

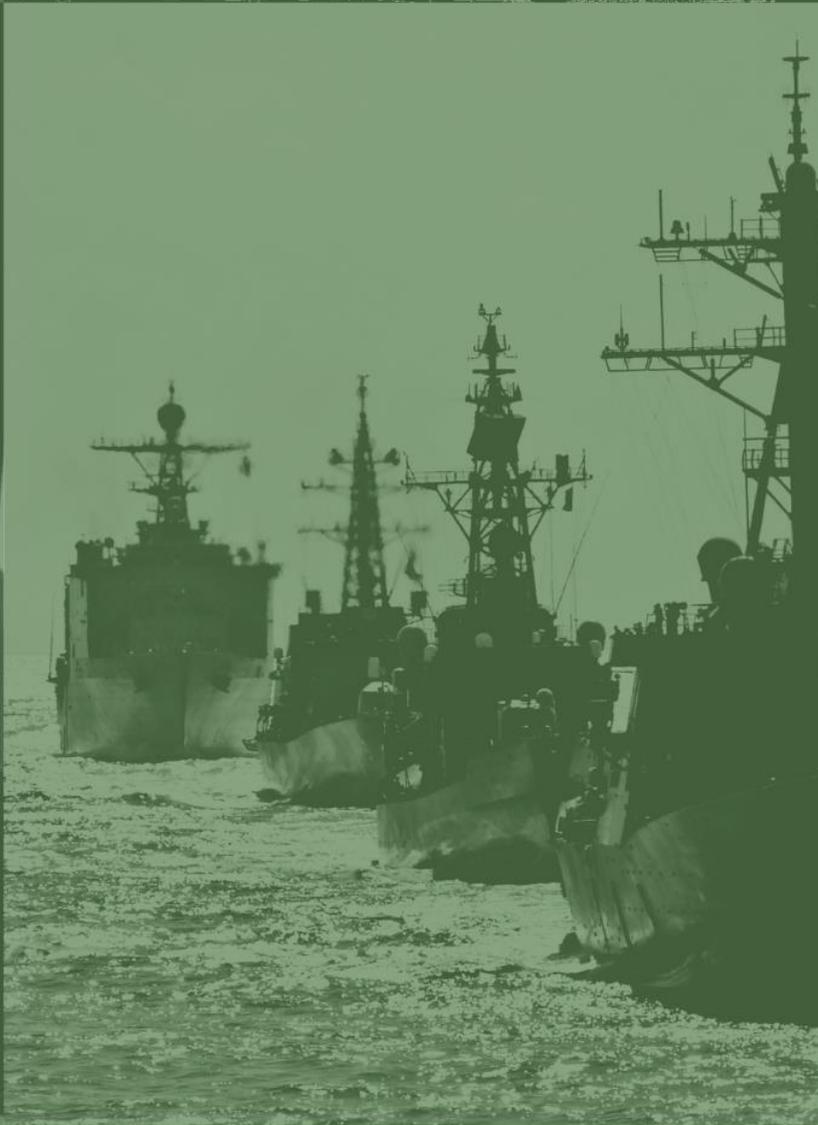


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Strategic Dynamics in the Indo-Pacific: Partnership for Maintaining Inclusive and Stable Maritime Region

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Abstract

The Indo-Pacific is the most strategically important region in the 21st century. Southeast Asia is located strategically in the confluence of major sea lines of communication. Therefore, the maritime domain and Southeast Asian states are indispensable in the Indo-Pacific. The ASEAN Outlook on the Indo-Pacific (AOIP) serves as a guideline for the cooperation between ASEAN and the Indo-Pacific nations. Many Indo-Pacific nations have voiced their support towards the AOIP, including the European Union. Despite its importance, the Indo-Pacific is facing numerous challenges such as the maintenance of an inclusive, open, stable, and prosperous region with rules-based partnerships. This paper is divided into three parts. First, it assesses the challenges in the maritime areas of Southeast Asian nations. Second, it explains maritime issues of shared interests between European Union and Indo-Pacific states. Third, it discusses security frameworks that are better suited in the regional context.

1. Introduction

The Indo-Pacific region holds unparalleled strategic significance in the 21st century. This vast maritime expanse, stretching across the Indian and Pacific Oceans, is not just a geographic concept but rather the epicenter of a peaceful and resilient Indo-Pacific region. It is home to critical sea lines of communication (SLOCs) that facilitate the flow of goods and energy, shaping the global supply chain. The Indo-Pacific region also hosts critical chokepoints that are indispensable for military passage and maneuvers. The region accounts for over 60% of global maritime trade and 60% of the world's gross domestic product (GDP). This makes Southeast Asia the epicentrum of geo-strategic, economy, and socio-cultural interactions in the Indo-Pacific.

The ASEAN Outlook on the Indo-Pacific (AOIP) serves as a guideline for the cooperation between ASEAN and the Indo-Pacific nations. Many Indo-Pacific nations have voiced their support towards the AOIP, including the European Union (EU). There are convergences between the AOIP and the EU's Indo-Pacific Strategy, particularly in maintaining an inclusive, open, stable, and prosperous region based on rules-based partnerships with ASEAN at the centre. Maritime cooperation is stated as one of the key pillars of the AOIP.

On the strategic front, ASEAN-led security mechanisms such as the East Asia Summit (EAS), the ASEAN Regional Forum (ARF), the ASEAN Defence Ministers' Meeting Plus (ADMM-Plus), and the Expanded ASEAN Maritime Forum (EAMF) serve as dialogue avenues for exchanging issues on ASEAN and European Union shared interest including promoting sustainable maritime governance, combatting maritime illegal activities at sea, humanitarian assistance, and disaster relief (HADR), safety of navigation, connectivity, etc.

2. Shared interest between Europe and Southeast Asia

One of the pronounced shared interests between Europe and Southeast Asia includes upholding the rules-based international order, maintaining a stable and open region through multilateral cooperation. The Indo-Pacific sea lines of communication hold tremendous environmental, socio-economic, and strategic value to countries in Southeast Asia and the users of the maritime commons including Europe. In this regard, cooperation between Europe and Southeast Asia covers a broad range of maritime issues including security, economy, and a sustainable environment.

Upholding a rules-based international order

The Association of Southeast Asian Nations (ASEAN) released the '*ASEAN Outlook on the Indo-Pacific (AOIP)*' in 2021. The key focus in the AOIP is to maintain ASEAN's centrality and relevance in the Indo-Pacific discussions. The Outlook serves as an important framework for maritime cooperation across the Indo-Pacific. ASEAN efforts towards maintaining peace, stability and security in the region must be inclusive of dialogue with Indo-Pacific partners like Japan, Australia, India, and the European Union. Notwithstanding the importance of cooperation, any form of multilateral cooperation between ASEAN and Indo-Pacific countries must be consistent with the AOIP.

The ASEAN Outlook on the Indo-Pacific's (AOIP) crucial component is to maintain its centrality and relevance in the Indo-Pacific discussions. The rules-based regional order ensures that the rule of law, freedom of navigation and overflight, free trade, and open and secure cyberspace in the Indo-Pacific are maintained. The rules-based order is not an external element to ASEAN as it has been embodied by ASEAN Political Security Community Blueprint that was adopted in 2009. As such, ASEAN and the Indo-Pacific partners should promote and maintain a region of cooperation, connectivity, and community-building in compliance with international law, notably the UNCLOS 1982. The rules-based order in the regional context must be aligned with the ideas stated in the AOIP.

Security architecture

Security architecture in the region is facing notable challenges including global inflation that has impacted the countries seeking to secure national priorities to maximise economic gains. The situation is also aggravated by the Russia-Ukraine War in Europe that has affected the global supply chain as well as increasing the price of goods, commodities, and maritime transportation cost and services. Furthermore, countries are still recovering from the pandemic; however, cooperation towards resilience and post-pandemic recovery is slower amidst the strategic contest.

In addition to the economic situation, the great power rivalry has raised concern regarding the possibility of an armed conflict between the great powers. These concerns have grown especially in flashpoints like the South China Sea and the Taiwan Strait. At the 20th Shangri-La Dialogue in June 2023, US Secretary of Defence Lloyd J. Austin III stated that the US will “not be deterred by dangerous operational behaviour at sea or in international airspace,” and the US deplored Beijing’s “alarming number of risky intercepts of US and allied aircraft flying lawfully in international airspace” implying the aggressive actions by China in the Taiwan Strait and the South China Sea. On the other hand, Chinese State Councillor and Defence Minister General Li Shangfu responded, stating that “the Chinese military will not hesitate for a second” to counter any effort that “dares to separate Taiwan from China.”

The risks of miscalculations and unintended collisions have increased as China is escalating its grey-zone activities and the militarisation of artificial islands in the disputed South China Sea while the US increases high-profile military operations with allies and partners in the contested waterway; hence, worries about the possibility of an armed conflict in the Indo-Pacific maritime areas have increased. In case of a naval conflict, global supply chains will be affected as the region hosts indispensable SLOCs for global maritime trade and detrimental to the economic security of the ASEAN states.

The great power rivalry is more pronounced with more and more Indo-Pacific partners attempting to address the complex relations the world is facing vis-à-vis China. This includes the European Union declaring China as a partner, competitor, and systematic rival. In 2023, the European Union and the U.S. conducted their first ever joint naval exercise in the South China Sea. The European Union’s military presence in the SCS indeed raises worrying concerns in Southeast Asia. The main concern is that the SEA region will become a militarily active region. The strategic engagement of militarily advanced nations in the SCS is likely to increase the fear of military confrontation. While it is true that Southeast Asian states would like to avoid any unilateral country imposing power in the region, the fear of conflict arising from militarisation in SCS is also increasing.

The South China Sea has been the site for many incidents involving Chinese law enforcement vessels and other Southeast Asian claimants. Throughout 2023, there were several dangerous incidents involving the Philippines and the Chinese Coast Guard (CCG) in the Scarborough Shoal in West Philippine Sea. Although the overlapping claims are not new, the scale of China’s presence and excessive use of lawfare to assert its ‘nine-dash line’ claims since the 2016 Arbitration Award in favour of the Philippines has recently intensified. For example, there were reports of “hostile” incidents when Chinese research ships sailing close to the oil rig off the Vanguard Bank caused encounters with Vietnam’s patrol boats. There are also reports on ongoing talks on building the Royal Malaysian Navy’s Region 4 Naval Headquarters off Sarawak to increase naval surveillance. 2023 was eventful for excessive law fare activities in the South China Sea with many of the incidents meant to expand Chinese law enforcement in the Exclusive Economic Zone of other claimants.

Despite this flareup, ASEAN and China are not letting down efforts to conclude the Code of Conduct that is expected to be concluded in 2026. In light of these developments, the Southeast nations remain consistent in promoting dialogue and common interest that maintains and promotes peace, security, and stability in Southeast Asia. In December 2023, ASEAN Foreign Ministers recalled and affirmed their stands to promote peace, security, and stability in the region.

3. Beyond Security: Sustainable Development in the Indo-Pacific's Maritime Domain

Whilst maritime security is crucial, the rule of law must be upheld to provide the foundation for a sustainable ocean economy in the Indo-Pacific. Concern for the protection of the marine environment has been growing and over-exploitation of economic resources has destabilised relations between competing states. The rule of law needs to be in place and enforced to regulate all maritime activities as encapsulated in the UNCLOS 1982.

The sustainable development of ocean covers several critical aspects such as preservation, conservation, and the sustainable management of ocean resources. The protection of the marine environment has emerged as a vital component of society, the state, and the international community. The adverse impact of poor environmental management would negatively affect the biodiversity, human health and sustainability of the ecosystem. The United Nation's 2030 Agenda for Sustainable Development (Goal 14) on Life Below Water should be a critical maritime cooperation with the EU and Southeast Asia.

Additionally, the concept of environmental security linking the scarcity of food and water and the effects on humans has emerged as buzz term. Its importance has been translated into the concept of the 'Blue Economy' where sustainable use of ocean resources contributes to economic growth and improved livelihood. The concept is aligned with economic and trade activities and emerges from a need to integrate conservation sustainability in the management of the maritime domain.

The 'Blue Economy' concept has emerged as a vital element in maritime governance particularly in the context of international cooperation. Preserving the marine environment and enduring exploitation of non-living resources are critical to be resilient against impacts from climate change, sea level rise and extreme weather that adversely impact on the safety of shipping. Besides, governance on maritime activities such as fishing, hydrocarbon exploration and exploitation, mining, coastal development, and maritime transport is not well established in Southeast Asia. The Sustainable Shipping Initiative (SSI) and the UN Decade of Ocean Science for Sustainable Development (2021-2030) should set the benchmark for cooperation for Indo-Pacific states.

Beyond Security: Maritime Governance in the Indo-Pacific's Maritime Domain

Maritime governance refers to the integrated management or administration of issues related to the sea. The aim is to govern the maritime affairs towards safe, secured navigation and sustainable uses of the sea for economy and trade. As such, maritime governance is inclusive of comprehensive security of the ocean users and its adjacent areas such as ports. Maritime governance is not new; however, the scope expanded in greater depth after World War II.

More attention should be paid to management beyond the traditional notion of military passage access, or customary laws and territorial as well jurisdictional regimes. In particular, since the start of 1958 *United Nation Conference on the Law of the Sea* and the adoption of the *United Nations Convention on the Law of the Seas 1982 (UNCLOS 1982)*. Traditionally, maritime governance has been viewed from a military standpoint and as an area for great powers to expand and thus of major strategic importance. Awareness of the importance of maritime governance beyond traditional use gained currency extensively since UNCLOS 1982. State actors and users began to pay more attention to the other utility of the ocean not only for access but also for economic interdependence. Majority coastal states and landlocked countries accepted the regime, rules, and order under UNCLOS 1982.

The most neglected aspect of governance is the security dimension, more specifically, the interstate cooperation on maritime security. Maritime security generally refers to the solutions for the problems associated with the sea. It involves the security of humans interacting at sea, security risks to vessels (both commercial and military) navigating the sea, security of the infrastructure, security of maritime shipping and industry and last but not least the security of the entire ecosystem including the living and non-living resources.

A state can determine what form of maritime security mechanisms is most desirable and suited to the interests of states. In another word, states can choose to participate in or to reject maritime governance initiatives based on the several criteria like political, economic, social and national interest. Generally, states would choose to be part of governance that is made without jeopardising the goals of governance that is neutral and promotes practical management on issues involving the external environment such as the economy, trade related shipping, and industries.

4. Conclusion

The strategic environment in the Indo-Pacific region is more complex than ever due to the increasing challenges beyond the U.S. and China's strategic power rivalry in the South China Sea. The shared security interest between the U.S. and Indo-Pacific nations as well as the European Union to challenge China's assertiveness in the SCS can support upholding a rules-based region. At the same time, the strategic competition between the US and China, and the expanded interest from European Union and other Indo-Pacific states are also a signs of regional instability whereby multiple strategic goals overlap in the SCS.

While it is understood that the strategic development is to balance China's assertiveness in the SCS, the concern is that the increasing military activities will also increase the risk of conflict. At the same time, the focus on contest and competition is eroding the attention on other pressing maritime governance. In this regard, the European Union's engagement in the SEA must also focus on enhancing cooperation on the marine environment, and protecting against non-traditional threats to international shipping and assisting the SEA to become a resilient maritime region.

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