Featured MSP Perspectives:

Singapore as a Global Maritime Hub: Staying Competitive through Innovation — p. 4
By Lee YingHui

MSP Perspectives:

Singapore as a Global Maritime Hub: Staying Competitive through Innovation — p. 4

Naval Development and Policy:

Indo-PACOM, it is: Pacific Command gets renamed — p. 5

Maritime Safety and Security:

Japan to boost Pacific island nations' maritime law enforcement capabilities — p. 7

Shipping, Ports, and the Maritime Economy:

Certificate of Origin blockchain platform launched — p. 9
Table of Contents

MSP PERSPECTIVES 4
Singapore as a Global Maritime Hub: Staying Competitive through Innovation 4

NAVAL DEVELOPMENT AND POLICY 5
Indo-PACOM, it is: Pacific Command gets renamed 5
Third submarine to be completed in 2019: Ministry 5
Air Force B-52s patrol South China Sea 5
China quietly installed defensive missile systems on strategic Spratly Islands in hotly contested South China Sea 5
First time since WWII, India to station fighter planes in Andaman & Nicobar to counter China 5
Balikatan 2018: PH, U.S. hold drill amid China militarization of South China Sea 6
China's first homegrown aircraft carrier starts sea trial 6
Japan focuses on maritime security in new ocean policy 6
Indonesia gives India access to strategic port of Sabang 6
Air Force bombers land on island airport for first time 6
China Disinvited from Participating in 2018 RIMPAC Exercise 6
PHL starts upgrade of airstrip on occupied island in disputed Spratlys 6
US warships sail near disputed islands in South China Sea, officials say 6
Chinese aircraft carrier forming all-weather combat capability with successful night takeoff and landing 6
PHL starts construction of lighthouses on Kalayaan islands 6

MARITIME SAFETY AND SECURITY 7
Japan to boost Pacific island nations’ maritime law enforcement capabilities 7
Two US airmen injured by Chinese lasers in Djibouti, DoD says 7
4 Filipino kidnap group members shot dead near Lahad Datu 7
Explosion damages vessel carrying wheat to Yemen 7
Duterte declares Benham Rise a marine protected area 7
Chinese underwater glider ‘Petrel’ sets new duration records 8
Foreign fishing vessels expelled from S. China Sea by joint forces patrol 8
Minister of marine affairs hopes DPR not to revise sinking article 8
Shafie to review eastern Sabah security, may allow pump boats again 8
60% of PHl beaches unsafe due to fecal coliform levels – EMB-DENR 8
Bakamlia foils underwater fiber-optic cable theft in Bintan 8
MMEA goes undercover to protect local fishermen 8
U.S. Navy: Chinese warships maneuvered in “unprofessional” manner 8
Chinese coast guard harassed Filipino troops in West PHL Sea anew, Alejano says 8
Indonesia Told India Its Quest to Join Malacca Strait Patrols Isn't Feasible 8

SHIPPING, PORTS, AND THE MARITIME ECONOMY 9
Certificate of Origin blockchain platform launched 9
EU launches project to combat IUU fishing in Western Africa 9
New port to transform Vietnam’s north into industrial gateway 9
China to stop recycling foreign-flagged ships 9
Firms plan to reap Southeast Asian dividends 9
Asia-Pacific commission to intensify efforts and ensure fisheries and aquaculture sustainability 10
Indonesia to open another eight seaports for international trade 10
UAE commits to protecting seafarers in signing of historic memorandum with the ITF 10
Shipping logistics start-up Haulio secures $1 mil in seed funding 10
India relaxes cabotage law 10
Maritime organization approves Bering Strait shipping routes 10
Japan to boost port investments in Indian Ocean Region 10
South Korea to provide economic support to hard-hit shipbuilding regions 10
Shippers lash emergency bunker surcharges 10
India and Indonesia are growing the blue economy 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.

Should you encounter any problem in retrieving the articles, or if you have any comments/suggestions/request, please feel free to contact us at:

RSISMS@ntu.edu.sg

Maritime Security Programme, RSIS

Editorial Team

Lee YingHui
Collin Koh
2018 is expected to be a good year for the Port of Singapore. The Singapore Freight Transport & Shipping Report released by Business Monitor International for the first quarter of 2018 estimated a 2.2% year-on-year increase in container traffic at the Port of Singapore for 2018. At the same time, total tonnage throughput is expected to expand by 1.8% to reach 612.8 million tonnes by end 2018.

Strong performance of Singapore’s port in 2017 was in part due to the weak performances of some of its competitors in the region. Singapore benefited tremendously from the movement of major shipping firms from Port Klang in Malaysia in 2017, including the movement of Ocean Alliance (of which China Ocean Shipping Company, COSCO, is a major member) in April 2017.

Despite Chinese investment of RM 55 billion in the East Coast Rail Link (ECRL) connecting Port Klang and Kuantan Port, which could potentially lead to an alternative trade route by-passing the ports in Singapore, COSCO Shipping Ports inked a memorandum of understanding to launch the third berth at the joint venture COSCO-Port of Singapore Authority (PSA) Terminal at Pasir Panjang in November 2017.

When completed, this will raise the total handling capacity of the COSCO-PSA Terminal to three million twenty-foot equivalent units (TEUs) a year.

Election of the new Pakatan Harapan government in Malaysia, and the vow by Prime Minister Dr Mahathir to review large-scale infrastructure projects, is likely to lead to delays if not cancellation of the ECRL railway, originally slated for completion by 2024. While this is good news for Singapore’s maritime industry, Singapore status as a maritime hub continues to face growing competition especially from Chinese ports such as the ones in Shanghai and Ningbo.

In order to maintain its competitiveness as a global transhipment hub, Singapore has constantly sought to stay ahead of emerging global trends. In 2003, Singapore adopted the “London-Plus” development framework, which focused not just on solidifying Singapore’s existing strengths as a transhipment port, but also on growing the presence of other maritime-related services on the island.

This strategy has helped enrich Singapore’s overall maritime commerce ecosystem. Today, more than 140 international shipping groups have bases in Singapore. In addition, the number of maritime service providers, including shipbroking firms and marine insurers, have increased tremendously compared to a decade ago.

The long-term strategy of the Maritime and Port Authority of Singapore (MPA) is to develop Singapore into a vibrant International Maritime Centre (IMC). Moving forward, technology and innovation, especially digitisation and automation, is slated to become the main engine of growth for Singapore’s maritime sector.

Currently, works are underway for Tuas Phase II development. When fully operational by 2040, the fully automated Tuas Terminal will be able to handle up 65 million TEUs of container traffic annually. The MPA-PSA Port Technology Research and Development Programme (PTRDP) has also been established to promote research and development.

MPA is also working with industry partners and research institutes to drive innovation in the maritime sector. For instance, the Maritime Innovation and Technology (MINT) Fund was awarded to the consortium of ST Electronics and Norwegian Kongsberg Norcontrol to pursue the Next Generation Vessel Traffic Management System (NGVTMS) Innovation Programme.

Looking to the future, Singapore’s development strategy for the maritime industry is laid out in the Sea Transport Industry Transformation Map (ITM), launched on 12 January 2018. With the vision for Singapore to become a Global Maritime Hub for Connectivity, Innovation and Talent, the ITM puts forward three key strategies: (i) building up a well-connected and vibrant IMC cluster; (ii) enhancing productivity and innovation; and (iii) creating new jobs, developing a future-ready workforce.

While Singapore is moving in the right direction with the new ITM, it is important for Singapore to be continuously aware of new technological advancements and adapt to new challenges, in order to stay competitive and relevant in the long-run.
Indonesia’s defense ministry has targeted to complete the construction of its third submarine, being manufactured at the Surabaya-based shipbuilder PT PAL in cooperation with South Korea, in 2019.

The Air Force on April 24 flew B-52H Stratofortress bombers to the South China Sea as part of a training mission.

China has quietly installed anti-ship cruise missiles and surface-to-air missile systems on three of its fortified outposts west of the Philippines in the South China Sea, a move that allows Beijing to further project its power in the hotly disputed waters, according to sources with direct knowledge of U.S. intelligence reports.

India has decided to station fighter airplanes in the Andaman and Nicobar Islands to strengthen India’s hold over the crucial Malacca, Sunda, and Lombok Strait and the Straits of Ombai Wetar and the eastern Indian Ocean Region, top sources told India Today.

Full Report

Full Report

Full Report

Full Report
The Philippine and United States navies on Wednesday, May 9, held an amphibious landing exercise at the Naval Education and Training Command in Zambales amid growing concerns over China’s militarization of the South China Sea.

China’s first domestically designed aircraft carrier set sail on its maiden sea trial on Sunday morning, which means it will not take long before it is commissioned to the People’s Liberation Army Navy.

Japan approved Tuesday a new ocean policy that highlights maritime security amid the perceived growing threats from North Korea and China, a reversal from the previous version which centered largely on the development of resources at sea.

Indonesia has agreed to give India economic and military access to the strategic island of Sabang at the northern tip of Sumatra and close to the Malacca Strait, an Indonesian minister said on Thursday.

The People’s Liberation Army Air Force landed its H-6K bomber aircraft on an airport in the South China Sea during a recent exercise, marking the first time Chinese bombers have used an airport in the region.

The Philippine government has started its “long-delayed” repairs on its runway on Pag-asa Island amid increasing Chinese military presence in the disputed Spratly Islands, a US think tank said Friday.

Two U.S. Navy warships sailed near South China Sea islands claimed by China after Beijing landed a nuclear-capable bomber and deployed missiles there, defense officials told Fox News on Sunday.

China’s first operational aircraft carrier, known as the Liaoning, recently completed its nighttime takeoff and landing mission, signaling that this carrier has initial all-weather capabilities, a key step toward the formation of practical capabilities for combat.

The government has started its construction of at least five lighthouses on Philippine-held features in the West Philippine Sea in order to ensure the safety of navigation, a top security official said Wednesday.
Japan to boost Pacific island nations’ maritime law enforcement capabilities

Japan will provide support for Pacific island nations to beef up their anti-illegal fishing efforts and ability to enforce maritime law, the government has decided.

Full Report

Two U.S. airmen suffered “minor” injuries as a result of the use of the Pentagon believes are Chinese-deployed lasers in Djibouti, the Defense Department’s chief spokeswoman said Thursday.

Full Report

Two US airmen injured by Chinese lasers in Djibouti, DoD says

An explosion has damaged a Turkish vessel carrying wheat to Yemen’s Houthi-controlled port of Saleef, with varying accounts attributing the incident on Thursday to an unexplained blast aboard the ship or a possible missile strike.

Full Report

Explosion damages vessel carrying wheat to Yemen

Four members of a suspected Filipino kidnap-for-ransom group were shot dead in the waters off Lahad Datu early today.

Full Report

4 Filipino kidnap group members shot dead near Lahad Datu

President Rodrigo Duterte on Tuesday signed a proclamation declaring a portion of Benham Rise (Philippine Rise) a marine protected area.

Full Report

Duterte declares Benham Rise a marine protected area

Continue on page 8
CHINA | 17 MAY | CHINA DAILY

Chinese underwater glider ‘Petrel’ sets new duration records

The long-voyage underwater glider Petrel-L set new records for Chinese underwater glider technology with the longest operational duration of 119 days, 862 profiling motions and navigation mileage of 2,272.4 kilometers, prolonging the observation period of Chinese underwater gliders for up to four months. Full Report

CHINA | 20 MAY | GLOBAL TIMES

Foreign fishing vessels expelled from S. China Sea by joint forces patrol

Ten foreign fishing boats have been "expelled" from the South China Sea following a coordinated operation involving ships from the People's Liberation Army (PLA) Navy, the China Coast Guard and local authorities in a move to safeguard China's maritime interests, a military news website reported on Sunday. Full Report

INDONESIA | 22 MAY | ANTARA

Minister of marine affairs hopes DPR not to revise sinking article

Minister of Marine Affairs and Fisheries Susi Pudjiastuti hopes the House of Representative (DPR) will not revise the article that regulates the drowning of illegal ships. Full Report

MALAYSIA | 23 MAY | THE STAR ONLINE

Shafie to review eastern Sabah security, may allow pump boats again

Sabah may lift the ban on pump boats to help poor fishermen, especially in the east coast. Full Report

THE PHILIPPINES | 25 MAY | GMA NEWS

60% of PHI beaches unsafe due to fecal coliform levels – EMB-DENR

The Environmental Management Bureau (EMB-DENR) reported that the amount of fecal bacteria found in 60 percent of the country’s recreational waters exceeded safe levels, GMA 7 news program “24 Oras” reported on Friday. Full Report

INDONESIA | 28 MAY | THE JAKARTA POST

Bakamla foils underwater fiber-optic cable theft in Bintan

Maritime Security Board (Bakamla) patrol vessel KN Belut Laut 4806 stopped on Saturday KM Tapan Ocean motorboat, which allegedly had stolen a fiber-optic undersea cable in Tanjung Berakit waters in Bintan, Riau Islands. Full Report

MALAYSIA | 29 MAY | NEW STRAITS TIMES

MMEA goes undercover to protect local fishermen

The Malaysian Maritime Enforcement Agency’s (MMEA) personnel are going undercover by disguising themselves as fishermen. Full Report

CHINA-UNITED STATES | 29 MAY | CBS NEWS

U.S. Navy: Chinese warships maneuvered in “unprofessional” manner

The Navy considers the actions of Chinese warships that warned two U.S. Navy ships away from the Paracel Islands over the weekend to have maneuvered in a "safe but unprofessional" manner. Full Report

CHINA-THE PHILIPPINES | 30 MAY | GMA NEWS

Chinese coast guard harassed Filipino troops in West PHL Sea anew, Alejano says

Magdalo party-list Representative Gary Alejano on Wednesday reported that Chinese coast guard personnel harassed anew the Philippine military forces in the West Philippine Sea. Full Report

INDIA-INDONESIA | 31 MAY | THE WIRE

Indonesia Told India Its Quest to Join Malacca Strait Patrols Isn’t Feasible

About three weeks before Indian and Indonesian leaders sat down for talks in Jakarta on Tuesday, Indonesian experts had explained to their Indian counterparts that New Delhi’s quest to join the Malacca Strait Patrol (MSP) was “not feasible”. Full Report
SINGAPORE | 8 MAY | THE MARITIME EXECUTIVE

Certificate of Origin blockchain platform launched

The world’s first blockchain-based platform for electronic certificates of origin (eCOs) was unveiled in Singapore on Tuesday. The platform is the result of a partnership between the Singapore International Chamber of Commerce (SICC) and Singapore-based vCargo Cloud.

AFRICA-EUROPEAN UNION | 4 MAY | FISH INFO & SERVICES

EU launches project to combat IUU fishing in Western Africa

The European Union has launched a project funded under the European Development Fund (EDF), including a component aiming to improve the fight against illegal, unregulated and unreported (IUU) fishing activities in Western Africa.

VIETNAM | 5 MAY | NIKKEI ASIAN REVIEW

New port to transform Vietnam’s north into industrial gateway

Vietnam’s coastal city of Haiphong will open a deep-water port this month, taking a step toward becoming a key maritime link in the north and enhancing the country’s position in the global supply chain.

CHINA | 8 MAY | THE MARITIME EXECUTIVE

China to stop recycling foreign-flagged ships

China plans to stop recycling foreign-flagged ships from 2019 as the nation toughens its stance on waste processing industries.

TAIWAN | 11 MAY | TAIPEI TIMES

Firms plan to reap Southeast Asian dividends

A group of six state-run and private companies are soon to form an offshore holding company in Singapore, aiming to invest in shipping-related businesses in Southeast Asian nations targeted by the government’s New Southbound Policy.

Continue on page 10
Asia-Pacific commission to intensify efforts and ensure fisheries and aquaculture sustainability

Members of the Asia-Pacific Fisheries Commission (APFIC) have expressed their intention to ensure that fisheries and aquaculture are managed in a responsible and sustainable manner by focusing on resilience and sustainable blue growth.

Full Report

Indonesia to open another eight seaports for international trade

Indonesia is set to open eight more seaports for international trade, local reports said.

Full Report

UAE commits to protecting seafarers in signing of historic memorandum with the ITF

The International Transport Workers’ Federation (ITF) and the United Arab Emirates (UAE) Federal Transport Authority (FTA) have signed a ground-breaking Memorandum of Understanding to work together to protect the rights of all seafarers operating in UAE waters.

Full Report

Shipping logistics start-up Haulio secures $1 mil in seed funding

Haulio, a Singapore-based container haulage start-up, has raised $1 million in seed round investment following its pre-seed round of $75,000, which marks the company’s sole prior funding round.

Full Report

India relaxes cabotage law

Foreign-flagged ships will no longer need to obtain a license from India’s Director General of Shipping to engage in coastal shipping in the country.

Full Report

Maritime organization approves Bering Strait shipping routes

An international agency that sets standards for marine safety has approved two-way shipping routes into the Arctic Ocean through the Bering Strait.

Full Report

Japan to boost port investments in Indian Ocean Region

The Japanese government is stepping up activity in the port sector with plans to develop ports in three Indian Ocean nations by offering yen loans.

Full Report

South Korea to provide economic support to hard-hit shipbuilding regions

South Korea to provide economic support to hard-hit shipbuilding regions.

Full Report

Shippers lash emergency bunker surcharges

After a series of weak first quarter results from the world’s top container lines, many have introduced emergency bunker surcharges of anywhere from $60 to $90 per teu in the past few days, a move that has been lashed by customers.

Full Report

India and Indonesia are growing the blue economy

The blue economy concept was brought to the negotiating table when the Prime Minister of India, Narendra Modi visited his Indonesian counterpart, Joko Widodo in Jakarta, recently.