sea phases, lasting two days each.

[Full Report](#)

U.S. delivers new missiles: Taiwan MND

PINGTUNG, TAIWAN — Taiwan Thursday displayed its first long-range submarine-hunting aircraft, days after Beijing showed off its nuclear-powered submarine fleet in yet another sign of China's fast expanding military might. Taiwan's military introduced the Lockheed P-3C Orion at a ceremony presided over by President Ma Ying-jeou at an air base in the southern county of Pingtung.

[Full Report](#)

Maritime Safety and Security



EUROPEAN UNION | 26 DECEMBER | MARITIME EXECUTIVE

EU to lead international counter-piracy efforts in 2014

From the 1st of January 2014, the European Union will assume for one year the chairmanship of the Contact Group on Piracy off the Coast of Somalia (CGPCS) with Maciej Popowski, Deputy Secretary General of the European External Action Service (EEAS) as EU chairperson. The chairmanship of the Contact Group is a joint endeavor of the EEAS and the European Commission and will continue the work carried out in 2013 under the chairmanship of the United States.

[Full Report](#)

INDIA | 4 DECEMBER | TIMES OF INDIA

Navy sounds alarm on ‘floating armouries’

NEW DELHI: The surge in “private floating armouries” on the western seaboard, triggered by piracy attacks in the Gulf of Aden and Indian Ocean, has grave security implications for India since inimical forces could conceivably use them to unleash 26/11-style terror attacks. Calling for a proper framework by the International Maritime Organization (IMO) to regulate such floating armouries, Navy chief Admiral D K Joshi on Tuesday stressed the “very serious concerns” emanating from this “totally unregulated activity” close to Indian shores.

[Full Report](#)

FRANCE—JAPAN | 5 DECEMBER | MARINELINK

Armed guards allowed aboard French, Japanese ships

In response to the ongoing threat of piracy in shipping, France and Japan are allowing armed guards on their ships, said U.K. maritime security company GoAGT. Gerry Northwood OBE, Chief Operating Officer for the company, said, “Countries that have not adopted these procedures yet should do so if the world’s shipping routes are to remain safe. Also, there is always the risk from international terrorists.”

[Full Report](#)

ASEAN—JAPAN | 6 DECEMBER | IRRAWADDY

Japan-Asean summit statement to call for free airspace over high seas

TOKYO — Japan and the 10-member Association of Southeast Asian Nations are set to call for freedom of airspace over the high seas in a communique at next week’s Tokyo summit, a move directed at China’s aviation defense zone, Kyodo news agency said. A draft of the joint statement also expresses the resolve of Japan and Asean to bolster cooperation in maritime security, Kyodo said on Friday.

[Full Report](#)

CHINA | 7 DECEMBER | PRC MINISTRY OF FOREIGN AFFAIRS

Yang Jiechi proposes to strengthen transportation security cooperation among BRICS countries

On December 6, 2013, State Councilor Yang Jiechi, during his attendance of the fourth Meeting of BRICS High Representatives for Security Issues in Cape Town, South Africa, pointed out that transportation security, especially the security of sea lines of communication serving as the lifelines of the economic development of all countries, is of great importance.

[Full Report](#)

SINGAPORE—INDONESIA | 10 DECEMBER | CHANNEL NEWSASIA

S'pore and Indonesia meet for technical discussions on maritime boundaries

SINGAPORE: Singapore and Indonesia have continued their technical discussions on maritime boundaries in the eastern part of the Strait of Singapore. In a statement on Tuesday, the Foreign Affairs Ministry said the meeting was held over Monday and Tuesday in Singapore.

[Full Report](#)

RUSSIA | 11 DECEMBER | BBC

Putin orders Russian military to boost Arctic presence

Russian President Vladimir Putin has told his military leadership they should build up their forces in the Arctic as a priority. Commending the recent restoration of an airfield in the region, he said Russia needed to use every means to protect its national interests in the region. He was speaking after Canada announced plans to claim the continental shelf under the North Pole.

[Full Report](#)

INDONESIA | 12 DECEMBER | JAKARTA POST

RI to host ASEAN + 8 humanitarian relief drill

Indonesia will host a joint military exercise for ASEAN member states and eight partner countries on the Batam Island on March 21 next year to increase the region's capacity in humanitarian relief, Indonesian Navy chief of staff Adm. Marsetio said on Wednesday. He said he hoped that the ASEAN member countries and the eight additional countries scheduled to participate, namely the U.S., South Korea, Australia, Russia, China, India, New Zealand and Japan, would attend.

[Full Report](#)

INDONESIA | 16 DECEMBER | KYODO NEWS

Indonesia urges China-Japan talks over isles row

JAKARTA, Dec. 16 -- The Indonesian government urged China and Japan on Monday to talk to each other in order to seek a peaceful settlement of their territorial dispute in the East China Sea for the sake of regional stability. Tension heightened in the East China Sea after China announced Nov. 23 that it had set up an air defense identification zone in the area that overlaps the Japanese air defense zone over the Japanese-administered Senkaku Islands, which are also claimed by China.

Full Report Available Upon Request

INDIA–JAPAN | 21 DECEMBER | THE HINDU

India, Japan Coast Guards to exercise off Kochi

Close on the heels of the ongoing Indo-Japan bilateral naval exercise in the Bay of Bengal, the Indian Coast Guard is set to hold a similar exercise with its Japanese counterpart off Kochi in mid-January. The Hindu has learnt that the focus areas of the joint drill will be coastal security, search and rescue and anti-piracy operations besides anti-pollution measures.

[Full Report](#)

AUSTRALIA | 22 DECEMBER | SYDNEY MORNING HERALD

Customs and Border Protection Service raises doubt on asylum-seeker boat rescue response

Australian authorities responsible for the surveillance and rescue of asylum-seeker vessels are susceptible to poor co-ordination and miscommunication, as it emerged it took two days to launch a full-scale effort to save a sinking boat, where all on board drowned.

[Full Report](#)

INDIA | 23 DECEMBER | TIMES OF INDIA

Indian waters third worst for pirate attacks

MUMBAI: Merchant navy captain Sunil James may have returned home after five-and-a-half-months in Togo but International Chamber of Commerce's International Maritime Bureau (London) statistics show how waters around the Indian sub-continent are the most dangerous.

[Full Report](#)

JAPAN | 23 DECEMBER | MARITIME EXECUTIVE

MOL responds to interim report of committee on large container ship safety

Mitsui O.S.K. Lines, Ltd. (MOL; President: Koichi Muto) announced its response to the interim report of the Committee on Large Container Ship Safety related to the incident on June 17, 2013, involving the MOL-operated MOL Comfort, which hull broke in half. The committee was established by Japan's Ministry of Land, Infrastructure, Transport and Tourism (MLIT) made up of maritime industry representatives and experts.

[Full Report](#)

SOUTH KOREA | 30 DECEMBER | LLOYDS LIST

Blaze contained on chemtanker after collision near Busan

A CHEMICAL tanker carrying laden with 29,337 tonnes of flammable cargo collided with a cargoship near South Korea's Busan port early on Sunday, causing a fire on board the tanker that authorities say is now contained. All 91 crew members and passengers on the two ships were rescued safely, according to Yonhap news agency, quoting the South Korea coastguard.

Full Report Available On Request

Maritime piracy: not so bad in 2013

Piracy is one of the shipping industry's biggest headaches. But it seems to be getting less severe. The number of reported incidents peaked in 2011, but has since fallen significantly. In 2013 the number of attacks, including both failed and successful attempts, dropped to its lowest level since 2007, according to the International Maritime Organization.

Full Report Available Upon Request

Shipping, Ports, and the Maritime Economy

CHINA—JAPAN—S. KOREA | 20 DECEMBER | WALL STREET JOURNAL

Chinese and Japanese shipyards are set to challenge South Korea's market dominance

Japanese and Chinese shipyards have their sights on one of the few markets that isn't in the doldrums—sophisticated tankers for liquefied natural gas—hoping to challenge market leader South Korea. With demand for gas soaring in Asia and a North American gas export boom just over the horizon, China's technical skills are improving and Beijing wants importers to use more ships built at home. Meanwhile, despite political tensions, Japanese shipbuilders are preparing to build LNG tankers in China.

Full Report Available On Request

CANADA | 9 DECEMBER | CANADIAN BROADCASTING CORPORATION

Canada's claim to Arctic riches includes the North Pole

Foreign Affairs Minister John Baird said Monday that Canada will make a claim to the North Pole, but has not finished the science around its Arctic seabed claim. Baird and Leona Aglukkaq, who chairs the Arctic Council, made public Canada's claim to the extended continental shelf in the Arctic, in a press conference in the foyer of the House of Commons.

[Full Report](#)

CHINA | 10 DECEMBER | LLOYDS LIST

China shippers urge Beijing to block P3

CHINA Shippers' Association is urging Beijing to apply the country's antitrust laws to block the P3 alliance, arguing that the tie-up of the world's three largest lines will increase the cost burden on shippers. "We raised our concerns with the State Development & Reform Commission, the Ministry of Transport and the Ministry of Commerce about one month ago, asking them to intervene to block the formation of P3," CSA vice-chairman Cai Jiangxiang told Lloyd's List.

Full Report Available Upon Request

VIETNAM | 17 DECEMBER | SEATRADE GLOBAL

Vietnam gets tough in its fight against corruption

Casting a glance through an old set of name cards from visits to Vietnam over the last decade or so and there is the slightly disconcerting realization that many of the people are now in jail. Monday saw the sentencing to death of former Vietnam National Shipping Lines (Vinalines) chairman Duong Chi Dung, and its general director Mai Van Phuc for embezzlement.

[Full Report](#)

SRI LANKA | 18 DECEMBER | HELLENIC SHIPPING NEWS

Sri Lanka THC ban to spark call for wider box shipping reform

Sri Lanka's ban on container lines levying terminal handling charges (THCs) are likely to be a catalyst for wider demands from shippers for reform according to the Global Shippers' Forum (GSF). The Sri Lankan government will be banning the charging of THCs from January, a move which has already been welcomed by Asian shippers.

[Full Report](#)

CHINA | 18 DECEMBER | SINOSHIP NEWS

Super large crude oil terminal in Zhoushan approved

The 450,000dwt crude oil terminal project at Zhoushan Laotangshan port area has been approved by the National Development and Reform Commission. The project includes one 450,000dwt crude oil terminal and supporting facilities with RMB328.4m in investment. The designed annual handling capacity is set to reach 18m tons.

[Full Report](#)

INDIA | 18 DECEMBER | WORLD MARITIME NEWS

Essar ports to build three iron ore berths at Visakhapatnam Port (India)

Essar Ports Ltd, part of the \$39 billion Essar, announced recently that Essar Vizag Terminals Ltd., a wholly-owned subsidiary of the company, has entered into a concession agreement with Visakhapatnam Port Trust for development and operations of three iron ore berths at Visakhapatnam Port on BOT basis over a period of 30 years.

[Full Report](#)

INDONESIA | 20 DECEMBER | MARITIME EXECUTIVE

Indonesia ore export ban could boost shipping costs

Indonesia's plan to ban exports of unrefined nickel and other minerals could drive up shipping costs as Chinese importers seek new supplies from more distant sources such as Australia and New Caledonia. China typically buys most of its nickel ore from the Southeast nation, which plans to force mining companies from January to process raw metals before shipping them overseas as part of a drive to boost the value of exports.

[Full Report](#)

CHINA | 23 DECEMBER | SINOSHIP NEWS

Pearl River ECA could cut SO2 emissions by 95%

With smog levels of late soaring in the Special Administrative Region to levels deemed highly dangerous there is a growing clamour to enforce a regional emissions control area (ECA) across the Pearl River delta. A recent report from local think tank Civic Exchange and the University of Science and Technology shows that ship pollution is the biggest contributor to deaths related from sulfur dioxide emissions. The report suggested that introducing an ECA can cut sulfur dioxide emissions in the Pearl river delta region by as much as 95%.

[Full Report](#)

Trouble brewing at Indonesian port company Pelindo II

Indonesia's Pelindo II is struggling with internal conflict and an imminent strike at its main Tanjung Priok Port, local news reports said. A rift in Pelindo II's management apparently started after a remark by human resources and general affairs director Cipto Pramono while sharing a stage with leaders of a workers union during the company's anniversary celebrations on Dec 6, after which chief executive Richard Lino subsequently asked him to resign and this has led to the resignation of dozens of top executives, the reports said.

[Full Report](#)

Glenn Defense Marine Asia vessel arrested in Singapore

A Glenn Defense Marine Asia Pte (GDMA) vessel has been arrested in Singapore, according to the website of the Singapore Supreme Court. Arresting solicitor Oon & Bazul LLP took custody of the tug Glenn Defender last Tuesday at 11:14 p.m. A tanker belonging to the troubled contractor, the Glenn Bataan, was arrested the previous week and is still on the court's list of arrested vessels along with another of the company's tugs, the Glenn Gladiator, which was arrested in September.

[Full Report](#)

MPA commissions new buoy tender vessel "Panduan"

The Maritime and Port Authority of Singapore (MPA) commissioned a new buoy tender vessel "Panduan" today that will support MPA in the maintenance of navigational and mooring buoys in Singapore's waters. Panduan, which means "guidance" in Malay, will replace the current vessel (also called Panduan) that has been in operational service for the past 17 years. The new Panduan stands apart from its predecessor in terms of size, cruising speed and increased operational capabilities.

[Full Report](#)

India mulls five new container port expansion projects

India's government is considering five new public private partnerships to develop the country's container port sector. The government is looking at a fourth container terminal at Jawaharlal Nehru Port Trust, the country's largest box hub with 4.2m teu handled in 2012, through a design, build, finance, operate and transfer basis. The other port projects under review include new container terminals at Ennore, Kandla, Kolkata and a multipurpose facility at Mumbai.

Full Report Available On Request

ASEAN Transport Ministers agree plans for further cooperation

The Nineteenth ASEAN Transport Ministers meeting was held on 19 December 2013. The ministers welcomed the progress made to facilitate the free flow of intra-ASEAN shipping services including the

conclusion of the Study on Formulating an ASEAN Single Shipping Market (ASSM) Implementing Strategy. The ministers also welcomed the establishment of a task force to promote and monitor the implementation of the ASSM.

[Full Report](#)

SOUTH KOREA | 30 DECEMBER | SHIP AND BUNKER

Fuel-saving vessels boost Korean shipbuilding industry

The growing popularity of fuel-saving vessels is providing a boost to the South Korean shipbuilding industry, which says they are "critical" to cutting ship operators costs, Korea JoongAng Daily reports. "Eco-ship is a global trend as environment regulation gets strengthened and is a critical way that shippers can cut costs," said Park Moo-hyun, an analyst at E-Trade Securities.

[Full Report](#)