

Featured *MSP Perspectives*:



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China's attempt to deepen its ties with ASEAN countries amidst the South China Sea disputes seems to gain acceptance from countries in the region. After the two days ADMM Retreat (5-7 February 2018), ASEAN and Chinese Defense Ministers held an informal meeting to discuss further cooperation. In the meeting, they discussed security threats in the region, such as terrorism, and ASEAN countries including Indonesia agreed to conduct first maritime exercise this year. The location for the exercise has not been confirmed yet.

The initiative to hold the exercise is not new, China already proposed the exercise since 2015 and initially mentioned that the location for the exercise would be in the South China Sea. It brought a mixed response, as there was no agreement between ASEAN countries in regards to China's proposal. Indonesia is one of the ASEAN members who disagree with the initiative, especially with the proposed location of the exercise. Former Indonesian Military Commander, Gatot Nurmantyo, mentioned that the Government of Indonesia is determined to maintain regional stability and to not escalate tensions in the South China Sea. There was no exercise conducted since then until the maritime drill initiative re-emerged this year. We can see that the proposed initiative cannot be defined as a simple joint naval exercise. With the development of China's activities in the South China Sea, the maritime exercise becomes a strategic issue for the region and could carry geopolitical interest for ASEAN countries. As maritime stability in the region is a common goal for ASEAN countries, it is hoped that the exercise can create confidence building for future cooperation between China and ASEAN countries.

To understand Indonesia's position on this issue, we should bear in mind that Indonesia is a non-claimant in the SCS disputes. Notwithstanding with the fact that the China's "nine-dash line" claim overlaps with Indonesia's Exclusive Economic Zone (EEZ) namely the North Natuna Sea, Indonesia puts a neutral position while trying to maintain regional stability and to secure its national interest at the same time. In fact, Indonesia's move to rename its sovereign into North Natuna Sea has induced indignation from China, which is showed from China's official note in response to that move. As the country aims to be a global maritime fulcrum, regional stability is important for Indonesia, and it has been promoting a peaceful dialogue to settle the dispute. In the fourth ADMM plus meeting (October 2017), Indonesia's Defense Minister, Ryamizard Ryacudu mentioned that Indonesia was pleased with the development of Code of Conduct (COC) in the South China Sea, even though it was still in the initial stages. On the other

hand, it is also important for Indonesia to preserve its relations with China to secure its domestic economic interests. China has been an important economic partner for Indonesia, being the latter's top three trading partner and a source of foreign direct investments. Thus, Indonesia's position in this dispute appears to be one of caution and seeks to maintain neutrality as a non-claimant.

So now the question is how Indonesia perceived the upcoming ASEAN-China maritime exercise, as it used to reject the initiative. Indonesia has been actively participating in various global maritime initiatives, not just in the security area also economic areas. The intention to become a global maritime fulcrum under President Jokowi has driven Indonesia to actively join several forums that relate to the maritime sector, not only under the ASEAN umbrella but also other regional forums such as the Indian-Ocean Rim Association (IORA). As stated in the National Document of Indonesia's Maritime Policy, the active maritime diplomacy is aimed at optimizing the country's maritime potency, which sets its strategy to be actively involved in various maritime cooperation at the international level and to realize global maritime peace. In regard to this proposed ASEAN-China maritime exercise, although there is no formal government statement on this issue, Indonesia is expected to join the exercise on the basis of its approach towards an active maritime diplomacy. It should be noted that this scenario will work if there is no escalation in tensions between ASEAN countries and China.

China should be more careful with its assertive moves in the region, especially in relation to the South China Sea, if it wants to strengthen cooperation with the ASEAN countries. Determining the location of the maritime exercise will become a sensitive issue for ASEAN countries, even for a non-claimant country in the South China Sea disputes, such as Indonesia. If the proposed location is in disputed portions of the South China Sea, it is possible that the exercise will be postponed again. On the other hand, it is important for ASEAN countries to expedite the finalization of the COC, in the hope that it will support regional stability and facilitate further maritime cooperation between ASEAN and China.



CHINA-INDIA | 20 FEBRUARY | BUSINESS STANDARD

Chinese warships return to SCS as Indian Navy continues heavy deployment

A Chinese warship flotilla that had entered the Indian Ocean, reportedly heading for the Maldives Islands, has turned around and returned to the South China Sea, say highly credible Indian Navy sources.

[Full Report](#)

SOUTH KOREA | 1 FEBRUARY | YONHAP

S. Korea's Navy gets new anti-submarine warfare frigate

South Korea's Navy on Thursday received a brand-new guided missile frigate with strong anti-submarine warfare capabilities, the country's arms agency said.

[Full Report](#)

RUSSIA | 2 FEBRUARY | REUTERS

Russia approves warplane deployment on disputed island near Japan

Prime Minister Dmitry Medvedev has approved the deployment of Russian warplanes on a disputed island near Japan, accelerating the area's militarization at a time when Moscow's ties with Tokyo are strained over the roll-out of a U.S. missile system.

[Full Report](#)

AUSTRALIA | 2 FEBRUARY | NAVAL TECHNOLOGY

Lürssen wins \$2.42bn contract for Australian Navy's OPV programme

The Australian Department of Defence has signed a contract worth at least A\$3bn (\$2.42bn) with German shipbuilding company Lürssen in support of the Royal Australian Navy's (RAN) offshore patrol vessels (OPVs).

[Full Report](#)

CHINA | 5 FEBRUARY | SOUTH CHINA MORNING POST

China's plan to use artificial intelligence to boost the thinking skills of nuclear submarine commanders

China is working to update the rugged old computer systems on nuclear submarines with artificial intelligence to enhance the potential thinking skills of commanding officers, a senior scientist involved with the programme told the South China Morning Post.

[Full Report](#)

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VIETNAM | 6 FEBRUARY | TASS

Two Russian-built frigates enter combat duty in Vietnam

Vietnam's national flag has been hoisted on two Gepard-class frigates, built in Russia for the Vietnamese Navy.

[Full Report](#)

THE PHILIPPINES | 12 FEBRUARY | UPDATE PHILIPPINES

Frigate Acquisition Project still on despite Hyundai Heavy Industries (HHI) 'troubles'

The Philippine Navy's PHP18-billion Frigate Acquisition Project (FAP), which was awarded to South Korean shipbuilder Hyundai Heavy Industries (HHI), is "still proceeding on schedule."

[Full Report](#)

INDIA | 13 FEBRUARY | THE ECONOMIC TIMES

PM Modi's Oman visit: Navy can now access Duqm port

The Indian Navy will now be able to use the facilities at Duqm port in Oman following the signing of a pact between the two countries, during Prime Minister Narendra Modi's visit, that will give India a foothold in its extended neighbourhood.

[Full Report](#)

UNITED STATES | 13 FEBRUARY | NAVY TIMES

US Navy to add 46 ships in five years, but 355 ships won't come for a long time

The U.S. Navy will grow by more than 40 ships over the next five years, the Navy's Budget director said Monday.

[Full Report](#)

THE PHILIPPINES | 16 FEBRUARY | GMA NEWS

No Marine deployment yet to Scarborough Shoal —Nolcom chief

The military will not yet deploy Marine troops to patrol and secure Scarborough (Panatag) Shoal pending "guidance" from the national government, a military official said Friday.

[Full Report](#)

UNITED STATES | 16 FEBRUARY | USNI NEWS

Navy Picks Five Contenders for Next Generation Frigate FFG(X) Program

Five ship designs will compete in the Navy's bid for 20 next-generation guided-missile frigates (FFG(X)) that will follow the Littoral Combat Ship, the service announced on Friday.

[Full Report](#)



JAPAN | 23 FEBRUARY | ASAHI SHIMBUN

MSDF helicopter flattop Izumo designed as aircraft carrier

Despite the Defense Ministry's denial that the helicopter carrier Izumo, launched in 2015, was planned to be refitted into an aircraft carrier, former Maritime Self-Defense Force executives confirmed that that is how the blueprints were drawn up.

[Full Report](#)

MALAYSIA | 26 FEBRUARY | THE STAR ONLINE

Navy plans to get two more submarines by 2040

The Royal Malaysian Navy plans to get two more submarines in the next 20 years as it prepares to face "new challenges".

[Full Report](#)

INDONESIA | 28 FEBRUARY | ANTARA NEWS

Indonesian Navy expects to have 20 missile boats by 2024

The Indonesian Navy expects to have 20 fast missile boats of 60 meters (KCR 60 metres) by 2024 to strengthen the national armaments system in accordance with the minimum essential force (MEF) target.

[Full Report](#)

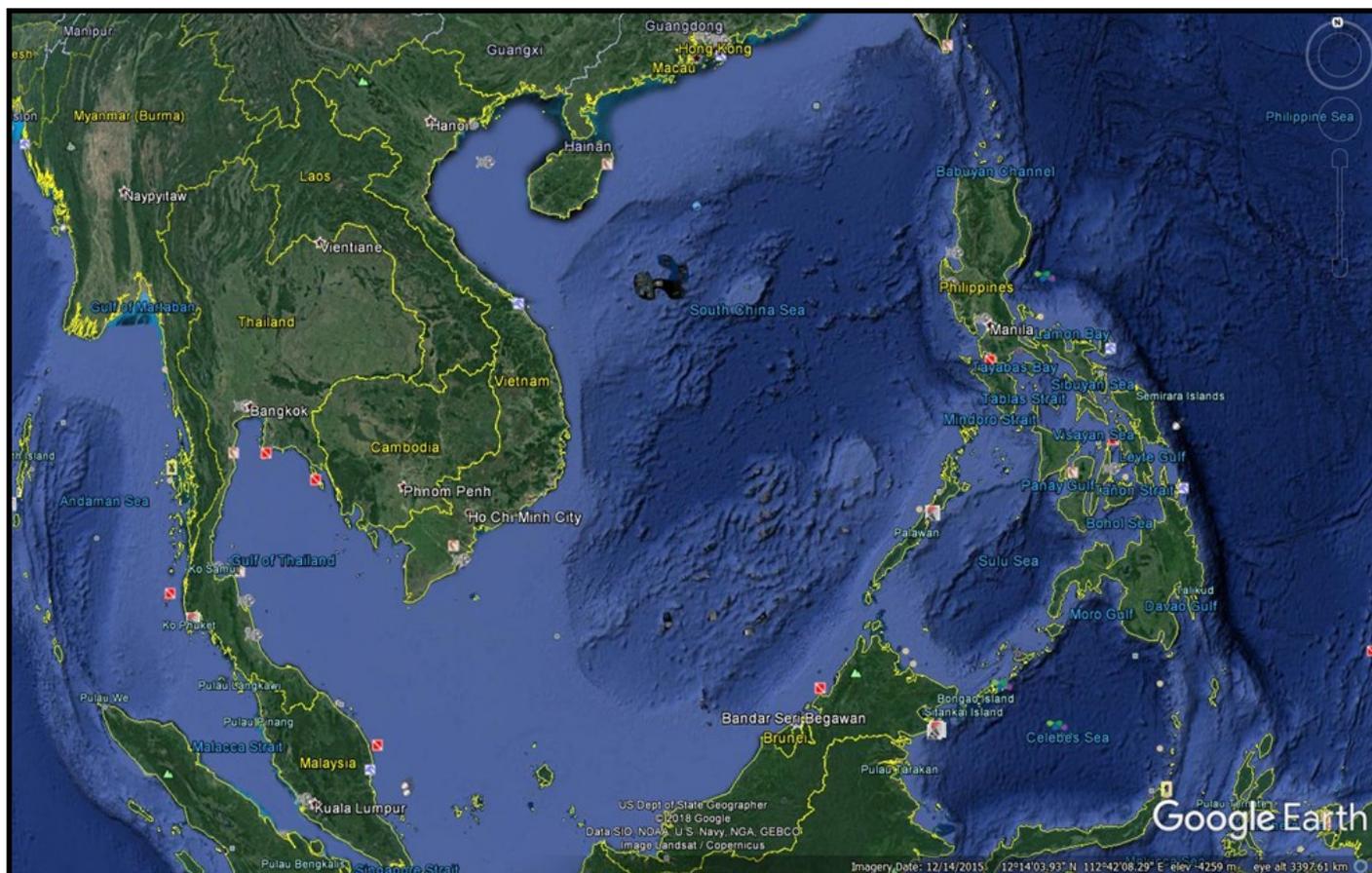
UNITED STATES | 28 FEBRUARY | NAVY TIMES

From dolphins to plankton, DARPA program turns creatures into sensors

The TV character Flipper the dolphin often warned his human friends of danger through a series of clicks and squeals.

[Full Report](#)

MARITIME SAFETY AND SECURITY



ASEAN-CHINA | 6 FEBRUARY | CHANNEL NEWSASIA

ASEAN-China to conduct first maritime exercise

The Association of Southeast Asian Nations (ASEAN) and China are set to hold its first maritime exercise at the end of this year.

[Full Report](#)

INDIA | 1 FEBRUARY | DECCAN HERALD

Navy wary of 'dark ships' in Indian Ocean

Presence of nearly 3,000 "dark ships" in the vast expanse of the Indian Ocean at any point in time is the cause of a new worry for the Indian Navy.

[Full Report](#)

SOUTH KOREA | 5 FEBRUARY | YONHAP

Seoul to set up long-range tracking system for fishing vessels

The government will set up a long-range maritime communication network tracking fishing vessels by 2020 in order to prevent loss of contact, the maritime ministry said Monday.

[Full Report](#)

SINGAPORE | 5 FEBRUARY | CHANNEL NEWSASIA

11 suspects arrested for illegal transaction of marine gas oil worth S\$97,000

Eleven men, aged between 23 and 45, were arrested by the Police Coast Guard on Monday (Feb 5) for their suspected involvement in an illegal transaction of marine gas oil with an estimated market value of S\$97,000.

[Full Report](#)

THE PHILIPPINES | 6 FEBRUARY | GMA NEWS

Duterte orders no more foreign explorations in Benham Rise —Piñol

President Rodrigo Duterte has ordered a stop to the maritime scientific research by foreigners in the Benham Rise, according to Agriculture Secretary Manny Piñol on Tuesday.

[Full Report](#)

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INDONESIA | 8 FEBRUARY | ANTARA NEWS

Indonesia prepares 38 warships to enliven Komodo Multilateral Naval Exercise

As host of the 3rd Komodo Multilateral Naval Exercise, the Indonesian Navy will deploy 38 warships to ensure success of the event in Lombok, West Nusa Tenggara, on May 4-9, Rear Admiral Didik Setiyono stated.

[Full Report](#)

UNITED STATES | 9 FEBRUARY | USNI NEWS

Panel: Navy and Coast Guard Operating More in a Maritime 'Grey Zone'

Between war and peace is the grey zone – a legal status where the rules of engagement aren't always clear for the Navy and Coast Guard forces increasingly operating there, according to top commanders from the services.

[Full Report](#)



INDONESIA | 10 FEBRUARY | ANTARA NEWS

Indonesian Navy confiscates one ton of methamphetamine in Batam

Indonesian Navy has secured a Singapore-flagged vessel MV Sunrise Glory that was carrying about one ton of methamphetamine in the Philips Strait adjacent to the waters of Batam, Riau Islands.

[Full Report](#)

CHINA-THE PHILIPPINES | 14 FEBRUARY | GMA NEWS

PHL protests China's naming of five undersea features in Benham Rise

The Philippine government has protested China's move to name five undersea features in the Benham Rise (Philippine Rise), Malacañang said Wednesday.

[Full Report](#)

CHINA | 15 FEBRUARY | XINHUA

China moves to ensure safe sea-travel during Spring Festival

Seventy-two salvage ships and 20 helicopters have

been deployed in China's coastal waters to ensure travel safety at sea during the Spring Festival, or Chinese Lunar New Year.

[Full Report](#)

THE PHILIPPINES | 17 FEBRUARY | GMA NEWS

Coastguard foils attack on cargo vessel off Basilan

Philippine Coast Guard personnel thwarted an attack by armed men on a cargo ship off an island in the province of Basilan in the southern Philippines early on Saturday.

[Full Report](#)

JAPAN-THE PHILIPPINES | 19 FEBRUARY | BUSINESSWORLD

JICA, PCG launch sea vessel traffic management system to boost maritime safety

A vessel traffic management system (VTMS) costing about P739 million, or 1.5 billion yen, was recently launched in Cebu as part of ongoing development cooperation between the Japan International Cooperation Agency (JICA) and Philippine Coast Guard (PCG) to boost Philippine maritime safety.

[Full Report](#)

INDONESIA-MALAYSIA | 23 FEBRUARY | THE STAR ONLINE

Issue of Malaysian fishermen held in Indonesia to be raised in Cabinet

The issue of Malaysian fishermen detained in Indonesia will be brought up in the next Cabinet meeting, said Transport Minister Datuk Seri Liow Tiong Lai.

[Full Report](#)

MALAYSIA | 24 FEBRUARY | THE STAR ONLINE

Cops seek to determine if kidnap group was involved in trawler shooting

Sabah police are trying to ascertain if a kidnap for ransom group or pirates were involved in the shooting of a fishing trawler in the waters off Sabah's Kinabatangan.

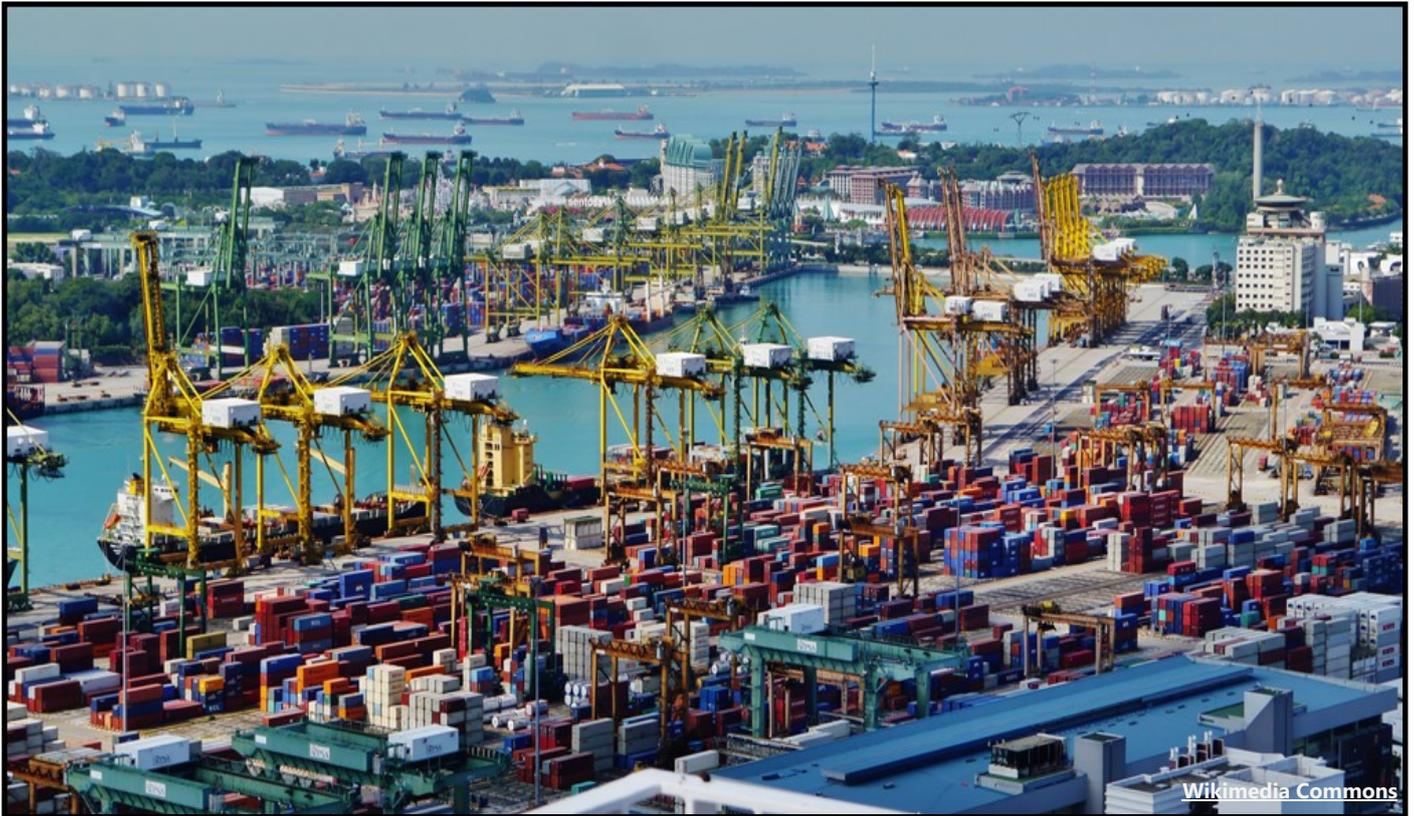
[Full Report](#)

INDONESIA-MALAYSIA | 28 FEBRUARY | ANTARA NEWS

Missing Malaysian vessel found in Dumai

Malaysian Tanker vessel named MT Pratama 128, that was previously reported missing, has been found in the Rupert Island waters, Dumai, Riau province, by the Indonesian Navy on Tuesday.

[Full Report](#)



SINGAPORE | 21 FEBRUARY | THE STRAITS TIMES

\$12.6m funding for two maritime cadet training programmes

The SkillsFuture Singapore (SSG), Maritime and Port Authority of Singapore (MPA) and Singapore Maritime Officers' Union (SMOU) are pumping \$12.6 million into two cadet training programmes as part of efforts to further develop talent in the maritime industry.

[Full Report](#)

GLOBAL | 1 FEBRUARY | SEATRADE MARITIME NEWS

Baltic Exchange dropping handysize bulkers from BDI

The Baltic Exchange is dropping handysizes from its key dry bulk market index the BDI. From 1 March the Baltic Dry Index (BDI) will be re-weighted to reflect 40% capesize, 30% panamax, and 30% supramax time charter averages, dropping the handysize time charter average.

[Full Report](#)

AFRICA-EU | 2 FEBRUARY | FISH INFORMATION AND SERVICES

EU and African countries plan measures against illegal fishing

Representatives of the European Commission (EC), the Spanish Government, Atlantic African countries, fleets and NGOs have coordinated new joint measures to strengthen the fight against illegal fishing in waters of the African continent.

[Full Report](#)

CHINA | 8 FEBRUARY | GLOBAL TIMES

Chinese commercial ships explore Arctic routes amid 'Polar Silk Road' ambitions

When Han Guomin, CEO of China's Cosco Shipping Specialized Carriers Limited, read the white paper released on January 26 about China's Arctic policy, he and his colleagues were excited.

[Full Report](#)

THAILAND | 12 FEBRUARY | CHANNEL NEWSASIA

Proposed Kra Canal not current government priority: Thailand

The Thai government has made it clear that the proposed Kra Canal project is neither a priority currently nor does it have a policy on the proposed man-made waterway which will link the Indian Ocean and the Pacific Ocean.

[Full Report](#)

Continue on page 10

CHINA | 12 FEBRUARY | SPLASH 24/7

Zhuhai to develop China's first autonomous ship test ground

China's southern city of Zhuhai has commenced the construction of a test ground for autonomous ships as part of its plan to develop an industrial platform in the new sector.

[Full Report](#)

INDONESIA-MALAYSIA | 16 FEBRUARY | HELLENIC SHIPPING NEWS

Johor Port inks MoU with Indonesia's Pelindo I for strategic logistics collaboration

Johor Port Bhd, a subsidiary of MMC Port Holdings Sdn Bhd, has inked a preliminary agreement with PT Pelabuhan Indonesia I (Pelindo I) to collaborate on shipping connectivity between Pelindo I's ports in Sumatera/Aceh in Indonesia, and MMC Group's ports in Peninsular Malaysia.

[Full Report](#)



INDIA-SINGAPORE | 18 FEBRUARY | THE STRAITS TIMES

PSA officially launches new port terminal in India

PSA's US\$1.2 billion Bharat Mumbai Container Terminals (BMCT) was officially opened at Jawaharlal Nehru Port on Sunday (Feb 18).

[Full Report](#)

INDONESIA | 21 FEBRUARY | SEATRADE MARITIME NEWS

ECSA joins protest against Indonesian cabotage rule

Following on the heels of a strong protest from the International Chamber of Shipping (ICS) last week, European shipowners have also spoken out against a decree imposing a cabotage policy on certain commodities that Indonesia has adopted recently.

[Full Report](#)

SOUTH KOREA | 21 FEBRUARY | WORLD MARITIME NEWS

World's first LNG-fueled bulker delivered in South Korea

South Korea's Ilshin Logistics has taken delivery of

Ilshin Green Iris, the world's first LNG-fueled bulk carrier, from Hyundai Mipo Dockyard, Lloyd's Register informed.

[Full Report](#)

SINGAPORE | 22 FEBRUARY | BLOOMBERG

Rescued Singapore shipbuilder buckles under debt woes

A Singapore shipping company rescued by its chairman just over a year ago faces collapse unless the courts step in, a sign that an earlier slump in oil prices is still reverberating.

[Full Report](#)

GLOBAL | 23 FEBRUARY | MARITIME EXECUTIVE

BIMCO relaunches ship benchmarking system

BIMCO has relaunches its ship benchmarking system Shipping KPI after two years of redesign. The system helps shipowners and managers make strategic decisions about their fleet.

[Full Report](#)

SEYCHELLES | 23 FEBRUARY | FISH INFO & SERVICES

Seychelles announces creation of two new marine protected areas

The Government of Seychelles announced two new Marine Protected Areas covering 210,000 square kilometers (81,000 square miles) created as part of the debt-for-conservation deal designed by conservation group The Nature Conservancy (TNC).

[Full Report](#)

DJIBOUTI | 24 FEBRUARY | ALJAZEERA

Djibouti seizes control of Dubai-run Doraleh port

The government of Djibouti has seized control of a container terminal operated by United Arab Emirates-based DP World, saying that the contract between the two parties was damaging the sovereignty of Djibouti.

[Full Report](#)

KOREA | 27 FEBRUARY | HELLENIC SHIPPING NEWS

HHI builds world's first SMR test bed facility for re-liquefying gas from LNG tanker

Hyundai Heavy Industries (HHI) announced that the company recently completed a single mixed refrigerant (SMR) test bed facility that re-liquefies vaporized gas from an LNG tanker at its headquarters in Ulsan and received its safety approval from Korea Gas Safety Corporation.

[Full Report](#)