



ICAS MARITIME AFFAIRS HANDBILL

August 30, 2022

Volume 1, Issue 7

Recent News in Global Maritime Affairs

[1] Climate Change and Blue Carbon Economy [1]

[“Our Ocean Conference”, Climate Change and Energy Transition in Shipping Dominate Mitsotakis-Kerry Meeting](#)

August 29 - *The National Herald*
[Mediterranean, United States]

As part of his recent visits to Europe, U.S. Special Presidential Envoy for Climate John Kerry met with Greek Prime Minister Kyriakos Mitsotakis to discuss ways to strengthen their countries' cooperation on climate change and to discuss preparations for holding the “Our Ocean Conference” in Greece in 2024. “No one can solve the problems linked to the oceans without paying proper attention to the climate crisis,” Kerry explained at one point.

[The iceman cometh: Biden creates an Arctic ambassador](#)

August 26 - *Politico*
[United States, Arctic]

The U.S. State Department announced on August 26 the establishment of a U.S. Ambassador-at-Large for the Arctic Region position. The position, which will be subject to Senate confirmation, is described as an elevation of the current “Arctic coordinator” position into an ambassadorship.

[Up to 90% of marine species could be at high or critical risk if greenhouse gas emissions continue as-is: Study](#)

August 22 - *ABCNews*
[Global]

According to a new study published in the *Nature Climate Change* academic journal, climate change is impacting “virtually all marine life” with almost 90% of the 25,000 known species being at “high or critical risk” under high emissions (SSP5-8.5).

[China races to alleviate drought, power cuts amid record heatwave](#)

August 17 - Reuters [Paywall]

[China]

China continues to battle a drought along the Yangtze river basin amid an unprecedented heat wave with temperatures reaching 45 °C (113 °F)—the highest-ever recorded temperature in China outside of Xinjiang. Largely dependent on hydropower, several provinces and municipalities along the river have begun rationing power supplies and launched ‘cloud seeding’ programs to boost precipitation.

[World's largest ice sheet crumbling faster than previously thought, satellite imagery shows](#)

August 11 - CNN

[Antarctic]

A study by NASA's Jet Propulsion Laboratory (JPL) has revealed that the loss of Antarctic ice from ‘calving’ off into the ocean is nearly as great as the continent’s loss of ice from melting due to rising sea temperatures. Factoring this new factor into ice loss estimates means Antarctica has been shedding ice at double the previous estimates; as much as 12 trillion tons since 1997.

[California Sets Ambitious Goal to Get Power From Offshore Wind](#)

August 10 - Bloomberg [Paywall]

[United States]

The California Energy Commission has approved a plan to install wind turbines generating at least 5 gigawatts of power off the Pacific coast by 2030, with a further target of 25 gigawatts by 2045. These targets exceed Governor Gavin Newsome’s announced goal to hit 20 gigawatts of offshore power generation by 2045, and the effort is poised to be a key factor in the state’s transition to carbon-free energy sources over the next two decades.

[U.S.-China diplomatic breakdown clouds outlook for global climate progress](#)

August 6 - Reuters [Paywall]

[Global, United States, China]

As one of the eight retaliations over U.S. Speaker of the House Nancy Pelosi’s visit to Taiwan, China has halted climate change talks with the United States. The unexpected event brings uncertainty to international climate change protection as it takes place less than 100 days before the COP27 global conference. John Perry said that this suspension is not punishing the United States but the world.

[New Zealand readies for climate impact](#)

August 2 - Blue Mountains Gazette

[South Pacific]

New Zealand’s Climate Change Minister James Shaw released a new report in early August that lays out a six-year plan to “embed adaptation to global warming into policies and legislation.” Much of

the plan, which Shaw notes is in an “astonishingly complex area of public policy to work through,” is focused on rising sea levels and how at least one in seven New Zealanders live in flood-prone areas.

[Việt Nam, US hold fourth energy security dialogue](#)

July 30 - Viet Nam News

[United States, Southeast Asia]

On July 27 and 28, the United States and Vietnam held their fourth energy security dialogue in Washington, DC. This dialogue featured presentations and discussions on bilateral energy cooperation in areas such as clean electricity production, electricity market development, energy saving and efficiency, transmission and energy storage.

[Council receives multimillion dollar Blue Carbon grant](#)

July 28 - Sunshine Coast Council

[Australia]

The Sunshine Coast Regional Council and its partners in Australia have recently provided a \$2 million grant to support the Blue Heart project; one of five successful Blue Carbon restoration projects being supported across Australia by the Federal Government. The funds were secured through the Commonwealth government’s Blue Carbon Ecosystem Restoration Grants.

[2] Maritime Economy and Shipping [2]

[MIDA and Maersk enter into strategic partnership to promote investments in Malaysia](#)

August 29 - Maersk

[Global, Southeast Asia]

On August 29, A.P. Moller-Maersk (Maersk) signed a memorandum of understanding (MOU) with the Malaysian Investment Development Authority (MIDA) in Kuala Lumpur. While the MOU includes an array of projects and sectors, its ultimate goal is to “bring in more targeted global investments into Malaysia” and “transform Malaysia into a regional logistics hub in ASEAN.”

[Container Lines Brace for Slowdown as Shipping Rates Keel Over](#)

August 25 - Bloomberg [Paywall]

[Global]

After more than two years of increased profits and stressful delays for the container shipping industry, the World Trade Organization (WTO) announced this week that merchandise trade flows slowed in Q2 of this year and will likely not increase for the rest of 2022; reports which are in line with the WTO’s forecast for 3% growth in global merchandise in 2022.

[Indian Ocean Off Somalia to Lose ‘High-Risk Area’ Designation as Piracy Dips](#)

August 22 - Bloomberg [Paywall]

[East Africa, Middle East]

Due to successful international efforts to combat piracy attacks off Somalia, several associations of the global shipping industry have jointly reported that merchant ships have not experienced piracy attacks since 2018. Consequently, the associations have decided that, starting next year, the Indian Ocean area near the coastline of Somalia will no longer be designated as a “High Risk Area.”

[The U.S. supply chain is now facing two trade hurdles](#)

August 16 - CNBC

[United States, China, Global]

While the waiting time of vessels at U.S. East Coast ports have slightly decreased, U.S. carriers remain concerned about the lingering issue of empty containers at West Coast ports. Furthermore, stalled trade union negotiations in Germany can lead to local congestions. The extreme weather in China has led to power restrictions, which in turn affect production and exports. Both incidents can mean further challenge to the U.S. and global supply chain.

[U.S. Solar Shipments Are Hit by Import Ban on China’s Xinjiang Region](#)

August 9 - *The Wall Street Journal* [Paywall]

[United States, China]

As U.S. agencies enforce import restrictions on products from China’s Xinjiang region over human rights abuse concerns, the solar industry in the United States is witnessing significant and lasting delays in imports and supplies. The full extent of the disruption is yet to be determined.

[IATTC meeting closes with agreements on transshipment and monitoring](#)

August 8 - *Seafood Source*

[North America, South America]

On August 5, the 100th meeting of the Inter-American Tropical Tuna Commission (IATTC) concluded. The meeting resulted in multiple commitments to include establishing a working group on electronic monitoring and, like the International Commission for the Conservation of Atlantic Tunas (ICCAT) and the Indian Ocean Tuna Commission (IOTC), developing “stronger oversight for transshipment at sea.”

[Ukraine war: Four more grain ships leave Ukraine as hopes grow for export stability](#)

August 7 - BBC

[Europe, Black Sea]

After reaching a renewable deal with Russia that will last for at least 120 days, Ukraine has resumed its seaborne exports of grain that had been interrupted since February in a deal considered as a

diplomatic breakthrough. Russia had been blocking Ukrainian ports since the beginning of the conflict.

[China's Military Exercises Around Taiwan Disrupt Shipping](#)

August 4 - *Bloomberg* [Paywall]

[East Asia]

Although Taiwan's ports remained open and accessible, the live-fire exercises launched by Beijing following U.S. Speaker of the House Nancy Pelosi's visit to Taipei disrupted regional supply chains as companies sought to avoid the area. The exercises lasted four days and encircled Taiwan and the Taiwan Strait; key ocean routes for vessels sailing to or from China, Taiwan, Japan and South Korea.

[Singapore and Rotterdam to Establish 'World's Longest' Green Shipping Corridor](#)

August 2 - *qCaptain*

[Global, South Asia, Europe]

The port authorities of Singapore and Rotterdam signed a memorandum of understanding (MOU) and become partners in launching what they say will be the world's longest green corridor for shipping. The MOU also includes goals to use alternative fuels and "optimize maritime efficiency, safety, and the transparent flow of goods" through a "digital trade lane."

[Malaysia, Indonesia exports surge as energy and food prices soar](#)

July 28 - *Nikkei Asia* [Paywall]

[South Asia]

New economic reports have revealed Southeast Asian nations like Malaysia, Indonesia, Thailand and Singapore have all been seeing significant increases in exports in the first half of 2022 while Japan reported a record trade deficit for the first half of the year. The Regional Comprehensive Economic Partnership trade pact, which includes China, Japan and all ASEAN members, took effect in January and included "liberalized" trade rules for regional companies.

[3] Ocean Governance and Maritime Cooperation [3]

['Missed opportunity': No agreement in latest UN high seas talks](#)

August 27 - *Al Jazeera*

[Global, United States]

On August 26, after sitting for two weeks, the fifth session of the intergovernmental conference on an international legally binding instrument under the United Nations Convention on the Law of the Sea on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction, also known as BBNJ IGC 5, concluded with agreements to convene again as soon as possible with hopes to conclude negotiations.

[Israel must hold referendum on potential Lebanon maritime deal, says non-profit](#)

August 25 - *The Times of Israel*

[Mediterranean, Middle East]

Throughout August, Israel and Lebanon have been inching closer to successfully establishing a maritime border demarcation deal, with the U.S. acting as mediator. Some report that a deal could be signed in September. After the Israeli government announced it would not submit this potential deal to a national referendum, a domestic think tank filed a petition to prevent unilateral approval of a potential deal by the Israeli cabinet.

[Chinese military ship leaves Sri Lanka after controversial visit](#)

August 22 - *Reuters* [Paywall]

[South Asia, China]

After discussions were held between India and Sri Lanka, the Chinese ship *Yuan Wang 5* docked at the Hanambota port in Sri Lanka for a week despite initial outcry from neighboring India. China designates the ship as a research and survey vessel, but officials in Washington and New Delhi claim that the ship—operated by the Strategic Support Force of the PLA—could have sailed to Sri Lanka as a pretense to surveil and undermine Indian defense installations.

[Ministry explores student exchange cooperation with ASEAN countries](#)

August 20 - *Antara*

[Southeast Asia]

Indonesia's Ministry of Marine Affairs and Fisheries (KKP) is looking into cooperation in student exchange with other ASEAN member countries specifically for marine and fisheries education units. The program, operated through Indonesia's Marine and Fisheries Research and Human Resources Agency (BRSDM), aims to "improve the quality of education in Southeast Asia and boost global competitiveness in the marine and fisheries sector."

[Quảng Ninh refutes allegations of sea encroachment in Ha Long Bay](#)

August 17 - *Viet Nam News*

[South Asia]

Photos of a new development project in what was suspected to be the Hạ Long Bay area, which is a UNESCO-recognized site, circulated online causing confusion. The local government of Vietnam's northern coastal province of Quảng Ninh has called the claims that it has allowed for a project involving sea encroachment and the sale of land plot in the Hạ Long Bay area "not true," explaining that the photos were taken in a specialized economic zone, not the Hạ Long Bay area.

[Talks with China on rail projects, maritime cooperation resume](#)

August 14 - *Phil Star*

[Southeast Asia, China, South China Sea]

The Philippines' Transport Secretary Jaime Bautista met with Chinese Ambassador Huang Xilian at the Chinese Embassy where they "agreed to restart negotiations for major transport projects." More specifically, these projects include the previously-terminated Philippine National Railway South Long Haul Project or the PNR Bicol, the Subic-Clark Railway Project, and the Mindanao Railway.

[The Nature Conservancy and Global Partners Hold Session on Improving Protected Marine Areas at UN Oceans Conference With Support From Mary Kay Inc.](#)

August 9 - *Business Wire*

[Global]

As part of the United Nations Ocean Conference 2022 held in Portugal from June 27 to July 1, The Nature Conservancy alongside Mary Kay Inc. held an event in collaboration with various public and private partners from around the world to highlight the "critical importance of ensuring quality Marine Protected Areas" and how to properly manage such areas.

[Saudi shipping firm Bahri signs two MoUs with Greek maritime logistics companies](#)

August 8 - *Hellenic Shipping News*

[Mediterranean, Middle East]

The National Shipping Company of Saudi Arabia, informally known as Bahri, has signed two "initial agreements" with Dynacom and SeaTraders, two Greek maritime firms. The one-year agreements will "establish avenues to transfer technology and services" and are a sign of strengthening commercial relations between the two nations.

[East Africa: Indian Ocean Commission Kicks Off Initiative to Enhance Regional Maritime Connectivity](#)

August 3 - *allAfrica*

[Africa]

In early August, the Regional Technical Committee under the Enhancing Maritime Connectivity Project (EMCP) was held in Ebène, Mauritius. The \$875,000 EMCP, which is funded by the Government of Japan, aims at "strengthening regional maritime connectivity" and is intended for both Indian Ocean Commission states and African coastal states.

[Solomon Islands joins global call to conclude work on Ocean governance treaty](#)

August 3 - SIBC Online

[South Pacific, Global]

While speaking in Parliament, Solomon Islands Minister of Foreign Affairs and External Trade Jeremiah Menele announced that his country has “joined the call to have the Intergovernmental Conference [on Marine BBNJ] to conclude its work,” noting that the treaty will have far-reaching impacts.

[4] Maritime Security and Defense [4]

[Taiwan: Two US warships sail through strait](#)

August 28 - BBC

[China, East Asia, United States]

For the first time since the U.S. Speaker of the House Nancy Pelosi’s controversial visit to Taiwan earlier in August, two U.S. warships conducted a freedom of navigation operation through the international waters of the Taiwan Strait on Sunday. The same day, Taiwan’s defense ministry said it detected 23 Chinese aircraft and 8 Chinese ships operating around Taiwan while Beijing said its military was monitoring the two U.S. vessels’ progress and “maintaining a high alert.”

[Destroyer photos offer clues about Chinese navy’s growing fleet](#)

August 23 - South China Morning Post [Paywall]

[East Asia, Southeast Asia]

New photos that were circulated on social media site Weibo show five large ships under construction, at least two of which might end up being 052DL guided-missile destroyers. All five ships are in the same dry dock, which appears to be the Dalian Shipyard.

[Turkiye’s Indigenous 76/62 Naval Gun Completes Sea Trials](#)

August 21 - NavalNews

[Mediterranean]

Turkish state-owned company MKE has been working with three subcontractors and the Istanbul Naval Shipyard to develop the domestic 76/62 mm National Naval Gun, which successfully passed harbor and sea trials on August 19. As announced by MKE, the gun was developed on the orders of the Turkish President and with the support of the Turkish Defence Minister.

[U.S. 7th Fleet commander sees increase in ‘unsafe’ intercepts by China](#)

August 18 - *NavyTimes*

[United States, China, Asia-Pacific]

Vice Adm. Karl Thomas said in a press briefing on August 16 in Singapore that the U.S. and its allies' aircraft have been more frequently unsafely intercepted by Chinese aircraft in recent months. Thomas said that the U.S. would not be deterred and contest the territorial claims by China.

[Chinese Research Ship Arrives in Sri Lanka Over India's Objections](#)

August 16 - *The Wall Street Journal* [Paywall]

[China, India, South Asia]

After days of delay born from security concerns raised by India, on August 16 Sri Lanka announced that Chinese research ship *Yuan Wang 5* had been given permission to dock in the southern Hambantota port for ten days to refuel and take on supplies. The ship was originally scheduled to arrive on August 11.

[China announces new drills around Taiwan as a U.S. delegation visits the island](#)

August 15 - NPR

[East Asia, China, United States]

Less than two weeks after a U.S. delegation led by Speaker Nancy Pelosi visited Taiwan, another U.S. delegation visited with the island's leader Tsai Ing-wen, prompting China to announce more military drills around Taiwan in response.

[U.S. Insists It Will Operate Around Taiwan, Despite China's Pressure](#)

August 10 - *The New York Times* [Paywall]

[East Asia, United States]

Following U.S. Speaker Nancy Pelosi's visit to Taipei, the U.S. Under Secretary of Defense for Policy Colin Kahl told reporters that the U.S. will "continue to fly, to sail and operate wherever international law allows" in spite of coercion by China. Meanwhile, on August 8 President Biden expressed "concern" about the extent of China's movements.

[RIMPAC 2022 Officials Reflect on Lessons Learned, What to Change for RIMPAC 2024](#)

August 9 - *USNI News*

[United States, Asia]

After the Rim of the Pacific (RIMPAC) 2022 multinational naval exercise concluded on August 4, two naval leaders from the U.S. and Canada held a media call to reflect on key takeaways. Aside from emphasizing the extensive planning and discussions held between all participants, the two leaders listed thinking through unpredictable scenarios as one of the biggest lessons learned.

[Chinese and Russian Ships Sailing Near Japan, Japanese MoD Says](#)

August 2 - USNI News

[East Asia, Russia]

Chinese PLA Navy and Russian Navy warships continue to be spotted independently sailing around the entirety of Japan. Though the passages were in accordance with international law, the Japanese Defense Minister Nobou Kishi has repeated that Japan will continue to closely monitor military activities of China, Russia and North Korea in the region.

[Indian Navy Accepts Delivery Of Indigenous Aircraft Carrier “Vikrant”](#)

July 29 - Naval News

[South Asia]

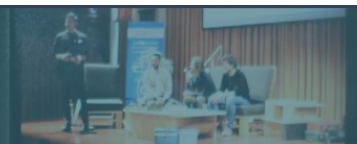
On July 28, the Indian Navy took delivery of the 262-meter-long Indigenous Aircraft Carrier *Vikrant*, which was designed by the Indian Navy's own Directorate of Naval Design and built by Indian public sector shipyard CSL under the Ministry of Shipping. The delivery coincided with celebrations to commemorate the 75th anniversary of India's independence.

Peer-Reviewed Research on Maritime Issues

- Government Policy Paper: Government of the United Kingdom - [“National Strategy for Maritime Security”](#) [August 2022]
- Government Paper: U.S. Congressional Research Service - [“IN FOCUS - The Pacific Islands”](#) [Updated August 17, 2022]
- Press Release: U.S. Department of State - [“Establishing an Ambassador-at-Large for the Arctic Region”](#) [August 26, 2022]
- Press Release: U.S. Embassy & Consulates in Indonesia - [“United States Announces Partnership to Reduce Ocean Plastic Pollution in Indonesia”](#) [July 27, 2022]
- Journal Article: [“Social equity is key to sustainable ocean governance”](#) [NPJ Ocean Sustainability 1, 4 - August 10]
- Journal Article: [“Carbon removal using 'blue carbon' habitats 'uncertain and unreliable”](#) [Science Daily - July 28]
- Opinion: [“Follow Up the Chips Act with the ‘Ships Act’”](#) [The National Review - August 29] [Paywall]
- Opinion: [“Ghana has developed a maritime policy. Here is what it means”](#) [defenseWeb - August 19]
- Opinion: [“China’s suspension of climate talks with the US puts decarbonisation timeline, methane reduction targets and research at risk”](#) [South China Morning Post - August 12] [Paywall]
- Opinion: [“The blue economy is a historic opportunity. Here's how we seize it”](#) [World Economic Forum - August 5]
- Opinion: [“The State Department must step up on Arctic diplomacy”](#) [The Hill - August 4]
- Opinion: [“RIMPAC packs a punch”](#) [International Institute for Strategic Studies - July 22]
- Analysis: [“The Rise \(and Fall?\) of the Polar Silk Road”](#) [The Diplomat - August 29]

- Analysis: [“As China's navy grows ever larger, so does the threat to Taiwan”](#) [The Japan Times - August 25]
- Analysis: [“The United States Is Deeply Invested in the South China Sea”](#) [Foreign Policy - August 14] [Paywall]
- Analysis: [“Wastewater causes a ‘manmade disaster’ for Karachi’s marine life”](#) [The Third Pole - August 12]
- Analysis: [“Will a freeze in US-China climate talks threaten global action?”](#) [Nature - August 11]
- Analysis: [“Is it Indo-China Sea or South China Sea?”](#) [Hindustan Times - August 6]
- Analysis: [“EXPLAINER: On China, US and climate, action, not talk is key”](#) [AP - August 6]
- Analysis: [“How the blue economy will shape the future of Canada’s oceans – and its coastal communities”](#) [The Conversation - August 1]
- Analysis: [“United Nations Lays Groundwork to Protect Two-Thirds of Ocean”](#) [PEW - July 27]

Events on the Maritime Domain



- On July 26, the Center for Strategic & International Studies held their [Twelfth Annual South China Sea Conference](#), which was webcast live.
- On August 2 and 9, respectively, the Federal Communications Commission hosted the [Eleventh](#) and [Twelfth Meeting of IWG-1 Maritime, Aeronautical and Radar Services \(WAC23\)](#) through Zoom.
- On August 4, the US-Asia Institute held a special public briefing on the [Sri Lanka Crisis: Implications for the Indo-Pacific and US Interests in the Region](#). A full recording is available online.
- From August 16-17, the *South China Morning Post* and Cyberport held a hybrid [Asia Sustainability Conference](#) out of Hong Kong with the theme of turning the principles of sustainable activity into action.
- On August 17, the Institute of Marine Engineering Science & Technology held a branch webinar on [Our Approach to Wave Energy](#).
- On August 22, the Center for Strategic & International Studies held an online event on [The Military Dimensions of the Fourth Taiwan Strait Crisis](#).
- From August 22-23, the Wilson Center Polar Institute and University of Alaska Fairbanks held a hybrid event on [Alaska’s Minerals: A Strategic National Imperative](#) in Fairbanks, Alaska.
- On August 24, the East-West Center hosted a hybrid event on the [“New Indo-Pacific Economic Framework \(IPEF\): Should it include Taiwan?”](#) based out of Honolulu, Hawaii.
- From August 15-26, the United Nations General Assembly held the fifth session of the [Intergovernmental Conference on an international legally binding instrument under the United Nations Convention on the Law of the Sea on the conservation and sustainable use of marine biological diversity of areas beyond national jurisdiction \(General Assembly resolution 72/249\)](#) in New York City pursuant to General Assembly decision 76/564.
- From August 27-29, the Government of Greenland and the Arctic Circle co-hosted the [2022 Arctic Circle Greenland Forum](#) in Nuuk, which focused on the topics of “Climate and Prosperity” and “Geopolitics and Progress.”

- From September 18-19, the Carnegie Endowment for International Peace and Sasakawa Peace Foundation will be holding their hybrid [Ocean Nations: The 2nd Annual Indo-Pacific Islands Dialogue](#) in New York, New York.
- From September 20-22, the International Maritime Lecturers Association will be holding the [28th International Maritime Lecturers Association Conference](#) in Odessa, Ukraine with the theme of “MET Maritime Heritage: Traditions and Perspectives.”
- From September 26-28, the International Seabed Authority will be holding a hybrid [Women in the Law of the Sea Conference](#) “aimed at highlighting the important contributions of women to the development and implementation of the law of the sea, the participation of women in the institutions created by UNCLOS and related regional and sub-regional organizations and the pathways to enhancing the potential for women to contribute to the law of the sea in the future.”
- From October 13-16, the Arctic Circle will be hosting the [2022 Arctic Circle Assembly](#) in person in Reykjavik, Iceland. [Registration](#) is open until October 11.
- On October 25, the U.S. Naval Institute and the U.S. Naval Academy will be co-hosting an in-person conference on [The Russia China Partnership: A Challenge to the World Order?](#) in Annapolis, MD. The keynote speakers and panelists will “look at Russia and China’s efforts to change the world order, including activities aimed at challenging the United States.”
- Throughout the year, the National Oceanic and Atmospheric Administration (NOAA) offers its publicly-accessible [NOAA Science Seminar Series](#), most of which are webinars that last about 1 hour. For example, on August 15, there was a webinar on “Ocean Biogeochemical Modeling and Ocean Color Data Assimilation in the Unified Forecast System” led by Dr. Xiao Liu of College Park. Among others, on September 20 there will be a webinar on “The Coastal Ice-Ocean Prediction Systems for the East and West Coasts of Canada – key components of Canada’s Oceans Protection Plan” led by Jean-Philippe Paquin of Environnement et Changement Climatique Canada. The full list of seminar topics is available online.

Handbill Spotlight

Maritime Shipping

Issue Background

Maritime shipping is the essential foundation of the global economy. [United Nations statistics](#) show that over 80% of the volume of international trade is through the sea. [OECD statistics](#) show that around 90% of the traded goods are carried over waterways. As the primary mode for transportation, maritime shipping in the 21st century is playing an irreplaceable role in terms of promoting economic growth, integration, and connectivity.

The core of this ever-vital global shipping mechanism is found in Asia. China is [reportedly](#) controlling 7 out of the 10 busiest container ports while Singapore and South Korea each have one of their own, meaning 9 of the 10 busiest container ports in the world are found in Asia.

Recent Events

The coronavirus pandemic has deeply threatened the global shipping industry over the past three years, which posed a significant challenge to the U.S. and global supply chain security. With Asia at the core of global shipping, Asian countries were hit badly at the [beginning of the pandemic](#). Port operations were disrupted and the volumes of goods transported dropped dramatically as manufacturing industries suspended operation over the pandemic period. The resulting chain reaction caused a huge challenge to the U.S. when the pandemic spread to the U.S. in the second quarter of 2020. The outcome of such major disruptions, which are still felt more than two years later, only proved the essential nature of maritime shipping to the global economy.

Similar to other parts of the American supply chain, maritime shipping from Asia to the U.S. has been deeply impacted by the pandemic. Cargo shipments are [stuck at major ports](#) in California, New York, and New Jersey, where a shocking long queue of freights are floating on the ocean waiting for the next dock to become available.¹ Meanwhile, many carriers are shipping [empty carriers back to Asia](#) due to the high cost of long waits in U.S. ports and the cost to reposition containers for inland U.S. exporters; especially agricultural exporters. Meanwhile, import prices rose due to the rising shipping fee caused by high late fees charged at ports. The issue has, therefore, evolved beyond a matter of supply chain resilience, but also a matter of trade and civil economy.



This great supply chain disruption rang the alarm in Washington as Congress worked together to address the issue by passing the bipartisan [Ocean Shipping Reform Act](#), which was [signed](#) by President Joe Biden on June 16, 2022. This new law aims to reduce costs for American consumers and ensure that agricultural exporters are less impacted by the supply chain disruption. More specifically, it will [empower the Federal Maritime Commission](#) to investigate ocean supply chain issues during the pandemic and to require carriers to provide detailed quarterly inventory.

Keep In Mind

While it appears that actions so far have been focusing on addressing the challenges and problems emerged over the pandemic, the Biden administration's and the U.S. Congress'

¹ Image: An aerial image of containers in the Port of Long Beach, California. (Source: Getty Images, Royalty-Free)

increasing concern over maritime shipping security could have significant implications for the U.S. pursuit for [supply chain resilience](#) in general. The push for securing maritime shipping could also have a great impact on the on-going U.S.-China trade and supply chain decoupling.

The maritime shipping crisis over the pandemic has again shown American dependence on the international shipping industry. While it may not be a bad thing during normal time, it could be seen as somewhat problematic by Washington given that China has a [dominant presence](#) in the international shipping industry. China is both the world's [largest shipbuilder](#) and container maker and Chinese state-owned China Ocean Shipping (Group) Company (COSCO) is ranked fourth among the world's 10 largest shipping companies. President Biden has already [criticized foreign shipping lines for stoking inflation](#) and suggested that the FMC should crack down on these companies. Moreover, it is reported that China is the primary destination for [empty containers](#) shipping back to Asia that reject American agricultural exports.

As the U.S. seeks more self-reliance in maritime shipping, its response to China's [heavily subsidized](#) shipping industry and Beijing's increasingly dominant role in maritime shipping could be an indicator of how far Washington is willing to go to pursue supply chain security.

This issue's Spotlight was written by Yilun Zhang, ICAS Research Associate & Manager, Trade 'n Technology Program

ICAS Maritime Affairs Program: New and Upcoming

— MAP Commentary —

Significant Changes in Russia's Arctic Affairs are on the Horizon

By Nong Hong
August 25, 2022

“On July 31 2022, half a year after the Ukraine conflict, Russian President Vladimir Putin signed a decree dictating a new Maritime Doctrine that outlines Russia's key strategic priorities in marine and maritime development, stressing Arctic waters. Compared with two previous similar documents released in 2015 and 2001, this new Marine Doctrine reflects the positions of a more assertive Russia in conflict with neighbors, reiterating Moscow's concern about the U.S. and NATO encroaching on Russia's access to resources and transportation routes....

...the geopolitical importance of the Arctic region is coming back into focus with Russia's full military escalation of Ukraine.”

[Read Online](#)

— MAP Commentary —

Taiwan Wargame Simulations Could Exacerbate U.S. Strategic Miscalculation

By Yilun Zhang

August 19, 2022

“...Incidentally, wargames simulating armed conflict between Beijing and Washington over the Taiwan Strait have also gained national attention in recent months. Despite their headline-catching findings, the two wargame projects—one held by Center for a New American Security (CNAS) and the other by Center for Strategic and International Studies (CSIS)—can dangerously mislead American policymakers and public to misunderstand the risk and current state across the Taiwan Strait. Both the CNAS and the CSIS wargame projects relied on assumptions about strategy and military doctrine that are unwarranted, impractical, or outdated. Meanwhile, the methods used to conduct these wargames were likely more entertaining than they were accurate and constructive...

Accurate fact-based computer simulations, instead of outdated tabletop-style, dice-determining, and simplified showcase game of wars, should be incorporated into research on this serious topic.”

[Read Online](#)

This commentary was originally [published](#) on U.S.-China Perception Monitor on August 19, 2022.

— MAP Commentary —

Limits in the Seas No. 150 and the U.S.’s Misinterpretation of ‘Historic Rights’

By Sourabh Gupta

July 26, 2022

“In 2013, the Phillipines brought a case against China concerning maritime rights in the South China Sea. It did so under Annex VII of the U.N. Convention on the Law of the Sea (UNCLOS), which establishes a special arbitral tribunal to resolve disputes concerning international agreements between member states. The tribunal issued its decision in *Philippines v. China* three years later, in July 2016—a landmark ruling that shot down China’s claim to “historic rights” over maritime areas of the South China Sea encompassed by the “nine-dash line.”

...And as for China, if it wishes its “historic rights” claims to enjoy a modicum of support in the international community, it should first spell out clearly that it seeks no more than a non exclusively exercisable traditional fishing right in the South China Sea. Commercial fisheries and oil and gas development rights beyond the geographic range of its EEZ simply cannot and will never make the cut as an UNCLOS-protected “historic right.””

[Read Online](#)

This commentary was [originally published](#) on Lawfare Blog on July 26, 2022.