



# ICAS MARITIME AFFAIRS PROGRAM

## 

Volume 1 - 2022

Q2



## ICAS MARITIME AFFAIRS PROGRAM

The ICAS Maritime Affairs Program (MAP) gathers, displays, and debates both the historic and the newly developed maritime related issues, including U.S.-China interaction on maritime affairs.

The goal of this program is to inform and stimulate open, fact-based, intellectual discussion on an array of topics including but not limited to international law of the sea, maritime security, fisheries, shipping, oil and natural gas management, and marine environment protection.

There are four featured products currently associated with the ICAS MAP Program:

- MAP Issue Trackers: An online, collaborative platform designed to encourage intellectual exchange on maritime developments and issues around the world. The longest-running project at ICAS, it currently features trackers for three regions: Polar, South China Sea, and the East China Sea.
- **MAP Publications**: Written pieces that analyze and explore the evolving and long-standing multinational interactions uniquely found in the maritime realm. MAP publications can range in size from blog posts and commentaries to the Handbill newsleltter and full-length books,
- **MAP Events**: Multilateral events designed to promote the free and equal exchange of ideas on maritime affairs and international law, especially as they relate to U.S.-China relations.
- **MAP Media**: A variety of short-form periodicals and Twitter campaigns (#ICASMAP, #MAPWave) to keep our audience informed of major news events as they occur.



Learn more on the ICAS MAP Program webpage





## ICAS MARITIME AFFAIRS HANDBILL

April 26, 2022

Volume 1, Issue 3

#### Recent News in Global Maritime Affairs

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

<u>Climate Change: China's tree breeders are coming up with a business model to make money while doing right by the environment</u>

April 24 - Yahoo Finance [China]

Inspired by a "breakthrough" scientific research study led by Beijing Forestry University researchers and released in the international journal *Cell* late in 2021, pine tree breeders in China's Jiangxi province are now working with the study's researchers to augment the development of forestry as carbon sinks. The work is also encouraged by Chinese President Xi Jinping's pledge for emissions to peak prior to 2030 and achieve carbon neutrality by 2060.

#### Carnival Stakes Claim As First Line To Employ Bio-Digesters Fleetwide

April 24 - Travel Pulse Canada [Global, United States]

Carnival Cruise Line announced that it had installed more than 200 bio-digesters across its fleet of 23 ships, becoming the first major cruise line to apply bio-digesters across its entire operation. A bio-digester is an "enclosed container that converts food waste into liquid at an accelerated rate-breaking down 99% of the food put into it". By using bio-digesters, ships can commit to only discharging processed food waste in the form of a "fine, silt-like" product.

#### Oceans conference comes up with \$16b in pledges to safeguard marine health

April 15 - Mongabay [Pacific, Global]

On April 13-14, the 7th Our Ocean Conference, co-sponsored by the U.S. government, was held in Palau. Representatives from governments, civil society groups, the private sector, and other



organizations gathered and made 410 commitments worth more than \$16 billion towards protecting and improving the health and productivity of the ocean. The annual event was first held in 2014, inaugurated by then-Secretary of State John Kerry, who is now the U.S. Special Presidential Envoy for Climate.

#### **Crowley and Shell Aim to Advance Decarbonization in Maritime**

April 12 - PR Newswire [United States]

Crowley and Shell, a privately held, U.S.-owned and -operated maritime, energy and logistics solutions company serving commercial and government sectors, demonstrated their commitment to decarbonization by supporting alternative energy solutions for the future of shoreside and terminal operations. This new memorandum of understanding follows an ongoing joint project designed to provide lower-carbon fuel solutions through constructing the largest LNG bunker barge on the U.S. East Coast.

### How much blue carbon does Seychelles have? Local experts work on monitoring and awareness

April 11 - Seychelles News Agency [Indian Ocean]

Local Seychelles expert Ameer Ebrahim believes that counting the amount of blue carbon that the Seychelles possesses is the key to gaining international funding and "help put Seychelles on a global map". He has been heading a project, known as the Roadmap to Blue Carbon Opportunities in Seychelles, that is being carried out jointly by the James Michel Foundation, Australia's Deakin University and Seychelles' climate change ministry. Funding for the project is being financed by a grant through the Seychelles Conservation and Climate Adaptation Trust.

#### Thai national parks ban single-use plastics, Styrofoam items

April 6 - Channel News Asia [South Asia]

The Thai Department of National Parks, Wildlife and Plant Conservation announced a new ban on Styrofoam packing and single-use plastics in national parks. The ban is partially rooted in the surge for takeaway food due to the coronavirus pandemic which only worsened the polluted state of Thailand's coastal waters. In 2020, Thailand outlawed the sale of single-use plastic bags at supermarkets and department stores but they are still used in street vending and smaller retailers.



#### Singapore Joins Global Initiative to Create Green Shipping Corridors

April 4 - The Maritime Executive [South Asia, Global]

At the opening of Singapore Maritime Week 2022, Singapore officials explained several new initiatives that they will be taking to support decarbonization and make Singapore a 'green shipping corridor'. While announcing that Singapore will join the Clydebank Declaration for Green Shipping Corridors, among other initiatives, Singapore's Minister of Transport S. Iswaran summarized: "Looking ahead decarbonization is a major challenge for the maritime industry. We must act".

#### Comcast Marks Step Toward Carbon Neutral Goal with 250 MW Solar Agreement

March 31 - Comcast [United States]

Major U.S. telecommunications company Comcast announced an agreement to purchase 250 megawatts of solar electricity from Constellation, which they say will power about 12 percent of its operations in the United States with "clean, renewable energy". Linked to their ongoing Blue Sky Solar Project currently in development in Illinois, Comcast believes this agreement will reduce carbon dioxide emissions associated by nearly 360,000 metric tons each year.

#### Mitsui O.S.K to launch ocean thermal power plant in 2025

March 29 - Nikkei Asia [East Asia]

Japan marine transport company Mitsui O.S.K. Lines has announced plans to construct a large-scale facility that utilizes ocean thermal energy conversion technology, harnessing power produced by the difference in temperatures at the surface of the sea and in deep water. The technology employs liquid ammonia, pressure changes, steam and evaporation. The estimated price of the facility, hoped to be completed by 2025, is several billion yen.

#### [2] Maritime Economy and Shipping [2]

#### Kenya names envoy for blue economy

April 22 - The EastAfrican [Africa]

On April 22, Kenya's Foreign Affairs Cabinet announced a newly established position in the Kenyan government, Special Envoy for Maritime and Blue Economy Affairs, which is dedicated to policy development regarding maritime resources, among other issues. Nancy Karigithu, Principal Secretary in Kenya's State Department for Shipping and Maritime in the Ministry of



Transport, Infrastructure, Housing, Urban Development and Public Works, will be the first to take on this position.

#### White House Plans to Ban All Russian Ships from American Ports

April 21 - The Maritime Executive [United States, Russia]

On April 21, U.S. President Joe Biden announced plans to ban all ships that sail under the Russian flag or that are owned or operated by a Russian entity from American ports, indicating an important symbolic message to isolate the Russian economy in response to the invasion of Ukraine.

## <u>China's Shanghai lockdowns have California ports bracing for shipping chaos, supply-chain 'hiccups'</u>

April 18 - South China Morning Post [Paywall] [China, United States, Global]

The renewed lockdowns in Shanghai from another breakout of COVID-19 have heavily disrupted the world's largest container port, inevitably impacting worldwide shipping and likely contributing to global inflation. Many of California's ports, which were already dealing with backed-up ships prior to this new lockdown, are struggling to review their options. Meanwhile, observers are questioning the wisdom of such a high percentage of global trade relying so heavily on a single port.

#### Belgian ports stop servicing Russian-flagged ships

April 17 - Ukrinform [Europe, Russia]

Starting on April 17, the Belgian government announced that all national seaports will suspend service to commercial vessels flying a Russian flag. There are a select few exemptions to this new rule, which applies to ships carrying military and/or civil goods. The adjustment is in line with the fifth set of sanctions imposed by the European Union regarding Russia's conflict with Ukraine.

#### <u>Irish ports to deny entry to Russian vessels within days in line with latest EU sanctions</u>

April 12 - Irish Mirror

[Europe, Russia]

Starting on April 17, with a small number of exceptions, all ships, yachts and recreational crafts registered under the flag of Russia, as well as any who have changed registration from Russia since February 24, 2022, will be denied entry to Ireland's ports. The announcement is in line



with a newly established set of sanctions by the European Union regarding Russia's conflict with Ukraine.

#### Oregon invests in research to understand its changing ocean coast

April 10 - KDRV [United States]

State leaders in Oregon have announced over \$1 million in new investments for ocean research dedicated to better understanding and monitoring changes in the ocean. The funding, announced by the Oregon Ocean Science Trust, originates from a 2021 law that set aside funds to address ocean acidification and hypoxia, which are seen as threats to both Oregon's economy and its ecosystems.

#### Shipping bankers fear greenfield shipyards, inflation and interest rates

April 5 - Seatrade Maritime News [Global]

While speaking at the Capital Link Singapore Maritime Forum as part of Singapore Maritime Week 2022, experts in ship finance expressed shared concerns about how geopolitical uncertainties, environmental pressures and an inflationary market could soon negatively impact shipping finance. The panel agreed that "business agility" and "cash balance discipline" are the methods to push through the inflationary period that could soon be coming to the shipping sector.

#### Experts warn Black Sea mines pose serious maritime threat

April 4 - Hellenic Shipping Network [Eastern Europe]

As part of the Russia-Ukraine conflict, both sides have accused the other of laying the naval sea anchor mines that were recently found in the Black Sea, which inevitably disrupted regional shipping. Many shipping companies are increasingly under pressure due to this and other disruptions from the conflict in Ukraine. The German Shipowners' Association estimates at least 60 international cargo ships are still stuck in Ukrainian ports, and global shipowner associations have expressed their shared deep concerns; both about physical safety and technical conflicts with insurance companies over damages caused by war.



#### Bipartisan bill to address supply chain kinks moves closer to the president's desk

April 1 - NPR
[United States]

The U.S. Ocean Shipping Reform Act, which would work to prioritize shipping containers with American-made goods over those "exporting air" at U.S. ports, was unanimously approved by the Senate. Among other factors, the pandemic has resulted in long wait times and increased costs in supply chains at ports; costs which place heavy stress on business and will likely be passed onto consumers. The bill, whose new rules will still take months to finalize, is designed to "level the playing field" and "make [operations] more fair and transparent". The bill will now be sent back to the House for final approval before it is sent to the President's desk.

#### FMC commissioner red-flags Congress on China's container monopoly

March 30 - Freight Waves [United States]

Federal Maritime Commissioner Carl Bentzel has finally released to the public a yearlong investigation into China's monopoly over ocean container production, which, among other notes, heavily cautions "complete reliance" on Chinese container manufacturing. As Bentzel, who notes his report is not an official FMC publication, explains, Chinese companies control roughly 95% of the global container manufacturing market, which Beijing can subsequently suppress. "The fact that the PRC controls an industry that has a near de facto worldwide monopoly in the production of shipping containers should be deeply concerning", he summarizes.

#### [3] Ocean Governance and Maritime Cooperation [3]

#### UN top court raps Colombia over sea row with Nicaragua

April 22 - Expatica [South America, Global]

The International Court of Justice, the United Nation's top court, has officially ordered the Colombian navy to halt its interference into Nicaraguan waters, finding that "by interfering with fishing and marine research activities of Nicaraguan-flagged vessels...in Nicaragua's exclusive economic zone...Colombia has violated Nicaragua's sovereign rights and jurisdiction" and "must immediately cease" such conduct. Though the vote, with nine in favor and six against, marks a significant moment in the longstanding legal battle over maritime borders between the two countries, it only sparked continued verbal disputes. Colombia's representative believes "the ruling is mainly in favor of Colombia" and, in an address to the nation that night, Nicaraguan President Daniel Ortega demanded Colombia "abide by the ruling".



### A gold rush in the deep sea raises questions about the authority charged with protecting it

April 19 - Los Angeles Times [United States]

Michael Lodge, Secretary-General of the International Seabed Authority (ISA), appeared in a promotional mining video about harvesting minerals from the ocean floor for materials to use in electric car batteries. Observers view Lodge's participation as concerning and a conflict of interest, though Lodge notes in the 2018 video that the ISA itself had approved a 15-year "exploration" contract. Sandor Mulsow, a marine biologist and former ISA official, noted the issue that the ISA—a group born of a United Nations treaty but operating autonomously—"is not fit to regulate any activity in international waters".

#### Oman 100th state to ratify the Maritime Labour Convention

April 12 - Seatrade Maritime News [Global]

Oman recently became the 100th nation to ratify the Maritime Labour Convention of 2006, which aims to "achieve decent work for seafarers". The law was originally accepted by International Labour Organisation member states in 2006 and has been amended four times since with the goal of making it "easier for countries to regulate and enforce consistent industry norms and standards, worldwide".

#### MOWCA commends Nigeria's maritime anti-piracy law

April 12 - Ships & Ports [Africa]

While on an official visit with the Nigerian Maritime Administration and Safety Agency, Dr. Paul Adalikwu, Secretary-General of the Maritime Organisation of West and Central Africa (MOWCA), recommended Nigeria's anti-piracy law to other member countries of MOWCA. The referenced Nigerian law, known as the Suppression of Piracy and other Maritime Offences (SPOMO) Act, was described by Adalikwu as effective and successful in redefining the fight against maritime crimes in Nigeria.

#### Russia's maritime lawyers call for an end to war in Ukraine

April 11 - The Load Star [Eastern Europe, Russia]

The Russian Maritime Law Association has issued an official statement that calls for an "immediate termination of all military action" in Ukraine and highlights the importance of "reason and legal mechanisms" in resolving disputes.



#### China ship 'shadowing' research vessel in WPS

April 9 - Philippine Daily Inquirer [South China Sea]

A Chinese Coast Guard ship was recorded as 'shadowing' a research vessel inside the exclusive economic zone in the West Philippine Sea. The month-long ongoing offshore survey, working on mapping faults and other potentially harmful geologic features in the area, is a joint project between the Philippines' UP National Institute of Geological Sciences and Taiwan's National Central University.

#### Somali Police Force Inaugurates New Counter-Piracy Center

April 8 - Maritime Executive [Africa]

A new 'state-of-the-art' facility for the Somali Police Force Department of Coast Guard has now been completed to help enhance safety and security around Mogadishu Port, a major international shipping route with a long history of piracy. The \$3 million facility was funded by the European Union and developed by the United Nations.

#### 'China's maritime activities in West Philippine Sea contrary to international law'

April 4 - Philippine Star [South China Sea]

In an interview on Cignal TV's One News, a maritime law expert from the University of the Philippines Jay Batongbacal explained that Chinese Coast Guard's activities in the West Philippines Sea, such as around the Scarborough (Panatag) Shoal, are "contrary to international law". His reasoning is rooted in the June 2016 ruling passed by The Hague that found no legal basis for China to claim historic rights to a "nine-dash line"; a ruling which China dismissed.

#### Indonesia, Australia agree to eradicate illegal fishing

April 1 - Ankara [South Pacific]

At the annual meeting of the Indonesia - Australia Fisheries Surveillance Forum, the two governments agreed on several cooperative measures to address fishing violations by Indonesian fishermen in Australian waters. Described as a "combination of prevention and law enforcement approaches" involving deterrence instead of just repression, the agreement aims to improve the welfare of the fishermen in their own regions of origin.



#### Worldwide fights over illegal fishing lead to armed conflict, deaths

March 31 - Associated Press [Asia]

Earlier this year, there were street protests in Sri Lanka's capital over the thousands of Indian boats that regularly sail into Sri Lankan waters and capture valuable resources to sell back in India. Reports say that fishermen have lost their lives over confrontations with foreign crews. The protestors demand that the Sri Lankan government take more action, though the navy has already reportedly used force to guard its fisheries.

#### Extra protections for seafarers as government introduces new maritime laws

March 30 - Government of the United Kingdom [Europe]

The United Kingdom has announced new measures to ensure that all ferries in British waters are seaworthy and that all ferry operators are paid the national minimum wage. The actions come after the large transport company P&O Ferries fired 800 workers earlier this month. This issue also resulted in the UK calling on the International Maritime Organisation to hold an international summit discussing workers' rights at sea.

#### [4] Maritime Security and Defense [4]

#### Việt Nam, China finish joint sea patrol

April 22 - EIN News [South China Sea]

From April 19-22, the coast guards of Vietnam and China conducted a joint patrol in the waters along the demarcation line in the Gulf of Tonkin (also known as the Beibu Gulf), exchanging telephone communications and supervising fishing vessels. This is the fourth joint patrol of its kind conducted since a fishing cooperation agreement for this area expired in June 2020. The commander of the Vietnamese side regarded the joint patrol as successful and a contribution to promoting relations between the two sides.

#### U.S. warns of response to any permanent China military presence in Solomons

April 22 - Reuters [Paywall] [South Pacific, United States]

On April 22, a senior-level U.S. delegation led by White House Indo-Pacific Coordinator Kurt Campbell met with the leaders of the Solomon Islands following the announcement of a bilateral security agreement between China and the Solomon Islands. The delegation brought warnings that the U.S. would "respond accordingly" to learning of a permanent Chinese military presence ever being there. The Solomon Islands Prime Minister Manasseh Sogavare reiterated



that there would be "no military base, no long-term presence, and no power projection capability" in the security deal signed with China.

#### Remote island ramps up defenses as tensions rise between Japan and China

April 19 - CNN [Japan, East China Sea]

As witnessed by local fishermen, the number of Chinese Coast Guard ships patrolling around the Senkaku islands (known as Diaoyu islands by China)—an uninhabited island chain that China and Japan have been disputing over for more than a century—have been noticeably increasing, causing residents of Yonaguni Island to worry.

#### Russian warship: Moskva sinks in Black Sea

April 15 - BBC [Eastern Europe]

After first denying its sinking, the Russian defense ministry announced that its 12,490-ton warship Moskva had sunk in the Black Sea. Kyiv states that the Moskva sank after being hit by missiles and that the ship's captain was killed on board, a view that the United States also believes, but Moscow states that the ship sank from "fire" and "choppy seas" and that the captain died during an "explosion and fire on board". The Moskva is the biggest Russian warship to be sunk in action since World War Two.

#### Japan, US hold navy drills off Koreas amid nuke test worry

April 13 - ABC News
[Japan, United States]

For the first time in five years, U.S. and Japanese naval warships conducted a joint naval exercise in the Sea of Japan in the waters between Japan and the Korean Peninsula. The exercise was led by the 7th Fleet's USS Abraham Lincoln (CVN-72) carrier strike group. This coincides with the 110th birth anniversary of North Korea's late founder on April 15, a reason that some experts were concerned North Korea would use to conduct a major weapons test.

#### **Thai-Chinese Submarine Deal Faces Axe: PM Prayut**

April 7 - The Diplomat [China, South Asia, Europe]

Thailand's Prime Minister Prayut Chan-o-cha announced that a national purchase of a Chinese S26T Yuan-class submarine, agreed to in 2017, might not come to pass after a German company announced it would not supply its propulsion system to the Chinese maker. Germany's Motor



and Turbine Union company is reportedly barred from selling military items to China due to a European Union embargo set following the 1989 Tiananmen Square massacres.

#### China accuses US, UK and Australia of trying to build Asia-Pacific NATO

April 6 - ABC News AU [China, Asia-Pacific]

At a Chinese Foreign Ministry daily briefing, spokesperson Zhao Lijian said that AUKUS—the newly established Indo-Pacific alliance between Australia, the United Kingdom and the United States—would "undermine peace and stability" in the region. Lijian commented that their "ultimate goal is to create the Asia-Pacific version of NATO" and that the three countries should "abandon the Cold War mentality" fostered by the agreement.

#### Foreign ship sinks in Mariupol after missile attacks, says flag registry

April 5 - Reuters [Paywall]
[Eastern Europe]

Amidst the conflict in Ukraine, another foreign ship has reportedly been sunk as they are stuck at ports along the Black Sea. According to the vessel's flag registry, a Dominica-flagged cargo ship sank after being "heavily fired upon by Russian armed forces" a day after it had been "intentionally" shelled twice. The cargo ship was believed to have been without any cargo onboard when it sank.

#### Freedom of navigation operations rose in 2021, but fewer were near China

April 4 - Navy Times [Global, United States]

According to a 2021 report by the Pentagon, the U.S. military conducted more freedom of navigation operations (FONOPs) in fiscal year 2021 (37 FONOPs) compared to fiscal year 2020 (28 FONOPs). However, the number of U.S. military FONOPs against Chinese claims did not follow this upward trend. The U.S. only conducted five FONOPs against China's territorial claims instead of seven as they did in the previous fiscal year.

#### Congress Orders Pause on Second Frigate Shipyard Until Navy Proves Design

March 30 - USNI News [United States]

According to the new fiscal year 2022 appropriations bill passed by the U.S. Congress, the US Navy is required to resolve "past production challenges in managing costs, technical concurrency, design changes and schedule of lead ships of a class" prior to being awarded a contract for a second frigate shipyard. In general, the Navy's recent and upcoming budget



requests have been facing significant changes and adaptations, part of which is to support the Navy's growing anti-submarine warfare force.

#### Britain to boost military presence in Arctic

March 29 - Reuters [Paywall] [Arctic, Europe]

While speaking at a news conference in Norway during a NATO military exercise, Britain's defence minister Ben Wallace announced that Britain would commit militarily "to deeper integration, interoperability with [Arctic] countries such as Norway". Wallace also said that Britain has plans to "effectively, permanently, have a...Marine strike group...active in the Nordics". The statements come amid increasing concerns from NATO allies about Russia's activities and plans once the conflict in Ukraine comes to an end.

#### Peer-Reviewed Research on Maritime Issues

- ➤ Government Release: The White House <u>"Readout of Senior Administration Travel to Hawaii, Fiji, Papua New Guinea, and Solomon Islands"</u> [April 22]
- ➤ Government Release: European Commission <u>"Green Deal: EU announces €1 billion worth of commitments to protect the ocean"</u> [April 14]
- ➤ Government Release: U.S. Department of State, Surangel S. Whipps Jr. and John Kerry "Opinion: To Solve Climate Change, Dive Into the Power of the Ocean" [April 7]
- ➤ Government Release: Congressional Research Service <u>Navy Force Structure and Shipbuilding Plans: Background and Issues for Congress</u> [Updated April 1]
- ➤ Government Release: Congressional Research Service <u>Changes in the Arctic: Background and Issues for Congress</u> [Updated March 24]
- ➤ Government Release: The White House "Remarks by President Biden and Prime Minister Lee Hsien Loong of Singapore in Joint Press Conference" [March 29]
- > Report: <u>Global Island: Sustaining Taiwan's International Participation Amid Mounting Pressure</u> <u>from China</u> [Center for a New American Security April 19]
- ➤ Opinion: "On the South China Sea, Philippine presidential hopefuls tend to be naively nationalist or neocolonialist" [South China Morning Post April 20] [Paywall]
- > Opinion: "Without Icebreakers, Arctic Infrastructure Won't Matter" [The Arctic Institute April 12]
- > Opinion: "Biden's Indo-Pacific Economic Framework is at a crossroads" [The Hill April 8]
- ➤ Opinion: <u>"Taiwan is not Ukraine, and China is not Russia but Biden is still Biden"</u> [The Hill April 5]
- > Opinion: "The Cyberlaw Podcast: All At Sea: Maritime Cybersecurity" [Lawfare April 5]



- Opinion: "China's Indo-Pacific fears show need for diplomacy" [Financial Times March 31] [Paywall]
- ➤ Opinion: "China Violates Philippine Sovereignty On Eve Of U.S. Military Exercise. Here's How Washington Should Respond." [Forbes March 30] [Paywall]
- ➤ Analysis: <u>"Why a tiny Pacific nation's China deal is getting global attention"</u> [NBC News April 24]
- ➤ Analysis: <u>"Polar Perspectives No. 12 | Norway's Arctic Strategy Steady As She Goes"</u> [Wilson Center April 20]
- ➤ Analysis: "Maritime Security and Development in the South-West Indian Ocean Region:

  Harnessing India's Engagement with Small Island Developing States" [Observer Research
  Foundation April 12]
- ➤ Analysis: "Japan Countering China's Naval Build-up with Modern Fleet" [USNI News April 11]
- ➤ Analysis: "The fund that could kick-start the UK's blue impact economy" [The Fish Site April 5]
- ➤ Analysis: <u>"Carbon flow through inland and coastal waterways, implications for climate"</u> [Penn State University April 5]
- ➤ Analysis: "Could the Arctic be a Wedge Between Russia and China?" [War on the Rocks April 4]
- ➤ Analysis: "Lawfare' in the South China Sea disputes" [Lowy Institute April 1]
- ➤ Analysis: "What Biden's talks with Singapore's Lee say about US Indo-Pacific focus" [South China Morning Post April 1] [Paywall]
- ➤ Analysis: "In the Shadow of Warships: How foreign companies help modernize China's navy" [Center for Strategic & International Studies April]
- ➤ Analysis: <u>"What Is the Insured's Duty under a Marine Insurance Policy? It Depends..."</u> [JDSupra March 31]
- ➤ Analysis: <u>"With Russia's Invasion of Ukraine, Arctic Science Crumbles"</u> [Hakai Magazine March 28]
- ➤ Analysis: <u>"With Eyes on Russia, the U.S. Military Prepares for an Arctic Future"</u> [The New York Times March 27] [Paywall]

#### **Events on the Maritime Domain**

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- ➤ On March 30, the Wilson Center held a virtual discussion on <u>"Challenges, Lessons Learned, and Opportunities for Peacebuilding in Transboundary River Basins: A Case Study of the Eastern Nile Basin."</u>
- ➤ On March 31, South China Morning Post hosted its <u>Climate Change Hong Kong Summit</u>, held in person in Hong Kong.
- ➤ On April 1, the Atlantic Council's Cyber Statecraft Initiative held a virtual discussion on "Protecting the global marine transportation system against cyber threats."



- > From April 5-6, the Center for Strategic & International Studies and the US-Asia Business Council hosted the <u>US Indo-Pacific Conference</u>, which included a number of keynote addresses from ambassadors and US government officials. The conference was webcasted live.
- ➤ On April 6, the Wilson Center hosted a discussion on <u>"Hong Kong's Pathway to Carbon Neutrality,"</u> featuring Hong Kong's Secretary for the Environment, Mr Wong Kam-sing.
- From April 13-14, the Republic of Palau and the United States co-hosted the <u>7th Our Ocean Governance Conference</u> in Palau, which was available to watch through livestream. Special Presidential Envoy for Climate John Kerry <u>gave prepared remarks</u> during the opening day.
- ➤ From April 26-28, the DSNAME Foundation and MARLOG will be holding the <u>7th World Maritime Technology Conference</u> in Denmark.
- From April 26-29, the American Bar Association will be holding the <u>2022 ABA International Law Section Annual Conference</u> at the Capital Hilton in Washington, DC. On April 28, there will be a panel on "Breaking the Ice Along the Ice Silk Road: The Implications of China's Arctic Ambition".
- ➤ On April 27, the Daniel K. Inouye Asia-Pacific Center for Security Studies will be holding a virtual engagement on "The Arctic Region in the Indo-Pacific Context Current Challenges and Implications of the Ukraine Crisis".
- From May 19-20, the European Commission will be celebrating its annual <u>European Maritime</u> <u>Day</u> "during which Europe's maritime community meet to network, discuss and outline joint action on maritime affairs and sustainable blue economy."

### **Handbill Spotlight**

#### **Blue Carbon and Marine Protected Areas**

#### **Issue Background**

First emerging as an acknowledged field of study as part of a 2009 United Nations Environment Programme report in recognition that the ocean plays a role as earth's largest carbon sink, "blue carbon" has been recognized as a crucial, natural way to sequester carbon and conserve marine ecosystems in the long-term. 'Blue carbon' refers to the habitats, species, and processes that sequester carbon into deep sediments or deep waters in both coastal and open ocean ecosystems. According to the U.S. National Oceanic and Atmospheric Administration, coastal blue carbon ecosystems (which includes seagrasses, salt marshes, and mangroves) "store three-to-five times more carbon per unit area than tropical forests, and [sequester]carbon at a rate ten times greater than tropical forests".

There is still debate as to what processes should constitute deep sea blue carbon, including its measurement, as sequestration does not occur *in situ* in open waters. However, the scientific community generally acknowledges that it is important not to limit blue carbon policy and management to coastal blue carbon alone, as deep-sea ecosystems do play an immense role in capturing carbon, though its full extent is not yet entirely understood. Without including blue



carbon resources as part of a country's carbon emissions stock, the nationally determined contributions of each signatory of the 2015 Paris Agreement will be inadequately measured. Thus, marine protected areas (MPA) have been discussed as necessary for the conservation of blue carbon resources in both coastal and deep-sea ecosystems. Numerous successful examples of MPAs within national borders garner some hope for increased implementation, yet outside national borders or in areas of disagreement, the situation is cloudier.

#### **Recent Events**

Fortunately, despite its relative nascency as an internationally recognized field of study, there has been significant multilateral cooperative efforts in addressing the need to better incorporate blue carbon as a necessary topic of discussion. 2019 marked the first year in which ocean issues were put at the front and center of climate action, which was marked by Chile hosting the first 'blue' Conference of the Parties (COP25) in Madrid, Spain. A delegation led by the United States, the United Kingdom, Chile, France, and Costa Rica elevated the role that MPAs can play in climate change mitigation and outlined the need for blue carbon to be incorporated into countries' nationally determined contributions. The result of these conversations led to the establishment of the International Partnership on MPAs, Biodiversity and Climate Change. During COP26 in Glasgow, the Partnership further raised the profile of MPAs by providing expertise and lessons learned from the respective member countries.

This new partnership has the potential to link numerous regions of the world together to develop best practices in conservation policy based on the best available science. Such collaborative efforts should be built out further so that Asia, Africa, and other regions can also participate and be involved. As a result of its efforts, in addition to other representative countries taking part in COP26, the <u>Glasgow Climate Pact</u> that was adopted under the U.N. Framework Convention on Climate Change now recognizes ocean-based actions as essential to addressing climate change. It also requires that an annual dialogue be held every May or June from 2022 onward to report back to the COP each year. Yet, the road to effective MPAs outside of national borders is fraught with danger, particularly in regions of continued dispute.

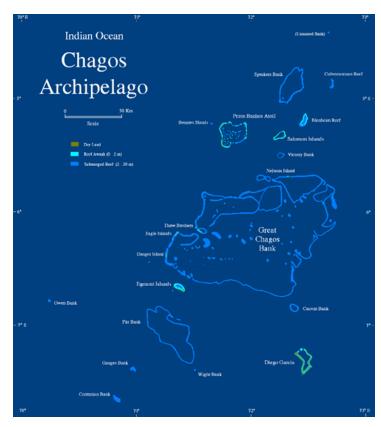
#### Keep In Mind<sup>1</sup>

As maritime disputes take an overwhelming amount of bandwidth in the international relations and policy community, it is essential that the scientific community find ways to remain a prominent part of the conversation. With intensifying situations in regions like the South China Sea, the scientific community has an opportunity to play a mitigating role. However, extreme caution must be taken. Even environmental science and conservation efforts can be co-opted to serve political interests at the expense of actual progress. Unilaterally declaring MPAs have the potential to exacerbate marine conflicts rather than solve them.

<sup>&</sup>lt;sup>1</sup> Image Source: Map of the Chagos Archipelago, Wikimedia Commons, Public Domain



Take the case of the Chagos Archipelago. On April 1, 2010, the United Kingdom unilaterally established an MPA around the Chagos Archipelago, which extended 200 nautical miles from its baselines and covered an area of half a million square kilometers. The archipelago, which has been the subject of a decades-long sovereignty dispute between the UK and Mauritius, has also housed a joint UK/US Naval base on its largest island of Diego Garcia since the early 1970s. As a result of the MPA declaration, the Mauritian government launched an arbitral tribunal with the Hague which ruled against the UK in 2015, arguing that its establishment violated international law as set out by the United Nations Convention on the



Law of the Sea. Even further, it was discovered, according to <u>Wikileaks CableGate documents</u>, that the UK had established this MPA for political reasons in order to prevent the archipelago's former inhabitants from being able to return. As of 2021, the International Tribunal for the Law of the Sea concluded that the UK has no legal sovereignty over the Islands and should return them to Mauritius—<u>a position that the UK rejects to this day</u>.

Although this is only one such high profile example, incidents such as this serve to greenwash and undermine international trust, thus ruining the potential effectiveness that MPAs could achieve through conservation of their blue carbon resources. Countries will be less likely to apply MPAs as a potential mechanism to not only achieve carbon emission goals, but potentially shelving tensions in highly disputed waters like the South China Sea. However, if blue carbon resources are to be adequately conserved in both coastal and open sea ecosystems, as well as applied to the nationally determined contributions of Paris Agreement signatories, MPAs must be negotiated through bilateral or multilateral agreements. Otherwise, MPAs will simply become another mechanism for a state to impose its claims in contested waters. This is the great potential danger that is at the brink of irreversibly passing into common custom if the issue is not given enough attention.

This issue's Spotlight was written by Matt Geraci, ICAS Research Associate & Manager, Blue Carbon & Climate Change Program.



#### ICAS Maritime Affairs Program: New and Upcoming

#### - MAP Commentary -

The South Pacific Ocean: Another battleground for China-US competition?

By Nong Hong

April 21, 2022

In February, US Secretary of State Antony Blinken visited Fiji, a major power in the South Pacific, marking the first such visit in four decades. Analysts see Blinken's visit as being motivated by a desire for the US to strengthen its presence in the region to match the growing influence of China.

Interestingly, during the period of Blinken's visit, a fleet of Chinese naval vessels was sailing into Tonga to deliver tsunami relief supplies. With China's growing interest and presence in the South Pacific Ocean, and signs that the US is unveiling new strategies to better engage with the South Pacific nations, will the South Pacific Ocean become a major strategic battleground along the lines of the South China Sea, or will enough common interests facilitate cooperation?

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## ICAS MARITIME AFFAIRS HANDBILL

May 31, 2022

Volume 1, Issue 4

#### Recent News in Global Maritime Affairs

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

'Time running out': US, Germany intensify climate change fight

May 29 - Al Jazeera
[United States, Europe]

On May 27, the United States and Germany signed an agreement to jointly develop and deploy green technologies and establish standards that will accelerate the transition to clean energy; especially those related to offshore wind power, hydrogen and zero-emissions vehicles. The collaboration is part of a pledge to support ambitious climate policies and energy security initiatives around the world.

#### Safeguarding our planet and people: A call for climate action at Davos 2022

May 24 - World Economic Forum [Global]

The United States' and China's Special Envoys for Climate Change, John Kerry and Xie Zhenhua, both spoke at the recent World Economic Forum's 2022 Annual Meeting (better known as Davos 2022). Both parties emphasized that climate action is now "is about action" rather than just words and that it is now "critical" for world leaders to take radical action to avoid climate catastrophe.

#### World's oceans at most acidic level in 26,000 years, climate report warns

May 18 - Reuters [Paywall] [Global]

In an annual report titled "State of the Global Climate," the World Meteorological Organization found that the world's ocean has reached record warmth and acidity levels in the last year. Selwin Hart, the United Nations' Special Advisor to the Secretary-General on Climate Action,



criticized "many major economies" for stepping back on climate-related commitments due to other recent conflicts and warned that the "many choices" that are being made could "lock in a high-carbon, high-polluting future."

#### Japan to launch first exchange for carbon emissions trading

May 13 - Nikkei Asia [Paywall] [East Asia]

Japan Exchange Group (JPX) and Japan's Ministry of Economy, Trade and Industry (METI) announced plans to establish the country's first market for carbon dioxide emissions trading. According to follow-up reports, the new market will be set up inside the Tokyo Stock Exchange and start pilot operations this September, with the goal to begin full-scale operations in April 2023.

## Baker proposes \$3.5 billion bill that could make Massachusetts the leader in offshore wind

May 10 - Cape Cod Times [United States]

At a joint meeting at the Massachusetts Maritime Academy, Massachusetts Governor Charlie Baker and other state officials discussed a \$3.5 billion bill, part of which specifically focuses on clean energy investments such as offshore wind development. "The big goal here", the governor noted in a public speech to the Academy, "is to make sure we don't miss the opportunity to be a national and, in some ways, a global leader in offshore wind".

#### Growing African mangrove forests aim to combat climate woes

May 6 - AP News [Africa]

In recent months, multiple African nations, including Kenya, Madagascar, Gambia, Senegal and Mozambique, have started investing in large scale mangrove restoration initiatives in an attempt to protect coastal communities from climate change. Mozambique's project, announced in February, is touted as the world's largest coastal or marine ecosystem carbon storage project with hopes to turn 457,100 acres of its land into a forest that could capture up to 500,000 tons of carbon dioxide.



#### China replaces fuel subsidies with responsible fishing payments

May 4 - China Dialogue Ocean [China]

Governments of the Shandong and Fujian provinces in China announced that they will replace traditional fishing fuel subsidies with new "fishery stewardship" subsidies to incentivize responsible and sustainable fishing. Starting this year, subsidies will be provided for compliance with closed seasons, which were installed to protect fish stocks, and for other responsible fishing behaviors.

#### Top Sea Polluters Beg for Climate Rules That No Rival Can Avoid

May 4 - Bloomberg [Paywall] [Global]

The ocean shipping industry, one of the world's major sources of carbon emissions, is calling on the International Maritime Organization to develop a "global, enforceable multilateral regulation to avoid race to the bottom" regarding emission of greenhouse gas. According to an United Nations official, the industry said they "don't really mind that level of regulation" so long as regulations are the "same for everybody".

#### New state bill could require 'blue carbon' to offset coastal development

May 2 - The San Diego Union-Tribune [United States]

In an attempt to protect the lengthy California state coastline, some of the state leaders have proposed Assembly Bill 2593, which would require projects on public lands to "compensate for greenhouse gas emissions by building or contributing to blue carbon projects". While similar compensation laws already exist for the state, this bill would specifically add blue carbon mitigation to the list of requirements when approving coastal permits.

#### Pew Launches Blue Carbon Network to Help States Address Climate Change

April 29 - Pew Trusts
[United States]

Pew Charitable Trusts has officially launched its Blue Carbon Network alongside its partners, which houses the following goals: "Provide experts and state officials with opportunities to discuss blue carbon science"; "Connect local, state, and national partners to share information and best practices"; and "Troubleshoot challenges in coastal habitat data and mapping".



#### China's 38th Antarctic expedition ends, 2 icebreakers back in Shanghai

April 27 - CGTN [China, The Antarctic]

China's research icebreakers *Xuelong* and *Xuelong* 2 successfully completed their expedition to the Antarctic, returning to Shanghai. The joint expedition lasted 174 and 168 days, respectively. While in the Antarctic, the 255 researchers conducted hydrological, meteorological and environmental investigations and cooperated on replenishment with other nations with "fruitful results".

#### Mekong River's water level in red alert due to hydroelectric dams

April 26 - Viet Nam News [East Asia]

The Mekong Dam Monitoring group reported that water levels of the Mekong River have been on red alert status since early April 2022. The abnormal changes are reportedly caused by the discharge from hydroelectric dams, which could cause serious, permanent damage to the downstream fisheries, wetlands, and communities that rely on the Mekong River.

#### [2] Maritime Economy and Shipping [2]

#### Taiwanese shipping industry facing serious crew shortages

May 30 - Hellenic Shipping News [China, Global]

Due to both the ongoing impact of the COVID-19 pandemic and the Russia-Ukraine war, Taiwan's shipping companies are facing serious staffing shortages. The situation was dire enough for seven Taiwanese shipping companies to attend a memorandum of understanding signing ceremony, held by the Maritime Port Bureau, for a sea crew incubation project and for these companies' leaders to publicly advertise the merits of the jobs, saying shipping is now a "maritime high-tech industry".

#### **IMO Breaks Deadlock on Carbon Pricing for Shipping**

May 27 - The Maritime Executive [Global]

During the most recent meeting of the International Maritime Organization Intersessional Working Group, countries reached an agreement on pricing shipping greenhouse gas emissions "as part of a basket of mid-term measures". The agreement, which comes after more than a decade of discussions, is seen as a "clear and positive" "obvious next step" for the Organization that invites future, similar measures to the table.



#### Long Beach Port Chief Doesn't See Labor Deal by July 1 Deadline

May 23 - *qCaptain* [United States]

The head of the Long Beach port in California does not project successful talks for a new labor contract for dockworkers despite a previously set deadline being set for July 1. He is optimistic that the two parties "will resolve their differences within a reasonable time" but by "a couple of months thereafter" instead of the initial July 1 deadline. The parties last discussed labor contracts in 2014, which coincided with a series of slowdowns across West Coast ports.

#### European Maritime Day 2022: Sustainable blue economy for green recovery

May 19 - European Commission [Europe]

Co-hosted by the Commissioner for Environment, Oceans and Fisheries Virginijus Sinkevičius, the European Maritime Day (EMD) conference took place in Ravenna, Italy in late May. The conference aimed to achieve a sustainable blue economy to green recovery by enhancing the maritime dimension of the economy.

#### Predictions of Supply Chain "Chaos" as Shanghai Resumes Shipping

May 18 - The Maritime Executive [China, Global]

A new survey conducted by logistics platform Container xChange forecasts that the 2022 summer peak season cargo surge "will be even more chaotic" than the previous year's peak season. Most of the predictions are rooted in the eight-week lockdown at Shanghai ports due to China's zero-tolerance COVID-19 policy that left stacks of export cargo waiting to be shipped as the industry enters its typical peak season.

#### Record diesel prices impact Connecticut's maritime economy

May 13 - FOX61 [United States]

Boaters and shipping companies are now facing record levels in diesel fuel prices, with experts projecting that prices will only continue to increase. In the last year, the price of diesel fuel has virtually doubled from \$3.20 to \$6.36 per gallon, with some industry workers converting boats into dockside condos or even comparing the situation to the levels seen in the World War II era.



#### FreightWaves releases SONAR Container Atlas to measure global maritime volumes

May 10 - FreightWaves [Global]

Supply chain monitoring company FreightWaves has announced the release of its SONAR Container Atlas; its newest tool in measuring and forecasting global maritime volumes. The Atlas, still in beta testing, measures shipping activity in three ways: 1) Ocean container spot rates, 2) Maritime supply-and-demand analytics, and 3) Import manifest data.

## <u>U.S. Department of Commerce Invests \$7 Million to Make Critical Improvements to Maritime Infrastructure in Port Townsend, Washington</u>

May 10 - U.S. Economic Development Administration [United States]

On May 10, U.S. Secretary of Commerce Gina Raimondo announced that the Department of Commerce's Economic Development Administration has awarded a \$7 million grant to the Port of Port Townsend in Washington in order to help replace the Point Hudson Breakwaters, which was previously damaged by storms. In addition to enhancing social and environmental resiliency, Secretary Raimondo explains, the replacement of the breakwaters will protect "a federally authorized channel vital to both regional commerce and national defense."

#### Maersk Reports Record Quarter While Cautioning of "Warning Clouds"

May 4 - The Maritime Executive [Global]

In the wake of setting record quarter earnings in the first part of 2022, shipping and logistics giant A.P. Moller-Maersk released notes of caution over the current market for the remainder of the year. Reasons for the caution and uncertainties included rising operating costs, global inflation, and "situations with Russia and China" such as the global supply chain pressure resulting from China's COVID-19 restrictions.

## The Republic of the Marshall Islands becomes first Pacific island nation to publish fishing activity to Global Fishing Watch Map

April 27 - Global Fishing Watch [South Pacific]

On April 14, the Minister of Natural Resources and Commerce for the Republic of the Marshall Islands John Silk announced the decision to share vessel monitoring data on Global Fishing Watch's public map at the seventh Our Oceans Conference. The decision, he explained, is aimed at bolstering ocean governance and promoting global compliance.



#### [3] Ocean Governance and Maritime Cooperation [3]

#### PH Coast Guard meets with Japanese counterparts to strengthen cooperation

May 28 - Manila Bulletin [East Asia, South Asia]

On May 24, top officials of the Philippine and Japanese coast guards met in Tokyo to "strengthen cooperation and interoperability in enforcing maritime laws". An official press release by the Philippine Coast Guard said it was the first bilateral meeting between the two parties and explained the meeting "focused on countering piracy, capacity building…and maritime security operations".

#### Global agreement on plastics on the agenda at UNEP meeting in Seychelles

May 25 - Seychelles News Agency [South Pacific]

From May 25-28, the United Nations Environment Programme's Regional Seas Strategic Directions programme held its annual meeting in the Seychelles. The meeting focused on developing ways to track regional and global targets and commitments across a three-year framework, such as the UN's global agreement on plastics and the UN's Sustainable Development Goal 14, which is about global ocean conservation.

#### Report highlights impact of changes in Antarctica

May 24 - Phys.org [Antarctic]

A newly published report by the Scientific Committee on Antarctic Research, led by scientists from Britain and Australia, focuses on tracking the impacts of climate change in the Antarctic. Among other conclusions, the report shows that ice sheets in the region are already melting and the Southern Ocean is warming; changes that are predicted to have both regional and global impacts including but not limited to sea level rise. The report was published specifically for the Parties to the Antarctic Treaty who are gathering in Berlin for their 44th Annual Meeting.



## <u>China Maritime Law Association: the revision of maritime law needs to properly handle disputes and respond to the demands of the industry</u>

May 19 - EqualOcean [China]

In May, the 10th International Symposium on Maritime Law was held in Ningbo, China. At the seminar, Wei Dong, Vice President of the China Maritime Law Association and a director at the Ministry of Transport, noted the demands of the industry to amend laws and, when amending, disputes and contradictions need to be properly handled.

#### Chinese Spy Ship Did Not Breach Sea Law, Australia Says

May 14 - Voice of America [China, Australia, South Pacific]

Australia's Prime Minister Scott Morrison said the Chinese intelligence ship tracking off Australia's west coast within 50 nautical miles of a sensitive defense facility in the prior week did not breach international maritime law. In response, China's Foreign Ministry Spokesperson Zhao Lijian stated that China always abides by international law.

#### Seattle gives \$1 million to keep Maritime Academy afloat for another school year

May 13 - Seattle Times
[United States]

Seattle's City Councilmember Tammy Morales announced the Council would give \$1 million to keep the Seattle Maritime Academy operational. The Academy, open since 1968, is a program that trains students for fields including deep-sea sailing, commercial fishing and ferry transportation, marking the importance of critical technical maritime education.

#### First Woman Set to Lead Biden Maritime Agency, Oversee Port Aid

May 10 - Bloomberg Government [United States]

On May 10, Ann Phillips was elected (75-22) as the first woman to lead the Maritime Administration. Meanwhile, the maritime industry faces complaints about supply chain backups and allegations of sexual assault in a maritime training program.



#### U.S. to announce plans to battle illegal fishing in the Pacific

May 9 - Reuters [Paywall]
[United States, Pacific Ocean]

U.S. Indo-Pacific coordinator Kurt Campbell has revealed a decision to soon announce plans to better battle illegal fishing in the Pacific. The effort is specifically to combat China's vast fishing fleet in the region.

#### US to Invite Pacific Leaders to White House, Increase Diplomatic Outreach

May 3 - Voice of America [United States, Pacific Ocean]

U.S. Indo-Pacific coordinator Kurt Campbell announced the Biden administration's plans to strengthen diplomatic engagement in the Indo-Pacific region by inviting Pacific leaders to the White House. The announcement was made during Campbell's virtual address to a U.S.-New Zealand business summit.

#### <u>African Flag Registries Exploited by High-Risk Fishing Operators - New Report</u>

April 28 - African Business [Africa, Global]

A newly released report by international maritime intelligence organization TMT and I.R. Consilium explores how foreign fishing operators are accessing and taking advantage of African flag ship registries for their fishing vessels with the goal of achieving legal impunity. It also explores the flaws in African flagging regimes that seem to invite this exploitation.

#### World Court orders Colombia to cease activities in Nicaraguan maritime zone

April 21 - Reuters [Paywall] [South America, Global]

The International Court of Justice (ICJ) ruled that Colombia must "immediately cease" conducting its patrolling and related activities in parts of the Caribbean that are within Nicaragua's exclusive economic zone. The ICJ ruled that Colombian activities in this area violated Nicaragua's sovereign rights and ordered Colombia to adjust a 2013 presidential decree establishing a zone around islands in the disputed area that was, the year before, judged not to belong to Colombia.



#### [4] Maritime Security and Defense [4]

#### China signs deal with Samoa during Pacific trip watched closely by U.S. officials

May 28 - United Press International [China, South Pacific]

During a regional tour in the South Pacific, Chinese Foreign Minister Wang Yi and Samoan leaders signed an "economic and technical cooperation agreement" focused on "cooperation rather than...vicious competition". As reported by local news, the agreement includes plans for a cultural arts center, a Samoa-China Friendship Park, and a police fingerprint laboratory. Before landing in Samoa, Wang Yi visited Kiribati and the Solomon Islands. With American Samoa just 40 miles east of Samoa, U.S. officials are paying attention to the visits to the region.

#### China wants 10 Pacific nations to endorse sweeping agreement

May 25 - The Seattle Times [China, South Pacific]

According to a draft agreement obtained by *The* Associated *Press*, China wants 10 small Pacific nations to endorse a "game-changing" "Common Development Vision" agreement that covers a variety of "traditional and non-traditional security" issues ranging from security to fisheries. Concurrently, Chinese Foreign Minister Wang Yi and 20 other Chinese representatives began in-person visits to the region, with Wang set to visit seven regional countries in person.

#### Chinese Carrier Strike Group Now Operating in East China Sea

May 23 - USNI News [China, East Asia]

China's Liaoning Carrier Strike Group is now operating in the East China Sea after two weeks of drills in the Pacific Ocean and the Philippine Sea, as reported by the Japanese Ministry of Defense. This strike group consists of eight ships: one aircraft carrier, five destroyers (one Type 055, three Type 052D, one Type 052C), one frigate (Type 054A) and one fast combat support ship (Type 901).

## China's PLA Navy sends destroyer and frigate on first escort mission, targeting pirates off Somalia

May 19 - South China Morning Post [Paywall] [Africa, China]

The People's Liberation Army Navy has sent three ships to serve their first escort mission in the Gulf of Aden and off the waters of Somalia. According to an official statement, the escort is



composed of the *Suzhou* (a Type 052D guided-missile destroyer), the *Nantong* (a guided-missile frigate), and the *Chaohu* (a supply ship) with two helicopters. The Type 052D, known to NATO as Luyang III-class, has advanced technological capabilities and is among the most modern of China's fleet.

#### <u>Australian Navy to host largest international exercise in its history</u>

May 16 - Naval Today
[South Pacific]

The Royal Australian Navy is set to conduct its largest international exercise in its history, with its leaders stressing the importance of collective and cooperative defense among neighbors. Exercise Kakadu, which began in 1993 with just four navies, has seen the involvement of 28 nations in the past 30 years.

## <u>Chinese navy's biggest destroyer leads Yellow Sea combat drills seen to target smaller</u> rivals

May 16 - South China Morning Post [Paywall] [Yellow Sea, East Asia]

According to a CCTV report, China's *Lhasa* recently conducted three days of air-defense, anti-ship and anti-submarine drills in the Yellow Sea alongside three Type 056A corvettes. The *Lhasa*, the second of two Chinese Type 055 stealth-guided missile destroyers, is the People's Liberation Army's most advanced warship of its kind and was declared combat ready in January of this year. It is regarded as the second most powerful destroyer in the world after the USS *Zumwalt*.

#### Australia says Chinese spy ship has been hugging west coast

May 13 - ABC News [South Pacific]

Australian defense minister Peter Dutton said that a Chinese warship with spying capabilities was sighted about 250 nautical miles from Broome in Western Australia. The ship had already been tracked along the coastline throughout the week prior. "Its intention," Dutton said, "is to collect intelligence right along the coastline" on "military and intelligence installations". Dutton also noted that it was unprecedented for a Chinese warship to venture so far south.



#### **Great Wall of Naval Targets Discovered in Chinese Desert**

May 11 - USNI News [China]

New satellite imagery taken by Maxar Technologies appears to show aircraft carrier targets in China's Taklamakan Desert. Analysts believe the images to be of People's Liberation Army testing sites for long-range ballistic missile tests; potentially for testing the ability to hit ships in port. A series of images taken since last December appear to show that a test missile successfully hit the ship replica, which was then quickly disassembled and is now gone.

#### U.S. Cruiser Transits Taiwan Strait Days After Chinese Naval, Air Exercises

May 10 - USNI News [East Asia]

Ticonderoga-class guided-missile cruiser USS *Port Royal* (CG-73), homeported in Hawaii, conducted a "routine transit" of the Taiwan Strait through non-territorial waters "in accordance with international law". This was the second transit through the Taiwan Strait conducted by a US naval ship in the last two weeks. Pentagon Press Secretary John Kirby commented on the passage during a press briefing, noting that the two transits should not necessarily be taken as signs of increased maritime activity around China.

#### Taiwan says it cannot afford new U.S. anti-submarine helicopters

May 5 - Al Jazeera [East Asia, United States]

Taipei has announced it no longer has plans to purchase advanced anti-submarine helicopters from the United States. Taiwan had previously said it planned to purchase 12 MH-60R helicopters produced by Lockheed Martin Corp unit Sikrosky. Some local media said that the U.S. had rejected the sale, but Taiwanese Defence Minister Chiu Kuo-cheng explained instead in parliament that the "price is too high" for Taiwan.

#### Japanese warship, jets shadow PLA Navy strike group on western Pacific combat drills

May 5 - South China Morning Post [Paywall] [East Asia, West Pacific]

The Chinese navy aircraft carrier *Liaoning* strike group—which includes five destroyers, one frigate and one supply ship—carried out fighter jet combat drills in the waters south of Okinawa and east of Taiwan. The larger than usual strike group attracted attention from Tokyo who scrambled fighter patrol and surveillance jets in response. The Chinese navy said the group was on a "routine mission" for realistic combat training. The Japanese light carrier Izumo was dispatched nearby as well to follow and monitor the exercises.



## Russia says it fires cruise missiles from submarine, warns again on NATO arms shipments

May 4 - Reuters [Paywall] [Eastern Europe, Russia]

The Russian defense ministry published a video showing one of its submarines in the Black Sea firing two Kalibr cruise missiles at unspecified Ukrainian ground targets. Russia had previously said that this strike was not the first of its kind. The announcement was accompanied by a warning that Russia would seek to hit any shipments of NATO weapons sent to Ukraine.

#### Peer-Reviewed Research on Maritime Issues

- ➤ Government Release: U.S. Department of Defense <u>"Readout of the 10th Caribbean-United States Security Cooperation Dialogue"</u> [May 27]
- ➤ Government Release: The White House "Japan-U.S. Joint Leaders' Statement: Strengthening the Free and Open International Order" [May 23]
- ➤ Government Release: Council of the European Union "Joint Statement EU-Japan Summit 2022" [May 12]
- Government Release: Congressional Research Service <u>Navy Large Unmanned Surface and Undersea Vehicles: Background and Issues for Congress</u> [Updated May 11]
- ➤ Government Release: Congressional Research Service <u>U.S. Ground Forces in the Indo-Pacific:</u>
  <u>Background and Issues for Congress</u> [May 6]
- ➤ Government Release: Congressional Research Service <u>Navy Constellation (FFG-62) Class</u> <u>Frigate Program: Background and Issues for Congress</u> [Updated May 11]
- ➤ Research Article: <u>"An evaluation of management effectiveness of China's marine protected areas and implications of the 2018 Reform"</u> [Marine Policy May 2022]
- ➤ Analysis: <u>"Three Rounds of Coercion in Philippine Waters"</u> [Asia Maritime Transparency Initiative May 26]
- ➤ Analysis: <u>"Putin's Black Sea blockade leaves millions facing global famine"</u> [Atlantic Council May 18]
- ➤ Analysis: <u>"U.S. Navy gathers best destroyers in Japan to hunt Chinese submarines"</u> [Nikkei Asia May 10]
- ➤ Analysis: "Chinese bases in the Pacific: A reality check" [The Interpreter May 10]
- ➤ Analysis: <u>"Delhi Continues Strategic Investment in the Indian Ocean"</u> [Asia Maritime Transparency Initiative May 9]
- ➤ Analysis: "Sinpo South Shipyard Update" [Beyond Parallel May 2]
- ➤ Analysis: "Sharper: Taiwan" [Center for a New American Security April 27]
- ➤ Analysis: "Blue carbon offsets taking root" [China Dialogue Ocean April 26]
- ➤ Opinion: "Better Cybersecurity at Sea Starts With the Crew" [The Maritime Executive May 29]



- ➤ Opinion: "Managing fish stocks shared by nations must focus on the impacts of climate change" [Canadian Manufacturing May 27]
- ➤ Opinion: <u>"A New Maritime Advanced Research Project Agency Is Key To The Blue Economy"</u> [Forbes - May 26]
- Opinion: "Tariffs on China Throw Shade on the U.S. Solar Industry" [The Wall Street Journal May 24]
- > Opinion: "China's lockdowns haven't greatly affected maritime shipping" [MarketPlace May 19]
- > Opinion: "The time is now for Vietnam's Blue Economy" [Asia Times May 10]
- > Opinion: "The 1982 UN Convention on the Law of the Sea at 40" [AsiaTimes May 3]
- ➤ Opinion: <u>"We're Thinking About the Indian Ocean All Wrong"</u> [Carnegie Endowment for International Peace May 2]
- > Opinion: "How Japan and Australia Can Keep the Indo-Pacific Free" [National Interest April 26]
- ➤ Podcast: CNA Talks: A National Security Podcast <u>"China's Polar Silk Road Through the Arctic"</u> [Center for Naval Analysis - April 27]

#### **Events on the Maritime Domain**



- ➤ On May 5, the Wilson Center Polar Institute held a virtual event on Nordic Security Perspectives in the Arctic.
- ➤ On May 5, the Foreign Policy Research Institute Asia Program and the Wilson Center held a symposium on Economic Security and Geopolitics in the Indo-Pacific.
- ➤ On May 18, the Wilson Center Polar Institute held a virtual event on <u>Antarctic Diplomacy:</u> <u>Issues and Trends in 2022.</u>
- > On May 18, the Smart Maritime Network held their hybrid Rotterdam Conference where experts spoke on and debated the present and future of shipping, trade and digitalization.
- ➤ On May 31, the Wilson Center Asia Program is holding a virtual event on <u>The Indo-Pacific Economic Framework and What It Means for the United States</u>.
- ➤ On May 31, the Observer Research Foundation is holding a virtual feature event on <u>Blue Talks:</u> <u>Conservation and Development Imperatives for Blue Economy.</u>
- > Throughout May and June, the World Academy of Science, Engineering and Technology will be holding a <u>variety of digital conferences around the world</u>, each with a focus on specific disciplines and topical subjects. These conferences also happen regularly throughout the rest of the year and are open for submission.
- ➤ On June 7, the Center for Security & International Studies will be holding a virtual chat with Mike Wirth, chairman of the board at Chevron Corporation, on <u>Oil and Gas Majors in the Energy Transition</u>.

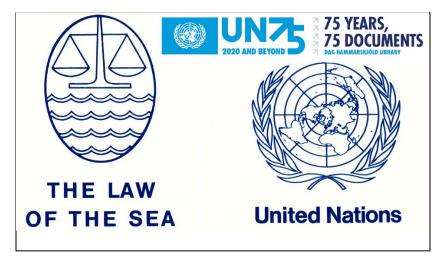


#### Handbill Spotlight

#### United Nations Convention on the Law of the Sea (UNCLOS)

#### Issue Background 1

The <u>United Nations Convention</u> on the Law of the Sea (UNCLOS) is an international treaty that establishes a legal framework for the sustainable development of the oceans and their natural resources. On November 1, 1967, Malta's Ambassador to the United Nations <u>Arvid Pardo</u> spoke of the devastation of the ocean caused by pollution, calling for an effective international regime over the seabed beyond a clearly defined national jurisdiction. Following his urging, many also



recognized the need for updating the freedom-of-the-seas doctrine, leading to the convening of the Third United Nations Conference on the Law of the Sea. The Conference was held in New York in 1973. It ended nine years later with the adoption of the 1982 United Nations Convention on the Law of the Sea with notable adjustments made concerning the territorial sea and the contiguous zone, the continental shelf, the high seas, fishing, and conservation of living resources on the high seas. To this day, this edition of UNCLOS remains the foremost legal framework for understanding, judging, addressing and resolving issues in the global maritime realm.

So far, UNCLOS has been ratified by <u>168 parties</u>, including 167 states and the European Union. This latest Convention established three new institutions on the international maritime scene: the International Tribunal for the Law of the Sea, the International Seabed Authority, and the Commission on the Limits of the Continental Shelf. Furthermore, among other adjustments made, the 1982 Convention defined a coastal nation's exclusive economic zone (EEZ) as 200 nautical miles from the coast and territorial waters as twelve nautical miles from the coast; a legally recognized standard for countries to abide by.

Since its adoption, two additional instruments were concluded under the Convention: the 1994 Agreement relating to the Implementation of Part XI of UNCLOS and the 1995 <u>UN Fish Stocks</u> Agreement. A third treaty under UNCLOS, one on Marine Biodiversity of Areas Beyond National Jurisdiction (BBNJ), is currently being negotiated in the Intergovernmental Conference convened under the auspices of the United Nations, as decided by the General Assembly in the 72nd session.

<sup>&</sup>lt;sup>1</sup> Image Source: Logo of the 3rd UNCLOS Conference, UN Library, <u>Public Domain</u>



#### **Recent Events**

In 2022, UNCLOS approached the 40th anniversary of its adoption into law. To celebrate, on April 29, 2022 the United Nations General Assembly held a special session to mark the significance and successful outcomes of rules-based multilateralism by such an international legal framework.

At this 40th anniversary special session, multiple representatives from key maritime nations and international bodies shared their thoughts on UNCLOS and what it has accomplished over the decades. Abdulla Shahid, President of the UN General Assembly, said the convention has "laid the foundation of our ocean governance, with the first single set of rules for ocean and seas." Singaporean Ambassador-at-Large Tommy Koh, the former President of the Third Conference on the Law of the Sea, also lauded the Convention, calling it "a victory for international law and the rule of law and a victory for the peaceful settlement of disputes." However, not all discussion was celebratory. Singapore's Foreign Minister Vivian Balakrishnan emphasized the limitations of UNCLOS as it still lacks ratification from the world's premier maritime power—the United States. In addition, Balakrishnan pointed out how some countries unilaterally define some ambiguous terms to achieve their own ends, which can sully the Convention as an objective tool of law.

It is true that the U.S. is yet to ratify UNCLOS, but the need to do so is not being ignored outright in Washington. Just this past March, the U.S. House of Representatives passed the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education and Science (COMPETES) Act of 2022, aiming to increase U.S. economic competitiveness with China. Notably, the bill included an amendment that stipulated it is in the nation's best interest to ratify the UNCLOS formally.

#### **Keep In Mind**

In order to reach agreement among the exceptionally diverse interests of all its member states, during its development the writers of UNCLOS had to accept many compromises. Whenever negotiation proved impossible, they settled on ambiguity. For example, <a href="Article 121 Regime of Islands">Article 121 Regime of Islands</a> loosely defines an island as "a naturally formed area of land, surrounded by water, which is above water at high tide." By not clarifying the legal standards on natural formation of islands as well as the characteristics of rocks, there is space for countries to argue for their own interests.

The Convention's attempt to achieve a consensus is admirable and understandable. But over time these ambiguities have greatly undermined the legitimacy of the Convention itself. Some parties twist these ambiguities to their taste, causing some others to no longer take UNCLOS seriously. Take <a href="the Arbitral Tribunal in the South China Sea Arbitration">the Arbitration Tribunal in the South China Sea Arbitration</a> between China and the Philippines in 2016 as an illustration. For three years, the Arbitration Tribunal set under Annex VII of UNCLOS debated over the legality of China's "nine-dash line", its claims to historic rights, the status of certain maritime features, and the legality of certain Chinese activities in the South China Sea. Although an award was unanimously issued under UNCLOS in July 2016, which was largely in the Philippines' favor, China firmly and immediately <a href="rejected">rejected</a> the ruling, based on its legal argument on the admissibility and jurisdiction of the Arbitration Tribunal.



As coastal states constantly feel threatened by foreign military activities in their EEZs over their national security and maritime environment, the increase of maritime crime also forced them to extend their control beyond the territorial sea. This, hence, creates a security dilemma as maritime powers are simultaneously concerned about the possible restrictions of their naval and air access and mobility caused by such extensions and have little faith in UNCLOS.

Regarding the role of UNCLOS in the China-U.S. maritime relations, controversy is also found. China has been accused of deliberately obscuring its maritime claims in the South China Sea by using terms not found in the UNCLOS, such as "adjacent waters" and "relevant waters." And some countries keep demanding that China "clarify" the legal status of its Nine-Dash Line map. On the other hand, under both the Trump and Biden administrations, the U.S. has aligned itself with the tribunal's decision, objecting to China's maritime claims in the South China Sea on the grounds that they violate international law. As described by the U.S. Department of State, freedom of navigation operations (FONOPs), one of the most frequently cited tenets of the 1982 Convention, were designed to "challenge coastal state maritime claims that unlawfully restrict navigation and overflight rights and freedoms and other internationally lawful uses of the sea related to these freedoms guaranteed in international law as reflected in the 1982 Law of the Sea Convention." The U.S. frequently conducts FONOPs around China and elsewhere around the world and releases a report each year summarizing U.S. operations. Such denunciations and activities, however, reduce in credibility given that the United States has still not ratified UNCLOS despite having participated in its formulation.

With that being said, the existence of UNCLOS as a statute of international law is invaluable. In addition to regulating the sustainable development of the oceans and their natural resources, it serves an important role to maintain regional as well as global stability among nations. Although the Convention still contains ambiguity, opportunities to improve are still present. For example, more addendums could be made to address indigenous peoples' rights and the protection of underwater cultural heritage, which could potentially lead to increased collective efforts of its member states. Additionally, some experts have argued that UNCLOS can be a framework to establish stable and efficient international space law on issues such as the exploration and exploitation of natural resources. Its provisions on innocent passage also offer a potential model for resolving military use and potential conflict in space. Thus, while UNCLOS still lacks complete clarifications on some vital concepts and ratifications from powerful parties such as the United States, it excellently fulfills the role of an essential legal framework for understanding, judging, addressing and resolving issues in the global maritime realm while also offering possibilities for future interdisciplinary development in other fields of international law.

This issue's Spotlight was written by Sylvia Hu, ICAS Research Assistant Intern.



# ICAS Maritime Affairs Program: New and Upcoming

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#### - ICAS BCCC Issue Brief -

Technology Solutions to Determine Maritime Zones: Applying High-Resolution Satellite
Imagery and GIS to Demarcate Sovereignty and Sovereign Rights Claims
By Matt Geraci & Yilun Zhang
May 26, 2022

#### **KEY TAKEAWAYS**

- Sea-level rise threatens the environment of island countries disproportionately. It presents
  increasingly urgent political complications as they face an imminent need to record and
  submit international evidence to prove their existing baselines.
- Noticing the pressing need from dozens of island countries to produce evidence and records
  of maritime zones, scholars at the Institute for China-America Studies (ICAS) launched a
  special research project to explore technology solutions to this issue.
- Combining High-resolution satellite imagery (HRSI) with a Geographic Information System (GIS) for mapping baselines and maritime zones for small island developing countries provides a relatively low-cost way for governments to achieve this.
- Obtaining the most accurate high-resolution imagery will require a financial investment. Fortunately, these costs are far less expensive when compared to traditional methodologies of measuring maritime zones.
- The findings suggest that island countries could cooperate with non-profits, universities, and companies to borrow the know-how from the world's most advanced experts to significantly reduce the barriers to accessing these resources.
- Maritime zone demarcation methodologies stemming from satellite technologies provide cost-effective solutions and ought to be seriously explored. Without consideration of novel pathways, sea-level rise and climate change will force UNCLOS signatories to adapt to harsh realities with severe legal implications as their coastlines recede.

#### Read Online

## ICAS Commentary —

The South Pacific Ocean: Another battleground for China-US competition?

By Nong Hong

April 21, 2022

In February, US Secretary of State Antony Blinken visited Fiji, a major power in the South Pacific, marking the first such visit in four decades. Analysts see Blinken's visit as being motivated by a desire for the US to strengthen its presence in the region to match the growing influence of China.



Interestingly, during the period of Blinken's visit, a fleet of Chinese naval vessels was sailing into Tonga to deliver tsunami relief supplies. With China's growing interest and presence in the South Pacific Ocean, and signs that the US is unveiling new strategies to better engage with the South Pacific nations, will the South Pacific Ocean become a major strategic battleground along the lines of the South China Sea, or will enough common interests facilitate cooperation?

#### Read Online

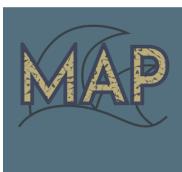
### - ICAS Academic Engagement -

Matt Geraci speaks at a United Nations seminar for delegates
April 26, 2022



On Tuesday, April 26, 2022, Research Associate Matt Geraci delivered a briefing held at the United Nations seminar for delegates from over 60 UN Missions on how small island states can utilize satellite imagery and GIS applications to demarcate existing land territory and maritime zones.





# ICAS MARITIME AFFAIRS HANDBILL

June 28, 2022

Volume 1, Issue 5

# Recent News in Global Maritime Affairs

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

<u>Hidden underwater world: huge seagrass bed discovered in Cornwall could help tackle climate change</u>

June 23 - Cornwall Council [United Kingdom]

Leaders in Cornwall, England commissioned a local project to assess how effective seagrass is at growing and storing blue carbon. Conducted by the University of Exeter and environmental researchers Ecospan, the project ended up revealing "one of the biggest seagrass meadows ever found in UK waters" which spans 5 kilometers and covers the equivalent of almost 300 rugby pitches.

### DNV: The World's Clean Hydrogen Supply May Come Up Short

June 15 - The Maritime Executive [Global]

According to a new forecast report by international classification society and certification body DNV, the world has already missed its chance to place hydrogen at the center of a net-zero future. To meet Paris Agreement targets, the report argues, hydrogen would need to account for around 15% of global energy demand by 2050; an achievement that DNV predicts will be highly difficult to meet as current estimates only place it at 5% by 2050.



### China's Massive Hydro Energy Storage Goals May Be Getting Bigger

June 14 - Bloomberg [Paywall] [China]

On June 13, Power Construction Corp. of China Chairman Ding Yanzhang announced plans to start construction on more than 200 pumped hydro stations with a combined capacity of 270 gigawatts to complement renewable power by 2025, an "even-larger-than-expected" project.

### "No Standout Outcome" From IMO's Latest Greenhouse Gas Talks

June 10 - The Maritime Executive [Global]

At the International Maritime Organization's 78th meeting of the Marine Environment Protection Committee (MEPC), members agreed to develop guidelines for evaluating the greenhouse gas emissions for marine fuels throughout the fuel's lifecycle, including fuel production and transport. However, observers and commentators noted that MEPC 78 has produced little binding progress on supporting climate change goals.

### How a battery shortage is hampering the U.S. switch to wind, solar power

June 9 - Reuters [Paywall] [United States]

As labor and transportation issues, rising mineral prices, and competition from the electric vehicle industry jointly lead to battery supply shortages in the United States, battery installation projects that aim to store renewable energy on the electric grid have encountered delays and cancellations, threatening disruption in the transition to green energy.

### South Korea makes big bet on energy transition to hydrogen

June 9 - NikkeiAsia [Paywall] [East Asia]

South Korea's industrial hub of Ulsan is increasing its efforts to transition to a hydrogen-based economy, aiming to replace fossil fuels with hydrogen-fueled vessels in the near future while developing business opportunities. For example, H2Korea, a joint venture between the government and private sector, has been conducting tests on boats with a hydrogen fuel cell power system since June of last year.



### New ETF for World Oceans Day invests in curbing plastic and smarter fishing

June 8 - MarketWatch [Global]

The Newday Ocean Health exchange-traded fund was recently founded to invest in companies that contributed to reducing ocean-bound plastic waste, supporting sustainable fisheries, controlling ocean acidification caused by CO2 emissions and combating ocean pollution. The fund aims to facilitate individual investors to financially support ocean health.

### EAD's "Blue Carbon Project" selected among 12 UpLink Ocean Top Innovations

June 2 - Emirates News Agency [Middle East]

Environment Agency - Abu Dhabi (EAD)'s Blue Carbon Environmental and Social Responsibility Project has been selected as an innovative solution to harness the potential of blue carbon markets to "support environmental conservation, habitat restoration, and coastal management". The EAD's project, in collaboration with ENGIE and Distant Imagery, aims at planting more than 35,000 mangrove seeds in the Mirfa Lagoon in Abu Dhabi by applying drone planting technology.

### Corporate giants line up to bury emissions in the mud

June 2 - Financial Review [Paywall] [Australia, Global]

Major corporations in Australia are leading a swarm of investments to purchase official carbon credits after an expansion was applied to some related government rules. "There has been a kind of awakening to the quality of carbon credits", explains Deakin University's Peter Macreadie, "even if the market doesn't reward it." Australia is thought to be home to around 12% of the world's blue carbon ecosystems.

### China says a third of electricity will come from renewables by 2025

June 1 - Reuters [Paywall] [China]

In its new "five-year plan", China's National Development and Reform Commission (NDRC) said the state aims to ensure that renewable sources generate about 33% of grid power by 2025; up from 28.8% in 2020. China also pledged to nearly double its wind and solar capacity by 2030 compared to its current rate.



### U.S. says it will cut costs for clean energy projects on public lands

June 1 - Reuters [Paywall]
[United States]

The Biden administration announced a new policy that would reduce the cost of constructing wind and solar energy projects on federal land and increase the number of personnel processing these applications. Announced in a statement by the Department of Interior, it is said that the rents and fees for solar and wind projects will fall by about 50% due to this new policy.

### Giant Deep Ocean Turbine Trial Offers Hope of Endless Green Power

May 30 - Bloomberg [Paywall] [Japan]

As part of their ongoing endeavor to study renewable energy, Japan has successfully tested an ocean current system that could provide "a constant, steady form of renewable energy". Instead of relying on the wind or the sun, IHI Corporation's subsea turbine converts deep ocean currents into a steady source of electricity. Weighing in at 330 tons, the prototype visually "resembles an airplane" and is designed to be anchored to the seafloor.

### [2] Maritime Economy and Shipping [2]

### **Chinese Shipping Companies Dive Amid Rising Recession Fears**

June 23 - MarketWatch [China, Global]

After the U.S. Federal Reserve released a warning of a potential economic contraction and multiple U.S. central bank officials hinted at the possibility of a recession, several Chinese shipping companies' shares in Hong Kong heavily dropped. A recession would inevitably impact U.S. demand for imported goods. Hardest hit were Pacific Basin Shipping Ltd., COSCO SHIPPING Holdings Co. and Orient Overseas (International) Ltd., which dropped as much as 10%, 4.7% and 7.2%, respectively.

### Melting Arctic ice could reroute international shipping sector: study

June 20 - The Hill [Arctic]

A new study published in the Proceedings of the National Academy of Sciences explains how the Arctic is warming so rapidly that, in as soon as twenty years, new sections of the maritime region will be iceless for months on end. Having longer and clearer access to these sections would offer new trade routes through international waters, which would loosen the control that Russia currently has over trade in the Arctic though its Northern Sea Route.



### Biden signs ocean shipping bill in bid to reduce export backlogs

June 17 - Reuters [Paywall] [United States]

Two days after the U.S. House of Representatives passed the bipartisan Ocean Shipping Reform Act on a 369-42 vote, President Joe Biden signed the legislation into law. Among other adjustments, the new law increases the Federal Maritime Commission's investigatory authority and is intended to "help curb inflation and ease export backlogs."

# <u>Industry giants gain unprecedented insight into the climate impact of their shipping activities</u>

June 15 - Trafigura [Europe, Global]

The Sea Cargo Charter Annual Disclosure Report, which reveals the "climate alignment scores' of 25 of the world's biggest energy, agriculture, mining and commodity trading companies, has been published for the first time. The new report is part of the commitment made under the Sea Cargo Charter, "a global framework for aligning ship chartering activities with society's goals", and represents over 15% of total bulk cargo transported by sea in 2021.

### 'Big step forward': Shippers react to passage of Ocean Shipping Reform Act

June 14 - Supply Chain Dive [United States]

Multiple American industry groups expressed their excitement and encouragement to continue pushing after the U.S. House passed the Ocean Shipping Reform Act 369-42 and sent it to the president's desk to be signed into law. For instance, the CEO of the Harbor Trucking Association said "[t]his is a step in the right direction" while the Agriculture Transportation Coalition noted that "this is not the final victory, this is the next step."

# World's first electric foiling workboat range launches as UK maritime reveals £116bn economic impact

June 10 - Hellenic Shipping News [United Kingdom, Global]

On June 10, Belfast's Artemis Technologies launched the world's first commercially viable, fully electric foiling workboat range. These efforts are part of the UK's renewed National Shipbuilding Strategy that was announced in March 2022. This launch comes as the UK maritime sector revealed an annual turnover of £116bn and expectations for a full recovery from the pandemic by the end of 2022.



### Marine economy continues to power American prosperity, despite 2020 downturn

June 9 - National Oceanic and Atmospheric Administration [United States]

The Department of Commerce's NOAA and Bureau of Economic Analysis have released their joint annual Marine Economy Satellite Account report analyzing the United States' marine economy for 2020. According to this official report, the United States' marine economy contributed to about \$361 billion of the U.S. gross domestic product in 2020; about a 5.8% reduction from 2019. The general economy declined by about 3.4% in that same time period.

### Workers want raises. Shippers want robots. The supply chain hinges on reaching a deal

June 5 - Los Angeles Times [United States]

The International Longshore and Warehouse Union is still sorting out a new contract with the leaders of maritime shipping as the current contract is set to expire July 1. Workers, who "haven't had a raise in years", are demanding fairer conditions and higher salaries to offset national inflation. The Pacific Maritime Association said workers receive "world-class wages" and showed commitment to advancing automation at ports. This would not be the first time that contract negotiations have run beyond their expiration date, but delays typically lead to major disruptions to port operations.

### ODU to Create School of Supply Chain, Logistics, and Maritime Operations

June 3 - Old Dominion University [United States]

On June 3, Old Dominion University's Board of Visitors approved to establish the School of Supply Chain, Logistics, and Maritime Operations later this year in October. This School builds on the University's legacy of maritime-focused initiatives, bringing together interdisciplinary faculty, and is a reflection on the University's commitment to "serving as a worldwide leader in maritime studies."

### U.S. Maritime Administration designates four new marine highway projects

June 3 - Transportation Today [United States]

The U.S. Department of Transportation's Maritime Administration (MARAD) has designated four new marine highway projects involving more than \$39.8 million in funding possibilities. Now part of America's Marine Highly Program, two of these new projects are located in Alaska, one is in North Carolina, and the last is in Puerto Rico.



### Iran, Qatar to expand ports and maritime cooperation

June 1 - Hellenic Shipping News [Middle East]

On May 30, Qatar Ports Management Company's CEO Capt. Abdulla Mohamed Al-Khanji and Iran's Deputy Minister and Managing Director of Ports and Maritime Organization Ali Akbar Safaei met to discuss ways to develop commercial relations and foster ports and maritime collaboration. Projects discussed include having Qatar's private sector invest in Bushehr Port, establishing bunkers and supplies of low sulfur fuel for the fleets, and increasing the berths' depth and channel width.

### [3] Ocean Governance and Maritime Cooperation [3]

### US, Australia and Allies Form New Pacific Island Partnership

June 24 - Bloomberg [Paywall]
[United States, Australia, South Pacific]

The United States, Australia, New Zealand, Japan and the United Kingdom have announced a new initiative to assist Pacific Island countries in addressing climate change and security issues, among other challenges. This "Partners in the Blue Pacific" group is an informal pact that was announced after high-level officials met in Washington, DC on June 23 and 24 for consultations with heads from Pacific nations. Observers from France and the European Union were also present.

### MSC's new fisheries standard unanimously approved by trustees

June 24 - Seafood Source [United Kingdom]

After four years of discussions and input from stakeholders, the United Kingdom's Marine Stewardship Council has concluded its fisheries standard review process, approving a new version of the fisheries standard. Adjustments to the standard include a new approach to how the Council will manage endangered species, new rules on managing unwanted catch, and standards on shark-finning.

# <u>United States and China set to be excluded from Pacific Islands Forum meeting to avoid</u> 'distraction'

June 23 - ABC News [South Pacific]

Leaders of the Pacific Islands Forum will reportedly exclude the United States, China, and other major nations from its upcoming leaders meeting to be held in Suva, Fiji in mid-July. The Pacific



Island Forum has 21 partners, including the U.S., China, the European Union, Japan, South Korea, Canada, India and the United Kingdom, and there is typically an in-person Dialogue Partners meeting alongside the leaders gathering.

# <u>Japan's Kishida says talks with China key to regional peace amid rising maritime</u> tensions

June 22 - South China Morning Post [Paywall] [East Asia, China, Japan]

At a recent party leaders' debate in Tokyo, Japanese Prime Minister Fumio Kishida noted that discussions with China's leaders are key to regional and international peace and stability. "It is important to maintain stable and constructive relations...Dialogue is important", Kishida emphasized. These statements were made as Beijing increases its military activity around Japan and in the East and South China Seas, enhancing tensions.

# <u>Strengthening Our Maritime Cooperation: Bilateral Maritime Forum 2022 in the Netherlands</u>

June 20 - Kingdom of the Netherlands [Europe]

At the beginning of June, the fourth Bilateral Maritime Forum between Indonesia and the Netherlands was successfully held in The Hague. For three days, the two countries' ministers discussed their ongoing collaboration on maritime issues such as port development and opportunities for partnering in renewable energy projects. They also formally extended their countries' bilateral memorandum of understanding maritime and made several visits to maritime companies and regional ports where they further exchanged ideas, shared insights and discussed partnership opportunities.

# <u>Việt Nam hopes UNCLOS Group of Friends play greater role in responding to emerging</u> challenges

June 16 - EIN News [Asia-Pacific, Global]

On June 14, representatives from nearly 100 member states gathered at the headquarters of Vietnam's Permanent Mission to the UN in New York to celebrate 40 years since the adoption of the United Nations Convention on the Law of the Sea (UNCLOS). At the event, Vietnamese Ambassador Dang Hoang Giang gave a speech on behalf of the group's 12 founding members, thanking all 115 member states for their active support and participation in the name of upholding UNCLOS and international law.



### MMEA seizes two fishing boats, detains nine foreign crew over illegal fishing

June 15 - The Star [South Asia]

The Malaysian Maritime Enforcement Agency seized two fishing vessels and their nine Indonesian crewmen, who did not produce any valid identification or travel documents, for illegally fishing in Malaysian waters. 700kg of caught fish were also seized. The vessels were discovered during patrols and were located approximately 22 nautical miles off Sungai Besar.

### Senior US advisor to travel to Lebanon to discuss maritime boundary

June 11 - The Jerusalem Post [Middle East]

On June 11, the U.S. State Department announced Senior Advisor Amos Hochstein's travel plan to Lebanon to discuss sustainable solutions to the energy crisis caused by the maritime aggression between Lebanon and Israel, hoping to mediate tension in the eastern Mediterranean region.

### 15 shippers fined 80 bln won for collusion on freight rates

June 9 - Yonhap News Agency [East Asia, Global]

A group of 14 South Korean shippers and one foreign firm have been collectively fined \$63.6 million (80 billion won) for conspiring to fix freight rates for Japan-South Korea routes 76 times between February 2003 and May 2019. The fine was imposed by South Korea's Fair Trade Commission, who is also ordering an end to a similar practice for South Korea-China routes, though that other decision was not accompanied by fines.

#### German envoy meets Marcos; vows maritime cooperation

June 8 - Inquirer [South Asia]

The German Ambassador to the Philippines Anke Reiffenstuel held a meeting with President-elect Ferdinand Marcos Jr. in Mandaluyong City during which she assured Marcos of Germany's willingness to continue boosting bilateral maritime cooperation amidst Beijing's continued "aggression" in the South China Sea. "We exchanged and we explored our joint interest, our common interest in protecting international rules-based order and the rule of law that needs to be applied also in the maritime sector," said Reiffenstuel.



### Is This Legal? Shipping Struggling with Lack of Sanctions Clarity

June 6 - *qCaptain* [Europe, Middle East]

Sanctions that were imposed on Moscow following its invasion of Ukraine are continuing to confuse and trouble shipowners who have to contend with new legal rules and tough measures. Meanwhile, Russia is turning to Indian and Chinese customers instead. Leaders in the shipping industry are speaking out, believing that "[s]anctions have never worked" and '[i]nstead of penalizing Russia, we're penalizing ourselves."

### Lebanon to invite US to mediate Israel maritime border talks

June 6 - Al Jazeera
[United States, Middle East]

Lebanese and Israeli officials have agreed to invite the United States' senior energy adviser Amos Hochstein to Beirut to mediate a decades-long maritime dispute. A previous round of talks to resolve this issue was attempted in October 2020 but quickly stalled. Tension between Lebanon and Israel, who are enemies and do not currently have diplomatic relations, have continued to rise recently.

# <u>Canada alarmed as Chinese fighter pilots 'buzz' Canadian planes over international</u> waters

June 1 - Global News
[North America, China]

Multiple sources have reported that Chinese jets are repeatedly "buzzing" a Canadian surveillance plane, repeatedly flying as close to 20-100 feet from the plane at high speeds close enough to make eye contact and show hand gestures. The Canadian plane in question was conducting a United Nations mission over international waters in the Asia-Pacific.

# [4] Maritime Security and Defense [4]

## China Delivers Advanced Frigate to Pakistan Navy

June 24 - The Defense Post [China, Middle East]

Pakistan has successfully received their second of four Chinese-made multi-rule Type 054A/P frigates from China, which were purchased to help Pakistan handle emerging challenges to its regional maritime peace and security. This frigate is reportedly equipped with "cutting-edge weapons and sensors" and the "latest combat management and electronic warfare systems".



Simultaneously, there have been reports that Pakistan is dealing with defective mechanical issues with some Chinese-developed warships.

### Defense minister, U.S. Pacific Fleet commander reaffirm firm defense posture

June 21 - Yonhap News Agency [South Korea, United States, East Asia]

South Korea's Defense Minister Lee Jong-sup met with U.S. Pacific Fleet Commander Admiral Samuel Paparo in Seoul to reaffirm the U.S. and South Korea's commitment to a "firm combined defense posture against North Korean threats". Minister Lee noted that the current security situation is "graver than ever" and the U.S. Pacific Fleet is vital in countering this situation. This is Commander Paparo's third visit to Seoul since assuming his current post in May 2021.

### Chinese, Russian Warships Active Near Japan Ahead of RIMPAC 2022

June 20 - USNI News [East Asia, China, Russia]

Chinese and Russian warships were spotted in the East China Sea and the Philippine Sea near Japan, as reported by both the Russian Navy and the Japan Defense Ministry. Meanwhile, Japan's Maritime Self Defense Force drilled with the US Navy as ships from five Indo-Pacific nations sailed out of Guam headed to Hawaii for the Rim of the Pacific 2022 (RIMPAC2022) naval exercise that is set to begin at the end of June.

#### China launches third aircraft carrier in military advance

June 17 - The Guardian [China, Indo-Pacific]

China has officially launched its third aircraft carrier—the first that was "wholly designed and built by China"—out of Shanghai. Named *Fujian*, this carrier is more technically advanced than China's other aircraft carriers commissioned in 2012 and 2019, but will reportedly be "years" before it reaches operational capacity.

### U.S. rebuffs China by calling Taiwan Strait an international waterway

June 14 - Reuters [Paywall] [China, East Asia, United States]

On June 14, U.S. State Department Spokesman Ned Price supported Taiwan's assertion that the strait separating the island from China is an international waterway, rebuffing Beijing's "aggressive rhetoric and coercive activity" to exercise sovereignty. Taiwan Premier Su Tseng-chang followed up by stating the strait was by "no means China's inland sea". China's



Taiwan Affairs Office said the government in Taipei was "cooperating with external forces" in response.

# <u>United States-Japan-Australia Trilateral Defense Ministers Meeting (TDMM 2022 Joint Vision Statement)</u>

June 13 - U.S. Indo-Pacific Command [United States, Indo-Pacific]

On the sidelines of the 2022 Shangri-La Dialogue in Singapore, Australia's Deputy Prime Minister and Minister for Defence Richard Marles, Japan's Minister of Defense Kishi Nobuo, and the United States' Secretary of Defense Lloyd Austin convened a Trilateral Defense Ministerial Meeting on June 11. Affirming their trilateral strategic alignment, the three leaders also released a joint vision statement that involves enhanced partnerships, joint exercises and seamless coordination.

### Shangri-La Dialogue Concludes Under Shadow of Ukraine, US-China Tensions

June 13 - The Diplomat [Paywall] [Indo-Pacific, Global]

From June 10-12, defense ministers of mostly Asia-Pacific states convened at the annual IISS Shangri-La Dialogue with many discussions centered around the growing competition between China and the United States. While U.S. Defense Secretary Lloyd Austin criticized China's series of coercive and aggressive actions in the East and South China seas, Chinese Defense Minister Wei Fenghe denounced efforts to condemn China or interfere in its internal affairs, claiming that improvement of the bilateral relationship depends on Washington.

### Exclusive: Indonesian navy officers ask for \$375,000 to release tanker

June 9 - Reuters [Paywall] [South Asia]

The Indonesian navy has detained a fuel tanker for illegally anchoring in Indonesian waters off Singapore and is asking for \$375,000 for its release. This detainment is the latest in a string of a dozen similar detentions made last year in this same area, which resulted in shipowners making unofficial payments of about \$300,000 for each of their vessels to be released. The Singapore Strait is one of the world's busiest shipping lanes.



### Cambodia, China Revamp Naval Base, Stoking US fears

June 8 - Voice of America
[China, South Asia, United States]

On June 8, Cambodian Defense Minister Tea Banh and Chinese Ambassador Wang Wentian saw work commence on the new Beijing-funded facilities at Cambodia's Ream base. The work includes a boat maintenance workshop, two piers, a dry dock, slipway, and sand dredging for bigger ships to dock. U.S. officials have expressed concerns that these were being built for the "exclusive" use of the Chinese navy; concerns that were denied by both countries.

### China Denies Harassing Canadian, Australian Patrol Aircraft in the Western Pacific

June 7 - USNI News [South Pacific, China]

On June 6, in response to the accusations from the Canadian Armed Forces and the Australian Defence Minister Richard Marles, China's Ministry of National Defense Spokesperson Senior Colonel Wu Qian denied that People's Liberation Army forces harassed Australian and Canadian patrol aircraft in the Western Pacific. Colonel Wu claimed that China's security was threatened in both cases.

# World's largest naval exercises to include all 4 Quad nations and 5 South China Sea countries

June 1 - CNN
[United States, Indo-Pacific]

This year's U.S.-led Rim of the Pacific (RIMPAC) exercise, to be held from June 29 to August 4, will involve military units from 26 countries including the other three Quad nations (India, Japan, and Australia) and five South China Sea nations. As reported by the US Navy's 3rd Fleet, the multi-day exercises, based in Honolulu, Hawaii and San Diego, California, is expected to employ 38 surface ships, four submarines, 170 aircraft, and 25,000 personnel.

### Japan's Foreign Ministry debuts China strategy group

May 31 - Nikkei Asia [Paywall] [East Asia]

Following Russia's invasion of Ukraine, Japan's Foreign Ministry created an "internal strategy group" in April that has the role of keeping track of China's activities. The group, the First China and Mongolia Division within the Foreign Ministry's Asian and Oceanian Affairs Bureau, collects and analyzes "political, economic and diplomatic intelligence related to China" to inform government leaders.



### Peer-Reviewed Research on Maritime Issues

- ➤ Government Release: U.S. Congressional Research Service "IN FOCUS: The Nordic Countries and U.S. Relations" [Updated June 10, 2022]
- ➤ Government Release: European Commission "Questions and Answers on International Ocean Governance" [June 24]
- ➤ Government Release: European Commission "World Oceans Day: Joint Statement by the High Representative/Vice-President Josep Borrell and Commissioner for Environment, Oceans and Fisheries Virginijus Sinkevičius" [June 8]
- ➤ Government Release: U.S. Department of State <u>"The United States, Colombia, Costa Rica, Ecuador, and Panama Sign a Memorandum of Understanding in Support of the Eastern Tropical Pacific Marine Corridor (CMAR)</u> [June 7]
- ➤ Report: <u>"Sovereignty Vs. Sovereign Rights: De-escalating Tensions in the South China Sea"</u> [Observer Research Foundation June 24]
- ➤ Report: "Dynamics of Assertiveness in the South China Sea: China, the Philippines, and Vietnam, 1970–2015" [The National Bureau of Asian Research NBR Special Report no. 99, May 17]
- ➤ Opinion: <u>"Rights and wrongs of US-China dispute over the Taiwan Strait"</u> [South China Morning Post June 20] [Paywall]
- ➤ Opinion: <u>"The Quad, China, And Maritime Domain Awareness In The Indo-Pacific"</u> [Australian Institute of International Affairs June 20]
- ➤ Opinion: <u>"The significance of China-ROK Maritime Security Cooperation"</u> [China Daily June 17]
- ➤ Opinion: <u>"Blue is the new green: How business can protect the ocean"</u> [Boston Globe June 13] [Paywall]
- Opinion: "Catapulting China's Carrier Capabilities" [International Institute for Strategic Studies June 10]
- ➤ Opinion: <u>"Sweden and Finland Will Help NATO Counter Russia in the Arctic"</u> [Wall Street Journal June 9] [Paywall]
- ➤ Opinion: <u>"It's time to act together to protect oceans"</u> [Thompson Reuters Foundation News June 8] [Paywall]
- ➤ Opinion: "High Seas Treaty Could Strengthen Maritime Protections in South Africa" [The PEW Charitable Trusts June 8]
- ➤ Opinion: <u>"Time to Slow Cook China's South China Sea Frog?"</u> [The Heritage Foundation June 3]
- > Opinion: "The Undersea Trove for Electric Vehicles" [Wall Street Journal June 2] [Paywall]
- ➤ Opinion: "Global security initiatives are urgently needed in the field of oceans" [Global Times June 1]
- ➤ Analysis: <u>"The Great Blue Wall Initiative: At the nexus of climate change, nature conservation, and the blue economy"</u> [The Brooking Institution June 23]



- ➤ Analysis: "After decades of loss, the world's largest mangrove forests are set for a comeback"

  [The Conversation June 21]
- ➤ Analysis: <u>"China's Third Aircraft Carrier Is Aimed at a Post-U.S. Asia"</u> [Foreign Policy June 21] [Paywall]
- ➤ Analysis: <u>"Study: Climate Change Will Affect Wave-Driven Coastal Erosion"</u> [The Maritime Executive June 19]
- ➤ Analysis: "The Future of ASEAN Maritime Security Cooperation" [EastAsia Forum June 17]
- ➤ Analysis: "Hydrogen in Maritime: Opportunities and Challenges" [WSP Global June 15]
- ➤ Analysis: <u>"The Coast Guard: "Always Ready," Except for Change"</u> [Center for a New American Security June 7]
- ➤ Analysis: <u>"Why China Is Miles Ahead in a Pacific Race for Influence"</u> [The New York Times May 31] [Paywall]
- ➤ Analysis: "Blue carbon: The potential of coastal and oceanic climate action" [McKinsey Sustainability May 13]

# **Events on the Maritime Domain**

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- ➤ On May 31, the Wilson Center Asia Program held a virtual event on <u>The Indo-Pacific Economic</u> Framework and What It Means for the United States.
- ➤ On May 31, the Observer Research Foundation held a virtual feature event on <u>Blue Talks</u>: <u>Conservation and Development Imperatives for Blue Economy</u>.
- ➤ On June 7, the Center for Security & International Studies held a virtual chat with Mike Wirth, chairman of the board at Chevron Corp., on Oil and Gas Majors in the Energy Transition.
- ➤ On June 15, the Wilson Center, in partnership with the Government of Greenland, held a webcast discussion on <u>Trade</u>, <u>Minerals</u>, and the <u>Green Transition in Greenland</u>: <u>A</u> <u>Conversation with Prime Minister Múte B. Egede</u>.
- ➤ On June 21, the Wilson Center Environmental Change and Security Program held a virtual discussion on <u>Seabed Mining, International Law, and the United States</u>.
- ➤ On June 23, the Center for Security & International Studies Japan Chair and Economics Program, alongside the Japan External Trade Organization, will hold a webcast discussion on The Future of Economic Order in the Asia-Pacific Region.
- ➤ On June 27, the Yusof Ishak Institute held a webinar on <u>Mare Clausum with Chinese Characteristics: China's Lawfare in the South China Sea</u>.
- ➤ On July 27, the World Maritime University held a side event at the UN Ocean Conference 2022 on Empowering Women for the UN Decade of Ocean Science for Sustainable Development.
- ➤ From June 27-July 1, the United Nations Development Programme will be holding its second UN Ocean Conference in Lisbon, Portugal and online, which will focus on "Scaling up Ocean Action Based on Science and Innovation for the Implementation of Goal 14". Information on conference registration and event topics is available online.



# Handbill Spotlight

### **Association of Southeast Asian Nations (ASEAN)**

### Issue Background 1

The Association of Southeast Asian Nations (ASEAN) is a regional inter- governmental organization currently made up of 10 member states across Southeast Asia:
Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar (Burma), the Philippines, Singapore, Thailand and Vietnam. ASEAN was formed in 1967—in the midst of the Cold War—after the foreign ministers of Indonesia, Malaysia, the Philippines, Singapore and Thailand signed the ASEAN Declaration in Bangkok, Thailand. Among other aspects, this Declaration listed the seven specific aims and purposes of ASEAN, which were mostly focused on promoting



economic growth, social progress, cultural development, and peace and stability in the region. Notably, Thailand and the Philippines were already aligned with the United States in a Cold War in a Cold War context via the since-dissolved Southeast Asia Treaty Organization (SEATO). Initially, the economic and social cooperation pursued by ASEAN members was also unofficially motivated by a desire to contain communism through liberal models of development.

Since the end of the Cold War, ASEAN has incorporated nations into its ranks that come from a wider range of ideologies and regime types to form the 10-state organization that it is today. This ideological diversity, combined with ASEAN's unique standard for consensus and non-coercion as core values of the 'ASEAN Way,' has led the bloc to develop a reputation as a passive and indecisive intergovernmental organization—at least relative to its far more centralized counterparts like the European Union. However, ASEAN's decision not to invite a representative from Myanmar to its summits following the February 2021 coup in Naypyidaw suggest that these principles are evolving away from complete non-interference.

Nevertheless, ASEAN has mostly sidestepped the political sphere, holding its greatest successes in the realm of regional economic integration. The bloc was the driving force behind negotiating two of the largest trade blocs in history, the Asia-Pacific Economic Cooperation (APEC) forum in the 1980s

<sup>&</sup>lt;sup>1</sup> Image Source: ASEAN Flag Map, Wikipedia Commons, CC4.0, User "Стыдуьвз"



and the Regional Comprehensive Economic Partnership (RCEP) in the 2010s. The latter free trade agreement even covers 45% of the world's population and almost a third of global GDP.

#### **Recent Events**

From May 12-13, 2022, President Biden hosted the first in-person <u>U.S.-ASEAN Special Summit</u> since the start of the COVID-19 pandemic. With this meeting in Washington, D.C., the U.S. hoped to solidify a commitment made last November to upgrade U.S.-ASEAN ties from a strategic partnership to the level of "comprehensive strategic partnership." There is a lot of ground to cover to bring about this transition, though, as former President Donald Trump only attended one ASEAN summit and left the position of ambassador to ASEAN vacant. On the first day of the summit, Biden unveiled a \$150 million aid package to ASEAN countries targeting infrastructure, security, pandemic preparedness, and clean energy. Biden also announced the nomination of Yohannes Abraham, the chief of staff of the National Security Council, to be U.S. Ambassador to ASEAN.

The final day of the summit in Washington yielded a 28-point joint vision statement. Notably, the statement reiterated the U.S. commitment to "ASEAN centrality" as a key to regional stability. ASEAN and the U.S. affirmed the compatibility of the 'ASEAN Outlook on the Indo-Pacific' with the 'Indo-Pacific Strategy' of the United States. The two sides also proclaimed the need to maintain regional maritime peace and stability through adhering to the principles of the 1982 United Nations Convention on the Law of the Sea (UNCLOS). The statement referred to the South China Sea in particular as "a sea of peace, stability, and prosperity" where nations should pursue "the peaceful resolution of disputes in accordance with universally recognized principles of international law." These points in the statement were bolstered by an announcement that a U.S. Coast Guard vessel will be permanently deployed in Southeast Asia "for security cooperation and to operate as a training platform."

After the Special Summit, representatives from ASEAN countries were also present at the launch of the Indo-Pacific Economic Framework (IPEF) in Tokyo, Japan on May 23 and the IISS Shangri-La Dialogue in Singapore from June 10-12. With economic development as a key concern for ASEAN, U.S. overtures to the bloc led seven of its ten members to join the U.S. as initial IPEF members. It remains to be seen how ASEAN member states will influence the negotiation of IPEF's various pillars, but the new initiative features overlaps greatly with (infrastructure, clean energy, trade facilitation) with extant U.S. efforts in the region. On the security front, ASEAN's participation in the Shangri-La Dialogue was overshadowed by some of the 'heavier hitters' in the region like the U.S. and China. However, comments made by ASEAN leaders there suggest that there is pressure within the bloc to take a stronger collective stance on the South China Sea issue. After the Philippines' Secretary of National Defense Delfin Lorenzana took aim at China's maritime claims during a panel discussion, Malaysian Defense Minister Hishammuddin Hussein called for ASEAN to stick together on the matter, saying "our bloc of 10 countries must stand united."

### **Keep In Mind**

ASEAN will continue to be an important factor in Southeast Asian maritime affairs. The U.S. and China are both deeply engaged bilaterally with ASEAN member states economically, and there is



international consensus on the need for 'ASEAN centrality' in Southeast Asia as a means to avoid 'salami-slicing' in the region by superpowers. While the 'ASEAN way' has led the bloc to traditionally avoid getting embroiled in the political disputes of its member-states, increasing geopolitical polarization is causing splits in the bloc and recalibrations of several of its fundamental principles. Two key areas to watch out for in the coming months include how ASEAN members will collectively approach their disputes with China in the South China Sea, and how U.S. and Chinese regional initiatives in turn could widen existing cleavages in the bloc.

The position of ASEAN, a primarily economic and social bloc, towards the South China Sea has traditionally been strategically ambiguous. Several ASEAN states—Brunei, Indonesia, Malaysia, the Philippines, and Vietnam—have maritime claims at odds with China's. Nevertheless, ASEAN has historically avoided staunch opposition to the Chinese position to preserve diplomacy as an avenue for dispute resolution. As Defense Minister Hussein put it at the Shangri-La Dialogue, ASEAN member states are "more than aware of what is at stake, which is why we have consistently advocated that diplomacy takes precedence in approaching this dispute." In this spirit, an ASEAN-China 'Code of Conduct' (CoC) for the South China Sea has been sporadically in development since 2002, but no substantive progress has been made on it since preliminary guidelines were agreed to in 2012. With ASEAN-China South China Sea CoC negotiations stalled under Cambodia's chairmanship this year, Indonesia's liaisons within ASEAN over the past year are an effort to construct an alternative, comparatively uncompromising 'coalition of the willing' on maritime security with Brunei, Singapore, Malaysia, Vietnam, and the Philippines.

These divisions within ASEAN may get even larger over the year as a result of U.S. and Chinese regional *démarches*. On the security front, Cambodia began expanding its Ream Naval Base on China's dime earlier this month. As one of China's strongest partners in the region, Cambodia's chairmanship of ASEAN in 2022 has been a thorn in the side of the bloc's more China-skeptical members. While China and Cambodia both <u>deny</u> that the joint project will harbor a Chinese naval presence, U.S. and Australian officials have stated that the expanded portion of the base is intended for <u>"exclusive" use</u> by the Chinese PLAN. A Chinese installation there would be the first of its kind in the Gulf of Thailand and would invariably expand China's ability to project power in the South China Sea.

If Cambodia's recent actions are pulling one side of ASEAN more towards China, the concurrent decisions of other members to sign on to IPEF are pulling the bloc in the direction of the U.S. While IPEF is a fundamentally economic arrangement, as a U.S.-led initiative, it is bound to propagate U.S. economic interests throughout the region. In particular, its 'supply chain resilience' pillar may seek to reduce China's footprint in Southeast Asian markets and reorient trans-Pacific shipping patterns. With the majority of ASEAN members involved in IPEF from the ground floor, this initiative could further deepen divisions in ASEAN on how best to engage with the U.S. without provoking China.

This issue's Spotlight was written by Alec Caruana, ICAS Research Assistant Intern



# ICAS Maritime Affairs Program: New and Upcoming

### ICAS BCCC Commentary —

Marine Protected Areas in the High Seas: A Multilateral Resolution and Unilateral Quandary for Blue Carbon Conservation

By Matt Geraci

June 21, 2022

"Blue Carbon' processes naturally sequester atmospheric carbon dioxide into sediments and conserve marine ecosystems over the long run when it remains undisturbed. These ecosystems typically include coral reefs, mangroves, sea grasses, salt marshes, kelp forests, and more. According to the U.S. National Oceanic and Atmospheric Administration, coastal blue carbon ecosystems, including seagrasses, salt marshes, and mangroves, 'store three-to-five times more carbon per unit area than tropical forests, and [sequester] carbon at a rate ten times greater than tropical forests,' making them a crucial component of a country's carbon emissions stock. Marine protected areas (MPA) are necessary for conserving blue carbon resources in coastal and deep-sea ecosystems. However, history has shown that if geopolitics is the driving force behind their declaration, sovereignty disputes will only intensify. A new, enforceable, and comprehensive international treaty covering the creation of MPAs on the high seas must be drafted and ratified for blue carbon resources to be adequately protected globally."

This commentary was <u>originally published</u> on China-US Focus on June 21, 2022.

#### Read Online

#### - ICAS Newsletter Release -

ICAS Blue Carbon & Climate Change Quarterly Volume 1, Issue 2 will be released next week!

Stay tuned for the Volume 1, Issue 2 of the ICAS Blue Carbon & Climate Change (BCCC) Quarterly, which records the most important trends and developments regarding blue carbon policies and regulations in China, the U.S., and other regions, as well as international regimes such as the United Nations. A Chinese language version of this product is also produced to disseminate to an Asian audience so that both sides have access to our research.

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We aim to provide a window into the worldviews of both the United States and China, and thereby serve as a vehicle to promote greater understanding between these two countries and societies.

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