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. In late 2015, the establishment of the ASEAN Community was declared as an outcome of the strides made in ASEAN cooperation towards its integration.

Meanwhile, 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, there is a concern about increases in terrorism in the region as the activities of the Islamic State in Iraq and the Levant (ISIL) in the Middle East slow down. In May 2017, an Islamist extremist group pledging loyalty to ISIL took over a town in the Philippines, and Malaysian and Indonesian nationals are said to have joined this organization. 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. Recently, against the backdrop of economic development, the countries have been modernizing their military forces, mainly their naval and air forces, as well as strengthening their maritime law enforcement capacities.

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 supporters of ISIL and Jemaah Islamiyah (JI), and secession and independence movements in Papua Province.

Under the banner of the maritime nation concept, President Joko Widodo who took office in October 2014 strives to revive maritime culture, address territorial disputes through maritime diplomacy, and strengthen maritime defense capabilities.

As part of its military reform, Indonesia aims to meet the requirements for minimum defense capabilities—what it calls “Minimum Essential Force (MEF).” However, Indonesia has indicated that its maritime defense capabilities, in particular, are still very much inadequate. Accordingly, Indonesia has announced a defense budget increase as well as a policy to bolster its deployment of assets to the Natuna Islands in the South China Sea and other locations. Indonesia is concerned that the “nine-dash line” claimed by China overlaps with its exclusive economic zone (EEZ) in the vicinity of the Natuna Islands, and in July 2017, Indonesia announced that it was changing the name of the northern part of its EEZ in the South China Sea to the “North Natuna Sea.” Indonesia emphasizes cooperation with other Southeast Asian countries, and adopts an independent and active foreign policy. With the United States, it is strengthening its cooperative relationship in such fields as military education and training and defense budget increase as well as a policy to bolster its deployment of assets to the Natuna Islands in the South China Sea and other locations.

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1 In July 2015, prior to his retirement, then Commander of the National Armed Forces of Indonesia Moeldoko said that Indonesia had achieved 34% of its MEF goals.
2 It is believed that on December 15, 2015, Minister of Defense Ryamizard Ryacudu unveiled a plan to deploy a fighter squadron and small vessels to the Natuna Islands as well as increase the number of troops stationed there from the current 800 to around 2,000, including the special operations force of the Air Force, for the purpose of “being prepared for a range of threats such as illegal operations and illicit intrusion.” Furthermore, in June 2016, Coordinating Minister for Political, Legal, and Security Affairs Luhut announced a concept to build a submarine base on the Natuna Islands.
military equipment procurement, and is carrying out joint training, including “Cooperation Afloat Readiness and Training (CARAT)”\(^3\) and the “Southeast Asia Cooperation Against Terrorism (SEACAT)”\(^4\) exercises. With China, president Joko visited China in March 2015, and affirmed with President Xi Jinping that they would deepen bilateral relations under the framework of comprehensive strategic partnership.

Indonesia is carrying out bilateral coordinated patrols and maritime training exercises with India. Moreover, in May 2018, President Joko and Indian counterpart, Prime Minister Modi, signed the Defence Cooperation Agreement.

\(^3\) A general term that refers to a series of bilateral exercises that the United States conducts with Bangladesh, Brunei, Cambodia, Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Timor-Leste.

\(^4\) A general term that refers to counter-terrorism joint exercises that the United States conducts with Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand.
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 for dealing 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 UN for World Peace,” “Measures against Terrorism,” and “Defence Diplomacy” in its defense policy. On the other hand, in connection with the recent continued anchoring of Chinese government vessels around the South Luconia Shoal over which Malaysia claims sovereignty, Malaysia has announced that its Navy and maritime law enforcement agencies would conduct around-the-clock monitoring, and that Malaysia would defend its sovereignty. Along with these strengthening its maritime defense force, Malaysia also has striven to bolster its defense posture in eastern Malaysia, constructing a new naval base in April 2017 in Bintulu close to the James Shoal and the South Luconia Shoal.

Malaysia and the United States hold joint exercises such as CARAT and SEACAT, and promote military cooperation including capacity-building in the maritime security field.

Despite competing claims over the sovereignty of the South China Sea and other matters, Malaysia and China have strong ties, especially their economic relationship, and mutual visits by dignitaries take place frequently. In November 2016, Prime Minister Najib visited China and reached an agreement on economic cooperation and the purchase of naval vessels.

Furthermore, in November 2015, when the Commander of the Chinese Navy visited Malaysia, it is said that the two countries agreed on making use of the Port of Kota Kinabalu for port calls by Chinese Navy vessels. In January 2017, a Chinese submarine made a port call at the Kota Kinabalu naval base for the very first time, and a second port call was made by a Chinese submarine in September of that same year.

On the other hand, the new Mahathir administration started in May 2018, has been pushing forward reconsiderations of large-scale infrastructure projects as part of fiscal reconsolidation efforts. This has resulted in the announcement of the cancellation of a long-range railway construction project, which had started with Chinese cooperation in August 2017. The administration has shown a stance of seeking renegotiations with the Chinese Government on projects supported by China that were actively advanced by the previous Najib administration.

As for North Korea, following the murder of Kim Jong-nam at Kuala Lumpur International Airport in February 2017, relations between the two countries have deteriorated. However, Prime Minister Mahathir showed his willingness to “establish a good relation” with North Korea and said that Malaysia will reopen its embassy in Pyongyang, which the previous administration had considered to permanently close.

Myanmar shares borders with China and India, which are steering the changing balance of power in the international community, and is located on the border of South Asia and Southeast Asia. In light of these factors, Myanmar is noted for its strategic significance. In Myanmar, the armed forces had control over the government following the collapse of the socialist regime in 1988. However, with an economic slowdown caused by the economic sanctions imposed by the West against the military government, coupled with isolation from the international community, transition to civilian rule based on the road map to democracy was completed. Later, in the general elections in November 2015, the National League for Democracy (NLD) led by President Aung San Suu Kyi secured a victory, and in March 2016 the new Htin Kyaw administration was started. Having relatives who are foreign nationals, Aung San Suu Kyi is unable to become president under the provisions of the constitution. Therefore, she was appointed Foreign Minister and to the newly created post of State Counsellor, and in these roles she is exercising leadership in the administration.

Since the previous Thein Sein administration, the Government of Myanmar has actively taken steps towards democratization, including the release of political prisoners and ceasefire agreements with ethnic minorities. The international community has shown some level of appreciation for these steps, with the West,

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5 Entered into force in 1971. This agreement states that Australia, New Zealand, and the United Kingdom will discuss what response should be adopted in the event of aggression towards the threat of an attack on Malaysia or Singapore. The five countries carry out various exercises based on these arrangements.

6 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.

7 About 30% of Myanmar’s population is ethnic minorities, some of which demand secession or greater autonomy for their regions. In the 1980s, 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.
including the United States successively easing economic sanctions on Myanmar.

With regard to the efforts for a ceasefire agreement with ethnic minorities, peace consultations with ethnic military groups started from 2011. The Government signed the Nationwide Ceasefire Agreement with eight armed ethnic minority groups in October 2015 and with two more parties in February 2018 respectively. Furthermore, in August 2016, the inaugural 21st Century Panglong Union Peace Conference was held for peace and reconciliation. This was followed by the second Peace Conference in May 2017, and the third Peace Conference in July 2018.

On the other hand, concerns are increasing in the international community related to the situation in western Rakhine State. Following attacks on police posts by the Arakan Rohingya Salvation Army (ARSA) in August 2017, over 600,000 mostly Muslim refugees fled into neighboring Bangladesh over the course of two months since Myanmar military and other security forces launched large-scale operations. The international community has expressed concern over this incident on the grounds that there were mass killings and violations of human rights. With regard to this issue, Myanmar does not recognize that the Muslims living in northern Rakhine State, so-called the Rohingya people, as its citizens, and thus, their legal status as stateless people complicates the issue.

In terms of foreign policy, Myanmar continues to uphold a policy of neutrality and non-alignment, while for its national defense policy, continues to emphasize the three national causes of Non-disintegration of the Union, Non-disintegration of National Solidarity, and Perpetuation of Sovereignty, as well as resolutely repelling foreign invasions and interference in domestic matters.

With regard to individual foreign relations, China is thought to be an important partner to Myanmar since its period of military rule. With economic support from China, a gas pipeline and a port, among other infrastructure, are being built. On the military front, China is regarded as a major supplier of equipment. In August 2016, State Counsellor Aung San Suu Kyi visited China, where she announced the promotion of a comprehensive strategic cooperative partnership. Furthermore, Myanmar has maintained a cooperative relationship with Russia in the military field, including during the military regime, and Russia has been a destination for students from Myanmar and a supplier of major defense equipment. As for India, since the transition to civilian rule, Myanmar has deepened cooperative relations in the fields of the economy and military, which has developed into defense cooperation and exchanges such as the hosting of various seminars and friendly visits to Myanmar by Indian naval vessels.

Cooperative relations with North Korea, including weapons trades, were maintained under Myanmar’s military regime. Following the transition to democracy, although Myanmar denies that it has military ties to North Korea, there are sometimes still reports suggesting doubt about the relationship between the military and North Korea.

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. President Duterte has announced his policies that emphasize combating crime, illegal drugs and corruption, fighting against Abu Sayyaf Group (ASG), and forging peace in Mindanao since the time he took office in 2016.

As regards domestic security issues, over the last approximately 40 years, armed conflicts have repeatedly broken out between the Government of the Philippines and the Moro Islamic Liberation Front (MILF). With the support of the activities of the International Monitoring Team (IMT),8 the peace process has made progress, including the signing of the Comprehensive Agreement.
on the Bangsamoro and the partial decommissioning of MILF forces and weapons.9 On the other hand, military clashes have occurred between the government army and National Police, and armed forces opposing the peace talks.10 It is deemed that time will be required to achieve practical peace.

In May 2017, security forces clashed with the Maute group, an Islamic extremist organization that pledges allegiance to ISIL, which had occupied the city of Marawi by taking hostages. The enduring battle resulted in fatalities and injuries, causing public safety in the city to deteriorate. As a result, martial law was declared in Mindanao. The military operations resulted in the killing of core members and fighters of the Maute group, leading President Duterte to declare liberation of Marawi City from terrorists in October of that same year. On the other hand, the declaration of martial law was extended until the end of 2018, to quell the continuing rebellion in the region.

ASG, an Islamic extremist group, has orchestrated a number of kidnappings for ransom in the Sulu Sea and Celebes Sea. Given this situation, in June 2017, the Philippines, Malaysia, and Indonesia announced that they had launched a trilateral maritime patrol in the region of the Sulu sea. Air patrols were also started by each country in October of that year.

The Philippines, with a historically close relationship with the United States, has maintained a cooperative relationship with the United States under their mutual defense treaty and military assistance agreement, even after the withdrawal of the U.S. Forces in 1992.11 The two countries are conducting joint exercises including the large-scale military exercise Balikatan.

In March 2016, the two countries agreed on five locations for carrying out defense cooperation under the Enhanced Defense Cooperation Agreement (EDCA)12 they signed in April 2014 for strengthening their cooperation on such areas as the capacity enhancement of the Armed Forces of the Philippines and disaster relief.13 It is expected that concrete steps will be taken, including the development of facilities in the Philippines for the rotational deployment of the U.S. Forces in accordance with the EDCA.

The Philippines and China have competing claims over the sovereignty of the Spratly Islands and the Scarborough Shoal in the South China Sea. Seeking a settlement under international law, in January 2013, the Philippines launched arbitral tribunal proceedings pursuant to UNCLOS against China. In July 2016, a final award was rendered accepting nearly all of the Philippines’ submissions. The Government of the Philippines released a statement that it welcomed the award by the arbitral tribunal and strongly affirms its respect for the decision. Also, President Duterte stated in his State of the Nation Address held in the same month that the Philippines would strongly affirm and uphold the award handed down for the arbitration case between the Philippines and China. However, when President Duterte visited China in October 2016, a joint statement was announced that included infrastructure investment, drug

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9 In October 2012, the Framework Agreement for the realization of a final agreement on the Mindanao peace process was signed. In January 2014, the Government of the Philippines and MILF signed the Annex on Normalization. The goal of the Comprehensive Agreement on the Bangsamoro signed in March 2014 was to launch an autonomous government in 2016 after formulating the Bangsamoro Basic Law, holding a referendum in order to demarcate a jurisdictional domain, abolishing the Autonomous Region in Muslim Mindanao (ARMM), and establishing the Bangsamoro Transition Authority (BTA).
10 In January 2015, in Mindanao, an exchange of fire occurred between the Philippine National Police that were mobilized to arrest JI suspects, and the MILF and Bangsamoro Islamic Freedom Fighters (BIFF). This incident reportedly left casualties on both sides.
11 In 1947, a military base agreement was concluded that allows the U.S. Forces to use Clark Air Base and Subic Bay Naval Station for 99 years. A military assistance agreement was also concluded in 1947, followed by the mutual defense treaty in 1951. With the revision of the 1966 military base agreement, the time limit for the stationing of U.S. military bases in the Philippines was set for 1991. Clark Air Base and Subic Bay Naval Station were returned in 1991 and 1992, respectively. Subsequently, the two countries concluded the Visiting Forces Agreement in 1996, establishing the legal status of U.S. Forces personnel visiting for joint military exercises in the Philippines.
12 The EDCA is designed to enable the U.S. Forces to utilize and develop facilities in the Philippines, preposition equipment, among other activities. It was agreed that the bases in the Philippines to be utilized by the U.S. Forces would be decided through consultations after the EDCA was concluded and would be stated in an annex to the agreement. After the signing in 2014, the consultations regarding the annex had been suspended as litigation procedures were instituted in the Philippines on the grounds that the EDCA was unconstitutional. However, the Supreme Court of the Philippines handed down a ruling in January 2016 that the EDCA is indeed constitutional.
13 At the 2+2 talks held on January 12, 2016 (EST), the ministers welcomed the decision that the EDCA was constitutional, and reaffirmed their commitment to continue strengthening their alliance in terms of ensuring both countries’ mutual defense and security as well as jointly contributing to regional peace, stability, and economic prosperity. On March 17–18, 2016 (EST), a strategic dialogue among foreign and defense authorities was held in Washington, D.C. The two sides agreed on the following five EDCA Agreed Locations: Antonio Bautista Air Base; Basa Air Base; Fort Macguire; Lumbia Air Base; and Macdan-Benito Euben Air Base.
enforcement cooperation, coastal security cooperation and military cooperation but did not make reference to the tribunal’s award in the case involving the Philippines and China. Also, in May 2017, President Duterte toured a PLA Navy vessel that made its first port call at the port in Davao, where the president grew up, and announced an agreement concerning joint military exercises with the PLA. In this regard, attention will be paid to developments in the future.

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. Because it is a very small country, Singapore’s armed forces make use of the training facilities of other countries, including the United States and Australia, while continually dispatching military personnel to take part in training exercises overseas.

Singapore emphasizes the importance of cooperative relations with ASEAN and the FPDA, 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. In 2013, U.S. littoral combat ships (LCSs) began their rotational deployments.

In December 2015, the P-8 patrol aircraft of the U.S. Forces were deployed to Singapore for around one week for the first time. The two countries have committed to continuing to carry out similar deployments routinely. In addition, Singapore conducted joint exercises with the United States, such as CARAT and SEACAT.

As for China, in May 2015, the two countries conducted their first bilateral naval joint exercise China-Singapore Cooperation 2015. Active mutual visits by dignitaries have also taken place, with President Xi Jinping visiting Singapore in November 2015, and Prime Minister Lee Hsien Loong visiting China in September 2017.

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 addition, undemarcated border issues exist between Thailand and neighboring countries including Myanmar and Cambodia. The submission of an amnesty bill intended to pave the way for the pardon and return of former Prime Minister Thaksin Shinawatra by ruling parties to the National Assembly in 2013 exacerbated domestic disorder. In May 2014, then Commander-in-Chief Prayuth Chan-o-cha of the Royal Thai Army issued a declaration of martial law nationwide, and then seized power via the National Council for Peace and Order, which mostly comprises the Thai military. Currently, under the administration led by former Commander-in-Chief Prayuth, who was selected as interim Prime Minister, the Government is aiming to hold general elections and transition to a new administration under a new constitution in order to facilitate a transition to civilian rule. The new constitution was promulgated and entered into force in April 2017. Next general election is expected to be held in 2019.

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 lateral joint exercise Cobra Gold since 1982, as well as

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14 See this Section, Footnote 5.
15 Based on an agreement reached in April 2013. In October 2016, LCS USS Coronado arrived in Singapore for the third rotational deployment.
16 In December 2015, Minister of Defence Ng Eng Hen of Singapore visited the United States. The two sides signed the Enhanced Defense Cooperation Agreement, and concurred that in accordance with this Agreement, they would strengthen their defense cooperation in the five areas of military, policy, strategy, technology, and the non-traditional security area of piracy and terrorism.
the CARAT and SEACAT joint exercises.\footnote{In May 2014, following the coup d’état in Thailand, the United States announced it would suspend joint exercises and freeze military assistance. However, the lateral joint exercise Cobra Gold was held in February 2015, and the bilateral joint exercise CARAT was held in August 2015.}

Thailand and China have also promoted military exchanges, conducting joint exercises such as Blue Strike among their marines and Falcon Strike among their air forces.\footnote{From November 12 to 30, 2015, the first joint exercise between Chinese and Thai air forces, Falcon Strike-2015, was held at the Korat Royal Thai Air Force Base in Thailand. From China, six J-11B fighters participated, and from Thailand, five JAS-39 Gripen fighters participated. In addition, in the air show of the closing ceremony of the exercise, from China, seven J-10 fighters of the August 1st Aerobatics Team participated, and from Thailand, two F-16 fighters participated.}

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 provided the most significant assistance to Vietnam. Until 2002, Russia had a naval base in Cam Ranh Bay. After the collapse of the former Soviet Union, Vietnam rapidly expanded its diplomatic relations with other countries, including establishing diplomatic ties with the United States. At present, Vietnam pursues an omnidirectional diplomatic policy and seeks to actively participate in international and regional cooperation in order to build friendly relations with all countries. In March 2016, an international port opened in the key strategic position of Cam Ranh Bay, and since then a number of navy vessels from not only Japan but also the United States and China have made calls to the new port.

In January 2016, the Congress of the Communist Party of Vietnam (CPV) was held after five years since the previous Congress.\footnote{President Truong Tan Sang, Prime Minister Nguyen Tan Dung, Minister of National Defence Phung Quang Thanh, among others were not reelected and retired from office. In April 2016, President Tran Dai Quang, Prime Minister Nguyen Xuan Phuc, Minister of National Defense Ngo Xuan Lich, and others were appointed at the Vietnamese National Assembly.} The Congress decided that Nguyen Phu Trong would remain CPV General Secretary, among other decisions, and a new leadership was established. General Secretary Trong in his second term identified that his focal missions for the next five years would include the following: enhance party building; carry out political reform; accelerate national modernization; and maintain the country’s independence, sovereignty, unity, and territorial integrity.

Vietnam and the United States have strengthened their military relations in recent years. This has taken such forms as joint exercises with the U.S. Navy and port calls by U.S. Navy vessels in Vietnam. In 2017, mutual visits were conducted by the leaders of both countries, and an agreement was reached on the deepening of defense cooperation. March 2018 marked the first port call by a U.S. aircraft carrier to Vietnam since the end of the Vietnam war.

Vietnam and Russia 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. 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.\footnote{In March 2015, it was reported that U.S. DoD 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 alleged 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.}

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 mostly on Russia for its defense equipment.
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. In September 2016, Prime Minister Modi became the first Indian prime minister to visit Vietnam in 15 years. During the visit an agreement was reached on raising the status of the bilateral relationship to comprehensive strategic partnership, while an announcement was made concerning a loan of US$500 million for deepening defense cooperation. 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.

## 3 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 capabilities, 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, and these have been successively delivered since July 2014. In addition, in August 2017, Indonesia announced plans for an additional procurement of 11 Su-35 fighters from Russia. With the ROK, Indonesia concluded an agreement in December 2011 to purchase three ROK-made 209-class submarines, and one was delivered on August 2017. The two countries also discussed joint development of the 4.5 generation KF-X/IF-X fighter, and they concluded an agreement which sets forth the details of their cost sharing and bilateral cooperation in January 2016. In addition, Indonesia is domestically building two frigates based on the Dutch Sigma-class Frigate 10514 vessel. The first of these vessels was delivered in January 2017, and the second was delivered January 2018.

As of 2009, Malaysia had purchased 18 Su-30 fighter jets from Russia. In addition, that same year, 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. Malaysia announced a plan to build six indigenous littoral combat ships (LCSs). The first of these vessels was launched in August 2017. Furthermore, in November 2016, Malaysia concluded an agreement with China to purchase four littoral mission ships (LMS).

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. After the F-5 fighters were decommissioned in 2005, the Philippines did not have any fighters for some length of time. However, between November 2015 and May 2017, the Philippines successively introduced 12 FA-50PH light fighters purchased from the ROK.

As for naval forces, the Philippines received three Hamilton-class frigates from the United States by 2016. The Philippines introduced two Indonesian-made landing dock vessels by 2017.

Singapore is actively striving to modernize its forces.

It introduced 24 U.S.-made F-15 fighters by 2012 and also participates in the F-35 Joint Strike Fighter (JSF) Program.

As for naval forces, Singapore introduced two Archerclass (Västergötland-class) submarines from Sweden by 2012. Also, in December 2013, Singapore concluded an agreement to purchase two German 218SG-class submarines (with plans to introduce them from 2021). With regard to Singapore’s current plans to build eight indigenous patrol vessels, the first such vessel came into service in May 2017, and the country aims to have all vessels in operation by 2020.

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22 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. 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.

23 Based on ISS’s “The Military Balance” and other sources.
As for Thailand, in July 2014, the country established the Submarine Squadron Headquarters, and started evaluation work to procure submarines. In April 2017, the Royal Thai Navy drew up a plan to purchase three Yuan-class submarines from China over the next 11 years, and the Thai Cabinet approved the purchase of one vessel.\textsuperscript{24} With regard to frigates, in September 2012, the Cabinet approved a plan to introduce two frigates, and concluded an agreement to purchase an ROK-made frigate as the first one. In addition, by 2013, Thailand has introduced 12 Swedish-made JAS-39 Gripen fighters.

By January 2017, Vietnam successively introduced six Russian-made Kilo-class submarines. By February 2018, Vietnam started the operation of four Russian-made Gepard-class frigates. As for its air force capabilities, Vietnam started to successively introduce Russian-made Su-30 fighters in 2004, and to date, the total number of delivered Su-30 fighters came to 36.

### Trends concerning Sovereignty and Other Issues over the South China Sea

#### Background

In the South China Sea, ASEAN countries and China have competing claims to such areas as the Spratly Islands,\textsuperscript{25} and the Paracel Islands.\textsuperscript{26} China is pursuing unilateral, large-scale, and rapid land reclamation and the building of facilities. The international community is expressing deep concern over the unilateral changes in the status quo and China’s creation of a fait accompli.

Since the enactment of the Act on the Territorial Sea and the Contiguous Zone of the People’s Republic of China in 1992, which stated that the Spratly Islands and the Paracel Islands are the territories of China, the country has only strengthened moves intended to emphasize its territorial claims. For example, China attached a map of the “nine-dash line”\textsuperscript{27} to a verbal note addressed to the UN in 2009, in which it made claims to the parts of the South China Sea that purportedly came under China’s “sovereignty, sovereign rights, and jurisdiction.” Furthermore, in 2012, China announced the establishment of Sansha City in Hainan Province, which claims to have jurisdiction over the islands of 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, stipulating that foreign fishing vessels that wish to carry out fishing activities in waters under the jurisdiction of Hainan Province must obtain permission from the relevant departments under China’s State Council. In January 2016, China set out a maritime policy for the next five years beginning from 2016, which stated that China would build a “Spratly Islands ecosystem protection zone.”

On the other hand, ASEAN countries as well have been bolstering their claims to territory in the South China Sea. In March 2009, the Philippines passed the so-called Archipelagic Baselines Law, stating that the Philippines has sovereignty over part of the Spratly Islands and the Scarborough Shoal pursuant to UNCLOS.\textsuperscript{28} In May 2009, Vietnam and Malaysia jointly requested to the Commission on the Limits of the Continental Shelf (CLCS) an extension of the continental shelf of the sea area that includes part of the Spratly Islands.\textsuperscript{29} In June 2012, Vietnam adopted the Maritime Law (effective January 2013) that asserts its sovereignty over the Spratly and Paracel Islands.

Some of the countries concerned in the South China Sea have reportedly resorted to the use of force on the opposing country’s vessels, including seizing vessels and firing warning shots, and the concerned countries have mutually lodged protests against these actions.

Between Vietnam and China, in May 2014, China’s unilateral commencement of oil drilling in waters near the Paracel Islands triggered confrontations between Chinese and Vietnamese vessels. In July 2015, a Vietnamese fishing vessel was rammed by a Chinese

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24 The plan to purchase Chinese-made submarines for the Royal Thai Navy approved by Thailand’s cabinet on April 18, 2017 first calls for purchasing one vessel in installments appropriated over the budgets from 2017 to 2023, and then procuring a total of three vessels over the next 11-year period. On May 5, a contract was concluded on the purchase of one of these three submarines.
25 The area surrounding the Spratly Islands is expected to have offshore resources such as oil and natural gas. The area is also a maritime transport hub and is blessed with rich fishery resources.
26 China, Taiwan, Vietnam, the Philippines, Malaysia, and Brunei claim sovereignty over the Spratly Islands. China, Taiwan, and Vietnam claim sovereignty over the Paracel Islands.
27 Concerning the “nine-dash line,” although this has given rise to conflicting claims about territory in the South China Sea among Southeast Asian countries, China has not offered any concrete explanations regarding the relationship between the “nine-dash line” and relevant international norms.
28 According to the Republic Act No. 9522, this law gives the location of the baselines of the archipelago in terms of latitude and longitude, including of Luzon Island, Palawan Island, and Mindanao Island. However, for the Spratly Islands (Filipino name: Calayan Islands) and the Scarborough Shoal (Filipino name: Bajo de Masinloc), the law states that the baseline is based on the “Regime of Islands” under Article 121 of UNCLOS and does not give the geographical location of the baseline.
29 The Commission on the Limits of the Continental Shelf (CLCS) is a body established under UNCLOS (Article 76 and Article 1 of Annex II). Coastal states (signatories) submit information concerning the continental shelf to CLCS when establishing the outer limits of the continental shelf beyond 200 nautical miles, and then CLCS issues a recommendation based on scientific and technical guidelines. The limits of the continental shelf based on the CLCS recommendation is final and binding for coastal states. CLCS consists of 21 members serving a term of five years. Members must be experts in the field of geology, geophysics or hydrography, and serve in their personal capacities.
vessel and sunk near the Paracel Islands. Thitu Island (Filipino name: Pag-asa Island) is a feature located near Subi Reef where China is building a runway. The mayor with jurisdiction over the island spotted the China Coast Guard vessel. This

According to the Ministry of Foreign Affairs of Vietnam, on January 16, 2016, China’s oil rig “Haiyang Shiyou 981” was found 21.4 nautical miles east of the assumed median line where the Vietnamese and Chinese continental shelves overlap. It is believed that notices were sent to China about this matter on January 18. It is reported that a similar incident occurred in April of that same year.

Between China and the Philippines, in November 2015, a Chinese vessel allegedly appeared several kilometers off the coast of Thitu Island of the Spratly Islands, an island occupied by the Philippines, and anchored there for approximately ten days. In April 2017, Secretary of National Defense Lorenzana indicated his intention to protest to China through diplomatic channels concerning an incident that occurred in March 2017 in waters near the Spratly Islands when China Coast Guard vessels fired warning shots across the bows of Filipino fishing vessels. Furthermore, the Secretary landed on Thitu Island, effectively controlled by the Philippines, in a military aircraft where he stated his intention to push forward with repairs of the runway.

Between Malaysia and China, in March of that year, in an incident occurred in which it is said that China Coast Guard vessels and around 100 Chinese fishing boats together made an incursion into the area around the Luconia Shoals within Malaysia’s EEZ.

Between Vietnam and Taiwan as well, in January 2016, a Vietnamese fishing vessel operating near the Spratly Islands reportedly collided with a Taiwanese coast guard vessel.

Some of the countries concerned in the South China Sea conduct land reclamations and build facilities on the features they respectively occupy, including the Spratly Islands. However, under these circumstances, since 2014, China has pushed forward with rapid and large-scale land reclamations activities and continued to install military facilities such as batteries, as well as develop various types of infrastructure that can be used for military purposes, including runways, hangars, harbors and radar, continuing to make the features military bases.

Some countries with claims on territory in the South China Sea are making efforts to resolve the issue peacefully in accordance with international law. In January 2013, the Philippines instituted arbitral proceedings pursuant to UNCLOS for the dispute over China’s assertions and actions in the South China Sea, and in July 2016, an arbitral tribunal rendered a final ruling in which it ruled in favor of nearly all of the Philippines’ submissions. In response, China issued a statement noting that the ruling was invalid and had no binding force and that China opposed and refused to accept it. Pursuant to UNCLOS provisions, the award of the arbitral tribunal is final and is legally binding on the parties to the dispute, and therefore, it is necessary that the parties adhere to the award.

As for ASEAN, 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. A Chairman’s Statement from an ASEAN Summit in May 2014 repeated concerns over the situation in the South China Sea. Following that, the Chairman’s Statement from the November 2017 ASEAN Summit did not express such concerns, but instead drew attention to the recognition that Chinese and ASEAN relations were improving. However, within the Chairman’s Statement from the ASEAN Summit held in April 2018, yet again concerns were expressed by a portion of the leaders about land reclamation activity in the South China Sea.

Also, in 2002, ASEAN and China signed the Declaration on the Conduct of Parties in the South China

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30 Incidents involving the collision and sinking of Vietnamese fishing vessels by Chinese vessels near the Paracel Islands are believed to have taken place in September 2015, January, March, and July 2016, August 2017, and April 2018.

31 According to the Ministry of Foreign Affairs of Vietnam, on January 16, 2016, China’s oil rig “Haiyang Shiyou 981” was found 21.4 nautical miles east of the assumed median line where the Vietnamese and Chinese continental shelves overlap. It is believed that notices were sent to China about this matter on January 18. It is reported that a similar incident occurred in April of that same year.

32 Thitu Island (Filipino name: Pag-asa Island) is a feature located near Subi Reef where China is building a runway. This was reportedly the first time that a vessel anchored for as long as ten days.

33 With regard to the “nine-dash line” and China’s claim to historic rights, the arbitral tribunal found that China’s claims to historic rights with respect to the maritime areas encompassed by the “nine-dash line” are contrary to UNCLOS and without lawful effect to the extent that they exceed the limits of China’s maritime entitlements under UNCLOS. With regard to the legal status of features, the arbitral tribunal found that all of the features in Scarborough Shoal and the Spratly Islands (including Itu Aba Island [Taiwanese name: Taiping Dao] have no EEZ or continental shelf. With regard to the legality of Chinese activities, the tribunal found that China has unlawfully prevented Filipino fishermen from engaging in traditional fishing at Scarborough Shoal, violated its obligations to protect the marine environment through its largescale land reclamations, artificial island-building, and other activities, violated its obligations pertaining to navigation safety by virtue of the dangerous navigation by its law enforcement vessels, breached the Philippines’ sovereign rights through its land reclamations at Mitchell Reef, and violated its obligations by aggravating and extending the disputes through its dredging, artificial island-building, and other activities following the commencement of arbitral proceedings.
Sea (DOC)\(^34\) aimed at peacefully resolving the issues over the South China Sea. Official talks are now ongoing for establishing the Code of the Conduct of Parties in the South China Sea (COC), which goes into further detail than the DOC and is deemed to have legal binding force. Following the adoption of the COC framework at the ASEAN-China Foreign Ministers’ Meeting in August 2017, the start of the negotiations on the COC was formally announced at the 20th ASEAN-China Summit in November of the same year. Although the progress being made in discussions should be appreciated, care must be taken to ensure that COC does not invalidate the decision of the arbitral tribunal between the Philippines and China, or is not used as a pretext for excluding the involvement of countries outside the region.

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.

The ASEAN Community established on December 31, 2015 is comprised of three pillars, namely, cooperation by the ASEAN Political-Security Community, ASEAN Economic Community, and ASEAN Socio-Cultural Community. The first of these, the ASEAN Political-Security Community (APSC), adopts the principle of building on what has been constructed over the years in the field of political and security cooperation through ASEAN’s initiatives, and of aiming to ensure a peaceful life in a democratic and harmonious environment. The APSC Blueprint 2025 identifies the four characteristics of (1) aiming to become a rules-based, people-oriented, people-centered community; (2) aiming to become a peaceful, secure, and stable region; (3) aiming for dynamic and outward-looking ASEAN centrality; and (4) aiming for strengthened ASEAN institutional capacity and presence.

ASEAN member states also utilize ASEAN as the multilateral security framework of the region that it has been over the years. ASEAN holds mechanisms such as the ARF and ADMM, which provide opportunities for dialogue on security issues. Furthermore, ASEAN has made 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 addition, ASEAN attaches importance to expanding its relations with countries outside the region. It holds the ASEAN Defense Ministers’ Meeting Plus (ADMM Plus), a platform that adds eight non-ASEAN countries including Japan to ADMM, and holds HA/DR exercises. Moving forward, ASEAN member states are expected to further develop such initiatives as dialogues, HA/DR exercises, and expansion of relations with non-ASEAN countries, in accordance with the principle and concepts of APSC.

\(^{34}\) The DOC includes commitments to resolve territorial and other disputes by peaceful means, and to reaffirm that the adoption of a code of conduct would further promote peace and stability in the region and work towards the attainment of this objective, based on the principles of international law.