



# **Cooperative Security Initiatives in the Straits of Malacca “Issues for littorals”**

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# Presentation Structure

- Background of the Straits
- Current Status
- Issues for the littoral
- The Way Forward
- Conclusion

# Traffic Volume in the Straits of Malacca

Year	Traffic Volume
1999	43,965
2000	55,957
2001	59,314
2002	60,034
2003	62,334
2004	63,636
2005	62,621

Source: Marine Department, Malaysia

# Number of Vessels call at ports along SOM (2001-2005)

Indonesia

Malaysia

Singapore

Year Port	Belawan	Dumai	Klang	Pulau Pinang	Johor	Port Dickson	Tanjung Pelepas	S'pore Port
2001	6469	6956	14207	8906	6242	1152	2283	146265
2002	5803	6420	15313	7328	6631	3483	3483	142745
2003	5791	6163	16251	6419	6877	3148	3148	135386
2004	4695	6376	15150	6804	6526	3193	3193	133185
2005	4574	6287	15050	6220	6438	3128	3128	130318
<b>Total</b>	<b>27332</b>	<b>32202</b>	<b>75971</b>	<b>35677</b>	<b>3271 4</b>	<b>14104</b>	<b>15235</b>	<b>687899</b>

# Current Status: Malacca Straits Safe

- June 2005 Lloyd's Market Association's Joint War Committee (JWC), add Malacca Strait to a list of 20 global areas, as security threats to shipping which labeled SOM as "war risk zone".
- Littoral states opposed and argued that it would negatively affect their economies, increase security fears and lead to higher insurance premiums on shipping companies utilizing the passage.
- August 7 2006, JWC said it has decided to delete the Malacca strait from its list that it deemed security threats to shipping.

- The JWC released a statement acknowledging that it "recognized that there had been a significant improvement in the area in terms of security" and was "now of the opinion that the evidence has shown that not only has the situation improved within the area, but the measures are long term."
- Lloyds however said ships calling at north-east ports on the Indonesian island of Sumatra would still be subject to 'war-risk' surcharges

# Efforts by littoral states to enhance security in the Straits

- MALINDO, a coordinated patrol arrangement involving navies of M'sia, Indo and S'pore. Launched in July 2004, a trilateral initiatives to enhance security in the Straits
- "Eyes in the Sky" (EIS) a maritime air surveillance operation over the Straits of Malacca. Initiated by DPM (M'sia) at Shangri-la Dialogues 05. Open arrangements, may involve participation out of littoral states in providing assets, manned by the littorals officers
- Malaysian Maritime Enforcement Agency, to provide maritime constabulary services to assure the safety of vessels transiting Malaysian waters.
- The Regional Co-operation Agreement on Combating Piracy and Armed Robbery against ships in Asia (ReCAAP)

## **ISSUES FOR LITTORAL**

**The objective is not to come to any conclusion but to have a better mutual understanding of the different perspectives.**

# ReCAAP

- Aimed to enhance multilateral cooperation among the 10 members of ASEAN plus Japan, India, China, South Korea, Sri Lanka and Bangladesh
- ReCAAP include Information Sharing Centre (ISC) for facilitating the sharing of piracy-related information by end of 2006. Signed by 16 Asian countries.
- M'sia & Indo has not signed ReCAAP – perceive not in line with the sovereignty of these states

## Issues

- Some states may not report accurately the piracy incidents in their ports and sea areas under their jurisdiction to prevent being labeled as piracy prone.
- Over reporting (accuracy of data )
- Overlap with Piracy Reporting Centre (PRC) an agency under the International Maritime Bureau (IMB)

# PMSc



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# Private Maritime Security Companies (PMSc)

- PMSc are private security companies that offer armed escort services for vessels transiting the Malacca and Singapore Straits.
- Hire ex-police and military personnel to guard ships and their crew passing through the Malacca and Singapore Straits.
- In areas under both Malaysian and Indonesian jurisdiction, possession of firearms and even bullets by unlicensed private citizens is a serious offense. Therefore, the operation of these service in these states' territorial or archipelagic waters in the Malacca Strait raises difficult questions of law, sovereignty and accountability

# Issues

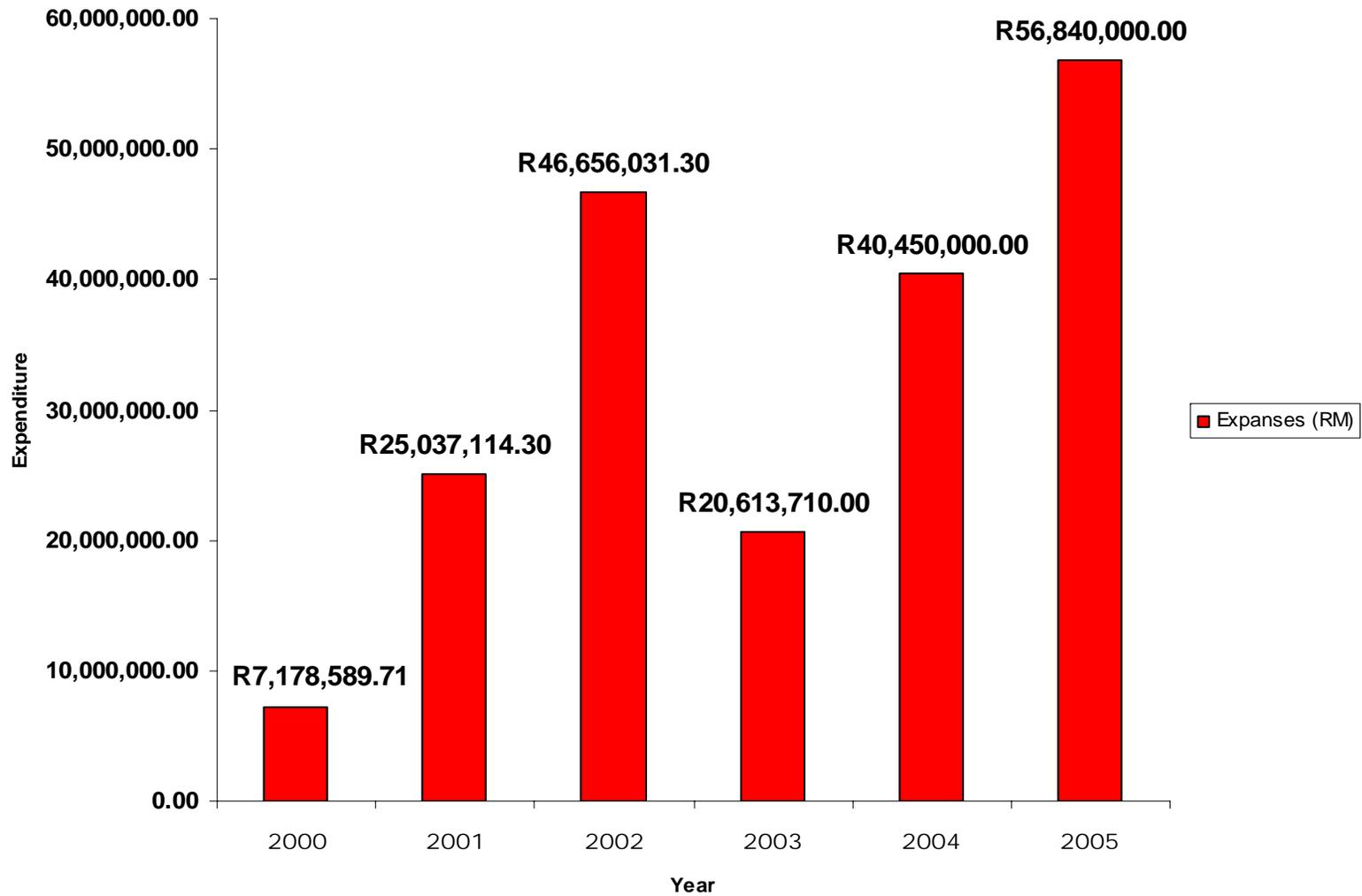
- Singapore allows these companies to operate in and from its land and sea jurisdiction in the Singapore Strait
- M'sia have not given license to any private company to operate in M'san territorial waters – application by two local companies was rejected
- Indo' and M'sia raise question like:-
  - Arm Race/business rivalry between PMCs
  - Illegal Trading of Arms
  - Safety of innocent fisherman
  - Overlap function with enforcement by M'sia& Indo

# Burden Sharing

- Vessels may have to pay a fee to use services in the Malacca Strait, as to share the cost of keeping it open and safe
- However, reaching agreement on burden sharing has never been easy.
- Differences among littoral and users on Who, What and How to Pay has been debated over the years

- Malaysia has been one of the biggest investors in terms of safety and security of navigation in SOM. This involves:-
  - ★ Infrastructure development,
  - ★ Maintenance of navigational aids,
  - ★ Assistance to vessels in distress
  - ★ Securing the straits from criminal activity
  
- Facilities included:- SSS, VTS, EDCIS, AIS  
Enforcement :- MASLIND, Joint Coordinated Patrol, Eye in the Sky, MME
  
- Offers of burden sharing mostly come in the form of security aids and not financial assistance

**COST OF MAINTENANCE AND SAFETY OF NAVIGATION IN STRAITS OF MALACCA  
FROM YEAR 2000 - 2005**



- Establishing a funding mechanism for SOM need serious consideration
- Further study needed to identify the actual cost of navigational safety in the Malacca Straits.
- The costing should be done by the Littoral States through the Tripartite Technical Expert Group (TTEG)

### **Recommendation**

- Propose the formation of Straits of Malacca Authority (SMA), to look into the maintenance of the navigational safety, security and environmental protection in SOM
- SMA should serve as a platform to coordinate the Management Plan for the funding framework.
- Commission comprises officers from Malaysia, Indonesia, Singapore and other users states, on invitation basis.

## Issues

- Proposal for the management of the Straits should take into account its legal regime and balancing the concerns of the littoral States and the users states and other stakeholders
- More important that any funding assistance should not infringe on the sovereignty of Littoral States
- Littoral states should be wary of seeking external funding to help patrol the Malacca Strait as it could undermine their sovereignty
- Foreign financing /burden sharing/toll collection if accepted by all stakeholders requires littoral be able to provide comprehensive security- raise question on adequacy.
- Financial assistance be focus for navigational safety measures only.

# Issues for User

The concern of users states in security arrangements for SOM are focused on:-

- Information Sharing
- Coordinated Patrol
- Proliferation Security Exercise
- ARF Maritimes Sea Exercise
- Assets assistance

(Policy Division, Ministry of Foreign Affairs  
M'sia)

# The Way Forward

1. Form a funding mechanism for SOM
2. Move beyond dialogues  
"Multilateral dialogue is necessary and useful, but we should also move beyond dialogue to practical cooperation" Singapore's Defense Minister Teo Chee Hean
3. Enhance meeting between IMO and the littoral and users of the straits
4. PMSc - littorals to sit together and develop common principal on issue of PMS along straits

**Focus on Safety**

**Action**

**Jakarta – KL Meetings**

**Streamlines Guidelines**

# THANK YOU

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