5 Overseas Activities

Australia identifies in the Defence White Paper “a stable, rules-based global order” as its fourth strategic interest. Accordingly, on occasion, Australia will utilize the ADF to assist the international community in dealing with risks and threats. Based on this policy, as of late May, about 2,250 of Australia’s approximately 56,750 force strength are deployed and are conducting activities overseas.

In Iraq, to support the airstrikes conducted by the U.S. Forces against ISIL in northern Iraq, Australia began air-dropping humanitarian supplies in August 2014 and participating in combat missions such as airstrikes from October 2014. In addition, Australia’s Special Operations Task Group is advising and assisting the Iraqi Security Forces on the military front. As of late May, about 900 personnel (of which approximately 400 personnel are engaged in assistance in the United Arab Emirates), six F/A-18 fighter/attack aircraft, one E-7A early warning and control aircraft, one KC-30A refueling aircraft, among other assets are executing this mission.

In Afghanistan, since October 2001, approximately 1,550 ADF personnel on average have engaged annually in reconstruction assistance activities and the trainings of the Afghan National Security Forces (ANSF), under the International Security Assistance Force (ISAF). With the completion of ISAF’s activities in the end of 2014, about 400 ADF personnel now train, advise, and assist ANSF and other units.

In addition, for the search of the Malaysian airliner that vanished in March 2014, the ADF led the search activities by hosting search units of various countries in Perth, western Australia. The ADF also deployed a search unit in the wake of an AirAsia crash in December 2014.

Section 6 Southeast Asia

1 General Situation

Southeast Asia occupies a strategic position for traffic, linking the Pacific and the Indian Oceans, such as the Straits of Malacca and the South China Sea. It is an important region for Japan which relies on maritime transport for many of the supplies needed for economic activities and the lives of the Japanese people. The countries in Southeast Asia are making efforts to achieve political stability and steady economic growth, and lately have realized overall economic development to varying degrees. Such economic development has deepened interdependence within the region and with countries outside the region. However, this region still has destabilizing factors, including the territorial disputes over the South China Sea, ethnic minority issues, separatist and independence movements, and Islamic extremist groups. Moreover, there are incidents such as piracy by which the safe passage of ships is obstructed. Furthermore, in recent years, there is a concern about nationals embarking to Iraq and Syria for the purpose of joining the Islamic State of Iraq and the Levant (ISIL) and engaging in terrorism after returning to their countries. In order to cope with these issues, the countries in Southeast Asia are working to build military forces for national defense and maintenance of domestic public security, as well as for addressing new security issues such as terrorism and piracy. In recent years, against the backdrop of economic development, the countries have been modernizing their military forces, particularly their naval and air forces, as well as strengthening their maritime law enforcement capacities.

See Fig. 1-1-6-1 (Comparison of Forces Strength and Defense Budget between Southeast Asia and Japan/China/ROK 2015)
Indonesia is a country of importance in Southeast Asia with the world’s largest Muslim population, vast land and territorial waters, and strategic importance for maritime traffic. Although Indonesia does not confront any immediate external military threats, it faces internal concerns, including the activities of Islamic extremists, such as Jemaah Islamiyah (JI), and secession and independence movements in Papua Province.

In October 2014, Joko Widodo, the winner of the July 2014 presidential election, was inaugurated as the seventh President of Indonesia, replacing the sixth President Susilo Bambang Yudhoyono. Under the banner of his maritime nation concept, President Joko strives to revive maritime culture, deal with territorial disputes through maritime diplomacy, and strengthen maritime defense capabilities. In addition, President Joko has announced that he would increase defense spending.

Notes:
1. Source: The Military Balance 2015, etc. The size of each block indicates relative size using Japan as the base size.
2. For Japan, the force strength shows the actual strength of each SDF as of the end of FY2014; the number of combat aircraft is the sum of the number of combat aircraft of the ASDF (excluding transport aircraft) and that of the MSDF (fixed-wing aircraft only).
3. The national defense budget of China is from the Finance Minister’s Budget Report to the National People’s congress in 2015.
5. The national defense budget for all of Southeast Asia represents the sum of the 2014 figures for each country according to the Military Balance 2015.
6. The national defense budget of China and the ROK is expressed in U.S. dollars and is calculated using the FY2015 Ministry of Finance exchange rates of 110 yen to 1 dollar, 18 yen to 1 yuan, and 100 yen to 1,000 won.
7. The Japanese national defense budget is expressed in U.S. dollars converting 2015 figures using the FY2015 Ministry of Finance exchange rate of 110 yen to 1 dollar.

2 Security and Defense Policies of Each Country

1 Indonesia

Indonesia is a country of importance in Southeast Asia with the world’s largest Muslim population, vast land and territorial waters, and strategic importance for maritime traffic. Although Indonesia does not confront any immediate external military threats, it faces internal concerns, including the activities of Islamic extremists, such as Jemaah Islamiyah (JI), and secession and independence movements in Papua Province.

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On the other hand, as part of military reform,
Indonesia aims to achieve the requirements for minimum defense capabilities – what it calls Minimum Essential Force (MEF), and build the MEF in the next four years. However, Indonesia has indicated that its maritime defense capabilities, in particular, are still very much inadequate.

Indonesia emphasizes cooperation with other Southeast Asian countries, and practices an independent and active foreign policy. It is strengthening its cooperative relationship with the United States in such fields as military education and training, and military equipment procurement, and is involved in joint training with the United States. These include the “CARAT (Cooperation Afloat Readiness and Training)” and the “SEACAT (Southeast Asia Cooperation Against Terrorism)” exercises. In 2010, President Barack Obama visited Indonesia, and the two countries concluded a bilateral comprehensive partnership. Since then, a bilateral foreign ministers’ meeting has been held annually in accordance with said partnership.

With China, the counter-terrorism training “Sharp Knife” has been held among the special operation forces of the two countries since 2011, and “Sharp Knife Airborne” among the airborne units of the air forces of the two countries since 2013. In November 2014, Minister of Foreign Affairs Marty Natalegawa of Indonesia held successive talks with the foreign ministers from the respective member states, and “ASEAN’s Six-Point Principles on the South China Sea” was established.

Malaysia, which is located at the center of Southeast Asia, considers itself to have common strategic interests with its neighboring countries. Although Malaysia does not acknowledge any imminent external threats at present, it believes that its forces should maintain a level of readiness that enables them to deal with all military threats, and therefore, places importance on “Independence,” “Total Defence,” “Commitment to the Rule of the Five Power Defence Arrangements (FPDA),” “Cooperation to the U.N. for World Peace,” “Measures against Terrorism,” and “Defence Diplomacy” in its defense policy. Moreover, as part of “Defence Diplomacy,” Malaysia undertakes bilateral joint exercises such as the “CARAT” and “SEACAT” exercises with the United States, which is not a FPDA country, and thereby, promotes military cooperation.

Despite conflicting assertions over the sovereignty of the South China Sea and other matters, Malaysia and China have strong ties, especially their economic relationship, and the dignitaries of both countries often make mutual visits. In December 2014, Malaysia and China conducted their first bilateral joint tabletop exercise “Peace and Friendship 2014” in Kuala Lumpur. When a Malaysian airliner disappeared in March 2014, China deployed its Air Force’s transport aircraft and its Navy’s vessel, among other assets, to participate in the search activity. Despite the recent navigation of Chinese government vessels around the James Shoal and the South Luconia Shoal over which Malaysia claims sovereignty, Malaysia has not lodged any visible protests. In May 2014, Prime Minister Najib Razak visited China, and during his talks with President Xi Jinping, allegedly stated that the South China Sea dispute should be handled through direct dialogue. Meanwhile, in October 2013, Malaysia announced that it would construct a new naval base in Bintulu close to the James Shoal and the South Luconia Shoal. In recent years, Malaysia has striven to deepen maritime defense capabilities.
3 Myanmar

Myanmar shares borders with China and India, which are leading actors in the changes of balance of power in the international community, and is also located on the border of South Asia and Southeast Asia. In light of these factors, Myanmar is noted for its strategic significance. Following the collapse of its socialist regime in 1988, the armed forces seized power in Myanmar, and the United States and European countries imposed economic sanctions in response to the military junta’s suppression of pro-democracy movements. Against the backdrop of its economic slowdown as a result of the economic sanctions and isolation from the international community, Myanmar issued a road map to democracy in 2003. After a general election in 2010, Thein Sein was elected as president in February 2011. The road map to democracy was completed in March 2011 with the launch of the new administration.

Since the launch of the new administration, the government of Myanmar has actively taken steps toward democratization, including the release of political prisoners and ceasefire agreements with ethnic minorities. The international community to a certain extent has commended Myanmar for these steps, with the United States and European countries successively easing economic sanctions on Myanmar. In 2013, President Thein Sein made the first visit to the United States by a leader of Myanmar in almost 50 years, and held talks with President Obama. General Sir Richards, Chief of the Defence Staff of the British Armed Forces, made the first visit to Myanmar by a senior military official from the West since the commencement of Myanmar’s reform process.

At the same time, Myanmar has taken steps to reach a ceasefire with ethnic minorities. In January 2015, President Thein Sein requested the leaders of ethnic minority armed groups to hold talks with the government on the country’s Union Day (February 12), with a view to reaching a nationwide ceasefire agreement. However, the talks were not attended by some ethnic minority leaders. In the northern region, sporadic fighting has broken out between the country’s military and ethnic minority armed groups. In February 2015, the President declared a 90-day state of emergency in the Kokang Self-Administered Zone in Shan State where the fighting took place, and promulgated a military administrative order. Under these circumstances, in March 2015, the government of Myanmar announced that the ethnic minority leaders who did not attend the previous talks on a ceasefire agreement participated in the talks, and a basic agreement was reached on the content of the National Ceasefire Agreement.

On the other hand, concerns about nuclear issues and military ties with North Korea have been pointed out. The international community has growing concerns over the impact on democratization of the conflicts which have emerged since 2012 between Rohingya Muslim ethnic minorities and Buddhists.

With regard to foreign policy, Myanmar upholds the principle of independence and non-alignment. On the other hand, China is thought to be an especially important partner to Myanmar since its period of military rule. Myanmar receives economic support from China. In October 2013, a gas pipeline connecting the two countries was completed.

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9 Consists of seven steps: reconvening of the National Assembly; stepwise implementation of processes necessary for democratization; drafting a new constitution; a national referendum on the constitution; general election; convening of the House of Representatives; and the establishment of a new government.

10 About 30% of Myanmar’s population is ethnic minorities, some of which demand secession or greater autonomy for their regions. In the 1960s, the government of Myanmar implemented oppressive policies involving human rights violations such as forced labor and forced migration, which led to armed conflicts with armed groups of ethnic minorities.

11 A state of emergency is issued as a presidential decree in situations such as when a state of emergency occurs that places the lives, housing, and property of the people in danger. For the purpose of maintaining public security, the decree may designate regions and deadlines and restrict or suspend the basic rights of the people as necessary.

12 Pursuant to the promulgation of this order, the administrative and judicial powers and duties related to maintaining social order are conferred to the Commander-in-Chief of Defence Services.

13 It is reported that at talks with then-President Lee Myung-bak of the Republic of Korea in May 2012, President Thein Sein admitted that some weapons trading took place with North Korea in the past 20 years and indicated that the country would not engage in such trade in the future. He denied cooperation with North Korea on nuclear development. Moreover, it has been reported that, at the 11th Shangri-La Dialogue (Asia Security Summit) held in June the same year, then-Defence Minister Hla Min disclosed that while the previous government attempted to start academic research on nuclear technology, this research had been abandoned when the new government was inaugurated and that Myanmar had suspended its political and military ties with North Korea.
countries was completed and became fully operational. Port construction has also begun. On the military front, China is regarded as a major supplier of equipment. In June 2014, President Thein Sein visited China, and the two sides agreed to deepen cooperation in such areas as defense practices, law enforcement, and security. Myanmar also strengthening its cooperative relationship with India both in the economic and military areas. Myanmar participates in the multinational naval exercise “Milan” hosted by India. In January 2015, President Pranab Mukherjee of India committed to extending US$5 million in assistance over the next five years to Myanmar for developing a border between the two countries.

Myanmar was the Chair of the Association of Southeast Asian Nations (ASEAN) in 2014, and attention was paid to Myanmar’s leadership in ASEAN-related international meetings. Myanmar played a certain level of role, as exemplified by the release of joint statements at the ASEAN-related international meetings Myanmar chaired.  

See Part III, Chapter 3, Section 1-4-6 ((7) Other Southeast Asian Countries)

4 The Philippines

The Philippines perceives that it confronts new security challenges, including non-traditional threats, such as transnational crime. At the same time, it identifies that long-standing issues, such as the territorial disputes over the South China Sea and terrorism perpetrated by domestic anti-government armed groups, constitute major security concerns. In particular, the government of the Philippines was engaged in repeated armed conflicts with the Moro Islamic Liberation Front (MILF) for approximately 40 years. With the support of the activities of the International Monitoring Team (IMT), progress was made in the peace process, and the Framework Agreement for the realization of a final agreement on the Mindanao peace process was signed in October 2012. In January 2014, the government of the Philippines and the MILF jointly signed the Annex on Normalization, and in March of the same year, they signed the Comprehensive Agreement on the Bangsamoro. On the other hand, in January 2015, military clashes occurred between the government army and National Police, and armed groups of the MILF and other armed forces opposing the peace talks. It is deemed that time will be required to achieve practical peace.

The Philippines and the United States, with a historically close relationship, consider that the U.S.-Philippines alliance is a lynchpin for the peace, stability, and prosperity of the Asia-Pacific region. The two countries have maintained a cooperative relationship under their mutual defense treaty and military assistance agreement, even after the withdrawal of the U.S. Forces in 1992. The two countries have conducted the large-scale military exercise “Balikatan” every year since 2000 as well as the “CARAT” and “SEACAT” joint exercises. In addition, the United States dispatched the Joint Special Operations Task Force-Philippines (JSOTF-P) to southern Philippines to support the Armed Forces of the Philippines (AFP) in their campaign against Muslim extremist groups, such as the Abu Sayyaf Group (ASG). In December 2013, U.S. Secretary of State John Kerry visited the Philippines and announced support of US$40 million in three years in order
to enhance coast guard and counter-terrorism capabilities.

In April 2014, the two countries signed the U.S.-Philippines Enhanced Defense Cooperation Agreement\(^{21}\) aimed at strengthening bilateral cooperation in such areas as maritime security, capacity-building of the AFP through expanded joint exercises, and disaster relief. The Agreement enables the U.S. Forces to utilize and improve facilities in the Philippines, as well as preposition equipment, supplies, and material. Attention will be on the relevant activities as they relate to the strengthening of the presence of the U.S. Forces in the Philippines.

The Philippines and China have conflicting territorial claims over the Spratly Islands and the Scarborough Shoal in the South China Sea. In recent years, the two countries have stepped up their activities to assert their sovereignty, with both countries lodging protests against the other’s actions and assertions.\(^{22}\)

With China, in November 2014, Singapore conducted the joint counter-terrorism exercise “Cooperation,” which was carried out in 2009 and 2010. In addition, active mutual visits have taken place between their dignitaries. In November, Minister of Defence Ng Eng Hen visited China. During his talks with Minister of National Defense Chang Wanquan, the two sides agreed to develop their defense cooperation and promote joint training. In May 2015, the two countries conducted their first bilateral naval joint exercise “China-Singapore Cooperation 2015.”\(^{23}\)

**Singapore**

Given its limited land area, population, and resources, Singapore’s existence and development depend on the peace and stability of the region in a globalized economy. Singapore gives high priority to national defense, with defense spending accounting for about one-fifth of its national budget.

Singapore identifies deterrence and diplomacy as twin pillars of its national defense policy. Deterrence is provided by a robust national army and stable national defense spending, and diplomacy is established by strong and friendly relations with the defense institutions of other countries. Singapore is undertaking efforts to improve the capability and modernize the Singapore Armed Forces (SAF) in order to defend the nation against direct threats and to respond to transnational security issues, such as terrorism and piracy in peacetime. Due to its small land area, the SAF uses the training facilities of other countries, such as the United States and Australia, and continuously dispatches units there for training.

Singapore emphasizes the importance of cooperative relations with ASEAN and the FPDA\(^{22}\), and has concluded defense cooperation agreements with countries within and outside the region. With the aim of contributing to peace and stability in the region, Singapore supports U.S. presence in the Asia-Pacific and permits it to use military facilities in Singapore. Singapore and the United States have agreed that a maximum of four U.S. littoral combat ships (LCSs) would be rotationally deployed to Singapore after 2013. Deployment began in April 2013\(^{23}\). In addition, Singapore conducted joint exercises with the United States, such as “CARAT” and “SEACAT.”

**Thailand**

Thailand’s defense policy includes: strengthening defense cooperation through ASEAN, international organizations, and other entities; defense that makes comprehensive use of political, economic, and other national strengths; and effective defense aimed at increasing the readiness of the Royal Thai Armed Forces (RTAF) and developing the defense industry. Attacks and bombing incidents by Islamic extremists seeking secession and independence have become a frequent occurrence in southern Thailand. The government identifies the swift restoration of peace and security of the lives and property of the people in southern Thailand as an urgent task.

In August 2013, the submission of an amnesty bill\(^{24}\) by opposition parties to the House of Representatives sparked large-scale anti-government demonstrations, mainly in the capital city of Bangkok. The House was dissolved in December 2013, and a declaration of a state of emergency
was issued in January 2014. While a general election of the House of Representatives was held in February 2014, a series of polling stations cancelled voting due to demonstrator interferences. As a result, in March 2014, the Constitutional Court ruled that the general election of the House of Representatives violated the Constitution and was invalid. In May 2014, the Constitutional Court ruled that the Cabinet’s reshuffle of officials in the past was unconstitutional. Then-Prime Minister Yingluck Shinawatra and Cabinet members were instantly dismissed. That same month, following the declaration of martial law nationwide, forces led by the RTAF launched a coup d’état and seized power over the nation. Subsequently, then-Commander-in-Chief Prayuth Chan-o-cha of the Royal Thai Army established the National Council for Peace and Order that he chairs. In August 2014, he was elected interim Prime Minister pursuant to the designation of the National Legislative Assembly formed by the interim constitution enacted in July 2014. The King issued a decree appointing the members of the interim Cabinet which was formed by the Prime Minister. In September 2014, the Prayuth interim administration was formally inaugurated. This administration aims to hold a general election under the new Constitution and make the transition to a new administration by September 2016 at the latest.

Thailand has the issue of non-demarcated borders with neighboring countries, such as Myanmar and Cambodia. Thailand has a border dispute with Cambodia over the non-demarcated border area near the Preah Vihear Temple, and intermittent armed conflict between the military forces of the two countries had broken out in the area since 2008. In November 2013, the International Court of Justice declared the temple and a part of the surrounding area to be Cambodian territory.

Under its flexible omni-directional diplomatic policy, Thailand pursues cooperation with other Southeast Asian countries and coordination with major countries, including Japan, the United States, and China. Since the conclusion of the Military Assistance Agreement in 1950, Thailand and its ally, the United States, have maintained a cooperative relationship. They have conducted the multinational joint exercise “Cobra Gold” since 1982, as well as the “CARAT” and “SEACAT” joint exercises. However, in May 2014, the United States froze its military assistance in response to the coup.

Thailand promotes military exercises with China; for example, their marine forces hold a joint military training program codenamed “Blue Assault.” In addition, Thailand and China agreed on the joint development of a multiple rocket launcher system in April 2012. In February 2015, Minister of National Defense Chang Wanquan visited Thailand. During his talks with interim Prime Minister Prayuth, the two sides agreed to enhance their joint exercises.

Vietnam perceives that it confronts diverse and complex security challenges. It considers that the issues in the South China Sea have serious impacts on the maritime activities of Vietnam, and non-traditional threats, such as piracy and terrorism, are matters of concern.

During the Cold War era, the former Soviet Union was the largest donor of assistance to Vietnam. Until 2002, Russia owned a naval base in Cam Ranh Bay. After the collapse of the former Soviet Union, Vietnam rapidly expanded its diplomatic relations, including establishing diplomatic ties with the United States. At present, Vietnam pursues an omni-directional diplomatic policy and states that it would actively participate in international and regional cooperation in order to build friendly relations with all countries. In May 2013, Prime Minister Nguyen Tan Dung announced the Vietnam People’s Army’s (VPA) first participation in peacekeeping operations. Since June 2014, Vietnam has deployed military observers to the United Nations Mission in the Republic of South Sudan (UNMISS). Furthermore, in May 2014, a PKO Center was established at the Foreign Relations Department of the Vietnamese Ministry of National Defence. As such efforts exemplify, Vietnam is committed to making contributions to the international community.

In recent years, Vietnam has strengthened its relationship with the United States in the military area.

25 In November 2013, the ruling party abandoned the passage of the bill. However, anti-government forces shifted the objective of the demonstrations to “overthrowing the current government” and continued the demonstrations.
26 The Constitutional Court ruled that the transfer of then-National Security Council chief to a sinecure position in September 2011 was conducted for political purposes to promote a relative of then-Prime Minister Yingluck to a higher position. The Court ruled that this was unconstitutional as it infringes the provisions of the Constitution which prohibit state ministers from intervening unjustifiably in public servant appointments. The Prime Minister who was responsible for the reshuffle and relevant ministers were instantly dismissed on the grounds that the reshuffle constituted reason for dismissal provided for in the Constitution.
27 As the National Council for Peace and Order continues to exist even after the inauguration of the interim administration, Prayuth concurrently serves as Council Chair and interim Prime Minister.
28 A Hindu temple located on the border between Cambodia and Thailand. The International Court of Justice ruled in 1962 that the temple was situated in territory under the sovereignty of Cambodia; however, the border of the area around the temple had not been demarcated. The 2013 ruling did not clarify the attribution of the remaining disputed region. Nevertheless, both countries accepted the ruling, and a joint committee comprised of working-level officials will be holding talks on the ruling’s content.
30 Co-organized by the U.S. Forces and the RTAF and held annually in Thailand, the multinational joint exercise Cobra Gold ’15 was held in February 2015.
31 As of late May 2015, Vietnam has deployed two military observers.
through joint exercises with the U.S. Navy and U.S. Navy ships’ calling at Vietnam. In December 2013, U.S. Secretary of State John Kerry visited Vietnam and announced support of US$8 million in the field of maritime security. In October 2014, the United States announced the lifting of its embargo on providing lethal weapons related to maritime security to Vietnam\textsuperscript{32}.

Vietnam and Russia elevated their bilateral relationship to a comprehensive strategic partnership in 2012, and continue to strengthen cooperation in the area of national defense. In March 2013, Minister of Defence Sergey Shoygu visited Vietnam, and the two sides agreed to jointly construct vessel replenishment facilities along Cam Ranh Bay. Furthermore, when President Vladimir Putin visited Vietnam in November of the same year, he agreed that Russia would provide support for training Vietnam’s Ground Forces and Navy. In 2014, Russian IL-78 aerial refueling tankers landed at Cam Ranh International Airport for the first time for the refueling flights for Russia’s Tu-95MS strategic bombers\textsuperscript{33}. As these examples demonstrate, the two countries have been carrying out new military cooperation. In recent years, the two countries have also promoted cooperation in the energy sector, such as nuclear power generation. Vietnam is nearly dependent on Russia for its defense equipment.\textsuperscript{34}

Vietnam and China, under their comprehensive strategic cooperation partnership relations, proactively conduct exchanges among their senior government officials. However, the two countries have conflicting assertions over issues such as sovereignty over the South China Sea. In recent years, both countries have stepped up their activities to assert their territorial sovereignty, and have lodged protests against the other country’s activities and assertions. In August 2014, Le Hong Anh, Standing Secretary of the Secretariat of the Communist Party of Vietnam (CPV), visited China as a special envoy of the CPV General Secretary. During his talks with President Xi Jinping, the two sides agreed to execute the basic principles\textsuperscript{35} agreed upon in 2011 with regard to the South China Sea dispute. In October 2014, Minister of National Defense Phung Quang Thanh visited China. During his talks with Minister of National Defense Chang Wanquan, both ministers signed an MOU on establishing a hotline between the two defense ministries. Furthermore, in April 2015, CPV General Secretary Nguyen Phu Trong visited China for the first time in three and a half years. Following his talks with President Xi Jinping, the two sides issued a joint statement\textsuperscript{36} on strengthening exchanges and cooperation between their military forces and managing the differences in opinion to prevent their development into disputes, among other matters.

Vietnam and India upgraded their relationship to a strategic partnership in 2007 and have been deepening their cooperative relationship in a broad range of areas, including security and economy. In the area of defense cooperation, it is noted that the Indian Armed Forces support the training of Vietnam’s Navy submarine personnel and Air Force pilots. In addition, Indian Navy vessels make friendly visits to Vietnam. Furthermore, in September 2014, India signed an MOU on a US$100 million credit offering for Vietnam\textsuperscript{37}. When Minister of National Defense Phung Quang Thanh visited India in May 2015, the two sides signed the Joint Vision Statement on Defence Cooperation for the period 2015-2020\textsuperscript{38}. Cooperation in the area of energy between India and Vietnam is also deepening, with a joint development program for oil and natural gas in the South China Sea.

\textsuperscript{32} In 1964, the United States invoked an arms embargo against Vietnam on the grounds of its human rights issue. In 2007, the arms embargo was lifted excluding lethal weapons. Based on the latest decision, Vietnam is reportedly considering the purchase of U.S.-made P-3 maritime patrol aircraft.

\textsuperscript{33} In March 2015, it was reported that U.S. Department of Defense authorities, while stating the relevant facts, requested Vietnam to prevent the recurrence of this activity. In addition, a senior official of the U.S. Pacific Command allegedly stated that the Russian military aircraft that received refueling from the aerial refueling tankers arriving from the Cam Ranh base conducted provocative flights. In January 2015, the Russian Ministry of Defence announced that Russian aerial refueling tankers (IL-78) used Cam Ranh Bay in 2014, enabling the refueling of strategic fighters.

\textsuperscript{34} The agreement on basic principles was signed in October 2011 between then-President Hu Jintao and CPV General Secretary Nguyen Phu Trong who was visiting China. The two countries agreed to maintain friendly dialogue and negotiations for the settlement of maritime issues, strive to settle maritime disputes which are acceptable to both sides while respecting legal grounds, and hold regular meetings as well as establish a hotline between the two governments.

\textsuperscript{35} The joint statement’s references to the military field include maintaining high-level contacts and military and security dialogue between the two countries, strengthening friendly exchanges between their border patrol forces, properly dealing with differences in opinion, exchanging military experiences with party and political tasks, deepening cooperation on personnel training, and continuing joint patrols in the Gulf of Tonkin and vessel exchanges. In the joint statement, with regard to the South China Sea dispute, the two sides also affirmed the importance of executing the Declaration on the Conduct of Parties in the South China Sea (DOC) and swiftly establishing the Code of the Conduct of Parties in the South China Sea (COC).

\textsuperscript{36} This was agreed upon in November 2013 when CPV General Secretary Nguyen Phu Trong visited India and held talks with then-Prime Minister Manmohan Singh of India. It is reported that the credit will be used to purchase patrol vessels of the VPA.

\textsuperscript{37} The statement was agreed upon in May 2015, when Minister of National Defense Phung Quang Thanh of Vietnam visited India and held talks with Defence Minister Manohar Parrikar of India. While the content of the Joint Vision Statement has not been disclosed, it is said to cover the period 2015-2020, with maritime security cooperation constituting the main pillar. On the same day, the two sides also signed an MOU on strengthening the cooperation between their coast guards.
Military Modernization in the Region

In recent years, Southeast Asian countries have increased their defense spending against the backdrop of economic development and other reasons, and are modernizing their military forces focusing on inducting equipment such as submarines and fighters including fourth-generation modern fighters. The underlying factors noted are increases in defense spending, the relationship between Southeast Asian countries in the sense that they react to neighboring states’ development of military strength, response to the expansion of China’s influence, and the inadequate role of regional security organizations to nurture relationships of trust. Many Southeast Asian countries procure much of their defense equipment from a wide range of countries. As such, there are perceived difficulties in achieving consistent operations and maintenance in the respective countries.

Indonesia has introduced a total of 16 Russian Su-27 fighters and Su-30 fighters by 2013. In 2011, an agreement was reached regarding the U.S. provision of 24 F-16 fighters, three of which were delivered in July 2014. In 2013, Indonesia agreed to purchase 8 AH-64 attack helicopters. With the Republic of Korea (ROK), Indonesia concluded an agreement in December 2011 to purchase three 209-class submarines. The two countries started joint development of the KF-X fighter, and in October 2014, concluded a basic agreement which sets forth the details of their cost sharing and bilateral cooperation. Indonesia plans to refurbish its F-5 fighter and is in the process of selecting its successor. In addition, it is building in Indonesia two frigates based on the Dutch Sigma-class vessel.

In 2009, Malaysia introduced two Scorpène-class submarines (jointly developed by France and Spain) as its first submarines. In November 2014, Malaysia reportedly concluded an agreement to purchase six corvettes from the ROK. Furthermore, Malaysia announced a plan to build eight indigenous patrol vessels. With regard to fighters, Singapore inducted an agreement to purchase two German 218SG-class submarines, and announced a plan to build eight indigenous patrol vessels. With regard to fighters, Singapore inducted three of them by December 2014. In 2013, it introduced 12 Russian Kilo-class submarines and announced a plan to build eight indigenous patrol vessels. With regard to fighters, Singapore inducted three 209-class submarines. The two countries started joint development of the KF-X fighter, and in October 2014, concluded a basic agreement which sets forth the details of their cost sharing and bilateral cooperation. Indonesia plans to refurbish its F-5 fighter and is in the process of selecting its successor. In addition, it is building in Indonesia two frigates based on the Dutch Sigma-class vessel.

In 2009, Malaysia introduced two Scorpène-class submarines (jointly developed by France and Spain) as its first submarines. In November 2014, Malaysia reportedly concluded an agreement to purchase six corvettes from the ROK. Furthermore, Malaysia announced a plan to build eight indigenous LCSs and started building one of them. It also introduced 18 Russian-made Su-30 fighters by 2009 and is selecting a successor to its Mig-29 fighters that are scheduled to be decommissioned in 2015.

The Philippines has taken steps in recent years to modernize its defense equipment against the backdrop of conflicts over territorial rights in the South China Sea. As it does not currently own any submarines or fighters, the Philippines concluded an agreement with the ROK to purchase 12 FA-50 light combat aircraft in 2014. As for naval forces, the Philippines received two Hamilton-class frigates from the United States in 2011 and 2012. In June 2014, it was reported that the ROK would provide decommissioned Pohang-class corvettes. By January 2015, seven Italian AW109 multi-purpose helicopters tailored to long-range maritime patrol aircraft, transport vessel, and amphibious vehicle.

Singapore has the largest defense budget among Southeast Asian countries and is actively striving to modernize its forces. By 2012, Singapore introduced two Archer-class (Västergötland-class) submarines from Sweden. In December 2013, Singapore concluded an agreement to purchase two German 218SG-class submarines, and announced a plan to build eight indigenous patrol vessels. With regard to fighters, Singapore inducted U.S.-made F-15 fighters and participates in the F-35 Joint Strike Fighter (JSF) Program.

Thailand has an aircraft carrier but does not own submarines. In July 2014, Thailand opened the Submarine Squadron Headquarters, and has started the evaluation work to procure new submarines. In September 2012, the Cabinet approved a plan to introduce two frigates, and concluded an agreement to purchase a ROK-made frigate for the first frigate. In addition, by 2013, Thailand has introduced 12 Swedish JAS-39 Gripen fighters.

In December 2009, Vietnam concluded a contract to purchase six Russian Kilo-class submarines and introduced three of them by December 2014. In 2013, it was reported that Vietnam concluded a contract to purchase two Dutch Sigma-class corvettes. Furthermore, in August 2014, it was agreed that Japan would supply six used vessels to Vietnam, the first of which was delivered in February 2015. Vietnam reportedly concluded a contract to purchase two German 218SG-class submarines. In December 2013, Singapore concluded an agreement to purchase two German 218SG-class submarines, and announced a plan to build eight indigenous patrol vessels. With regard to fighters, Singapore inducted three 209-class submarines. The two countries started joint development of the KF-X fighter, and in October 2014, concluded a basic agreement which sets forth the details of their cost sharing and bilateral cooperation. Indonesia plans to refurbish its F-5 fighter and is in the process of selecting its successor. In addition, it is building in Indonesia two frigates based on the Dutch Sigma-class vessel.

Based on The Military Balance (2015), The International Institute for Strategic Studies (IISS), etc.
In the South China Sea, there are territorial disputes between ASEAN countries and China over such areas as the Spratly Islands and the Paracel Islands. In addition, there has been growing concern among the international community over issues such as the freedom of navigation in the sea.

With a desire to promote the peaceful resolution of maritime territorial disputes in the South China Sea, ASEAN and China signed the Declaration on the Conduct of Parties in the South China Sea (DOC) in 2002. This declaration is a political statement with reference to principles of dispute resolution related to the South China Sea, but with no legally binding obligations. At the ASEAN-China Foreign Ministers’ Meeting held in July 2011, the Guidelines for the Implementation of the DOC of Parties in the South China Sea was adopted to pave the way for effective implementation of the Declaration. Currently, the concerned countries have confirmed their commitment to the formulation of the Code of the Conduct of Parties in the South China Sea (COC), which will provide more specific guidance than the DOC and will have legally binding obligations. By October 2014, three rounds of official consultations have been held for the formulation of the COC. In the meantime, the countries are increasing their activities in the South China Sea in support of their territorial claims. China enacted the Act on the Territorial Sea and the Contiguous Zone of the People’s Republic of China in 1992, in which it made clear claims to the territorial rights of the Spratly Islands and the Paracel Islands. It attached the so-called “nine-dotted line” map to a verbal note addressed to the United Nations in 2009, in which it made clear claims to the parts of the South China Sea that purportedly came under China’s sovereignty, sovereign rights, and jurisdiction. There were objections to the ambiguity behind the justifications to this “nine-dotted line” under international law, and this has given rise to territorial conflicts over the South China Sea with Southeast Asian countries.

In recent years, Chinese naval vessels and government vessels affiliated with maritime law enforcement agencies have been operating around the Scarborough Shoal and the Second Thomas Shoal, close to the Philippines, as well as the James Shoal and the South Luconia Shoal areas close to Malaysia. Furthermore, in June 2012, China announced the establishment of Sansha City in Hainan Province, which claims to have jurisdiction over the Spratly Islands, the Paracel Islands, the Macclesfield Bank, and their surrounding waters. In November 2013, Hainan Province amended its regulation on the implementation of China’s fishing law to stipulate that foreign fishing vessels that wish to carry out fishing activities in waters under the jurisdiction of Hainan Province are required to obtain permission from the relevant departments under China’s State Council.

From April to June 2012, government vessels of Chinese maritime law enforcement agencies and Philippine vessels, including Philippine Navy vessels, faced off against each other in the sea area surrounding the Scarborough Shoal. In June 2012, Vietnam adopted the Maritime Law (effective January 2013), which asserts sovereignty over the Spratly and the Paracel Islands. In March 2013, Chinese vessels reportedly fired at Vietnamese fishing vessels. Furthermore, according to reports, in May 2014, China’s unilateral commencement of oil drilling in waters near the Paracel Islands triggered confrontations between Chinese and Vietnamese vessels, and many vessels sustained damages due to collisions. The countries involved have reportedly resorted to the use of force on one another’s vessels, including seizing vessels and firing warning shots, in this manner, and the concerned countries have mutually lodged protests against these actions. More recently, in January 2015, Vietnamese fishing vessels were reportedly tracked by Chinese vessels, causing damages to communication and other equipment. In February 2015, the Philippine government delivered a letter of protest to the Chinese government, saying that a Chinese authority vessel crashed into a Philippine fishing vessel near the Scarborough Shoal.

In May 2014, the Philippine government released chronological photos showing China’s land reclamation at Johnson South Reef and lodged a protest against China. In addition, the Vietnamese government has lodged protests claiming that China is building runways and conducting
other activities at Woody Island and Fiery Cross Reef. In January 2013, the Philippines led an arbitration procedure based on the United Nations Convention on the Law of the Sea concerning China’s claims and activities in the South China Sea. See Part I, Chapter 2, Section 3-3 (8 Southeast Asia)

In addition, in November 2013, a spokesperson of the Chinese Ministry of National Defense declared that China would establish other air defense identification zones (ADIZ) in the future, in addition to the East China Sea ADIZ that it established. In relation to this, in December of the same year, U.S. Secretary of State John Kerry expressed the view that China should refrain from taking unilateral measures, including the establishment of ADIZs in Asia, particularly in the airspace above the South China Sea.

The issues surrounding the South China Sea have been discussed repeatedly at ASEAN-related meetings and other fora, with a view to achieving their peaceful resolution. However, as exemplified by the unprecedented situation in which an ASEAN joint statement failed to be adopted in the past, there have been instances of lack of consensus among the member states. Nevertheless, there were also instances in which ASEAN adopted a unified response. For example, “serious concerns” over the confrontations between Chinese and Vietnamese vessels in the South China Sea were expressed at the ASEAN Summit and Foreign Ministers’ Meeting in May 2014. Furthermore, at both the ASEAN Foreign Minister’s Meeting in August 2014 and the Summit in November, members expressed that they remained concerned over recent developments which increased tensions in the South China Sea. At the ASEAN Summit in April 2015, members expressed that they “share the serious concerns” on the land reclamation to be undertaken in the Spratly Islands.

The issues surrounding the South China Sea are a matter of concern for the whole international community, and are directly related to the peace and stability of the Asia-Pacific region. As such, attention will continue to be paid to trends in the countries concerned, as well as the direction of dialogues aimed at the resolution of the issues. See Part I, Chapter 2, Section 3-1 (Trends Related to the “Principle of the Freedom of the High Seas” in the East China Sea and South China Sea); Part III, Chapter 3, Section 1 (Defense Cooperation and Exchanges with Other Countries and Regions)

45 In addition to Woody Island and Fiery Cross Reef, China conducts land reclamation at Johnson South Reef, Gaven Reefs, Hughes Reef, Cuarteron Reef, Subi Reef, and Mischief Reef. Of the features where land reclamation is being carried out, observers note that facilities deemed to be a runway and an apron are being constructed at Fiery Cross Reef. At Subi Reef, observers note that the large-scale land reclamation is large enough to enable the construction of a second runway. On April 20, 2015, the Chief of Staff of the Armed Forces of the Philippines stated that China’s land reclamation has “created tensions among the countries around the world.” On May 27, 2015, Philippine Secretary of National Defense Voltaire Gazmin, during his visit to Hawaii, held talks with U.S. Secretary of Defense Ashton Carter. It is believed that the two sides shared the recognition that all countries involved should seek a peaceful resolution of disputes in the South China Sea and immediately halt land reclamation, among other matters.
Regional Cooperation

ASEAN member states utilize ASEAN as a multilateral security framework of the region. ASEAN holds the ASEAN Regional Forum (ARF) and the ASEAN Defense Ministers’ Meeting (ADMM), which provide opportunities for dialogue on security issues. Furthermore, ASEAN makes efforts to improve the security environment in the region and promote mutual trust, for example, by holding the ASEAN Militaries’ Humanitarian Assistance and Disaster Relief Table-Top Exercise (AHR) in July 2011, ASEAN’s first military exercise. In addition, ASEAN member states are working to achieve their goal of establishing the ASEAN Community by the end of 2015. At the informal ASEAN Foreign Ministers’ Meeting in January 2015, members requested countries to make efforts to complete the remaining work ahead of the Community’s establishment by the end of the year, and decided that the ASEAN Summit to be held in November 2015 would adopt a long-term plan for the period following the Community’s establishment.

ASEAN places importance on developing relations with non-ASEAN member states. The ADMM Plus, an expanded version of the ASEAN Defense Ministers’ Meeting, comprising ADMM members and eight non-ASEAN countries, including Japan, was established in 2010. The second ADMM Plus meeting was held in Brunei in August 2013. In addition, in June of the same year, the first field exercise, the ADMM Plus Humanitarian Assistance/Disaster Relief/Military Medicine Exercise, was held, and in September of the same year, the first counter terrorism exercise and maritime security field exercises were held. In November 2011, the United States and Russia became official members of the East Asia Summit (EAS), comprising ASEAN members and six non-ASEAN countries. In May 2015, the fourth ARF Disaster Relief Exercise was conducted in Malaysia.

Section 7 South Asia

India

General Situation

With a population of more than 1.2 billion on its vast land, India is the world’s largest democratic country. It has achieved steady economic growth in recent years, and has significant influence in the South Asian region. Also, it is located in the middle of the Indian Ocean, which is of strategic and geopolitical importance in terms of sea lines of communication, connecting the Asia-Pacific region with the Middle East and Europe.

India shares borders with many countries, and has non-demarcated border issues with China and Pakistan. India has multiple ethnic groups, religions, cultures, and languages, and there are concerns about the activities of ultra-leftists and secession and independence movements, as well as the movements of Islamic extremists stationed across the India-Pakistan border.

In May 2014, the Bharatiya Janata Party (BJP) (Indian People’s Party), which was the opposition party in the general election held due to the expiration of the term of the Lok Sabha (lower house), won 282 seats, more than a majority of the seats. As a result, Narendra Modi took office as the new Prime Minister. The BJP’s election manifesto refers to policies, such as the promotion of military modernization, strengthening of cross-border counterterrorism measures, and the revision of India’s nuclear doctrine. As attention continues to be paid to the materialization of defense and other policies, on the diplomatic front, Prime Minister Modi has promoted the neighbors first policy that deepens India’s relations with South Asian countries. On the defense front, the Prime Minister has worked to expand foreign companies’ direct investment in India’s defense industry under the “Make in India” initiative, promote the domestic production of equipment by enhancing technological cooperation with other countries, and deepen collaboration with other countries to strengthen maritime security cooperation.

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46 The establishment of the Community was proposed at the second informal ASEAN Summit in 1997. ASEAN aims to achieve regional integration by forming three communities: the Political-Security Community, the Economic Community, and the Socio-Cultural Community.
47 In addition to the framework of the ADMM Plus, defense ministers’ meetings are held between the United States and ASEAN, China and ASEAN, and Japan and ASEAN. In April 2014, a U.S.-ASEAN defense ministers’ meeting was held in the United States for the first time.
48 The Fourth ASEAN Regional Forum Disaster Relief Exercise (ARF-DiREx2015) was conducted from May 25 to 28, 2015 in Alor Setar, Malaysia. More than 2,000 people participated from Japan, the co-organizing countries Malaysia and China, the United States, Australia, and ARF member states including ASEAN countries.
1 The country has a Muslim population exceeding 100 million, although the majority of the country’s population is Hindu.
2 With regard to “revision of India’s nuclear doctrine,” it is reported that following domestic and international criticism, Prime Minister Modi subsequently announced that he has no intention of revising the policy.