

Galle Dialogue 2014
Cooperation and Collaboration for Maritime
Prosperity
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Collaborative Approach for Economic Benefits:
Threats and Future Concerns

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Good afternoon, my name is Rear Admiral Mike Noonan and I am the Commander of Australia's Border Protection Command. I am representing Vice Admiral Tim Barrett, the chief of the Australian Navy and on his behalf, I would like to thank and congratulate our host, Vice Admiral Jayantha Perera for conducting this important Dialogue. Australia strongly believes in the utility of such gatherings as a means of fostering continued debate and good will. Many nations represented here also come together at other maritime themed events such as the Indian Ocean Naval Symposium which Australia currently chairs.

I will cover three broad themes today. The first theme is concerned with the importance of the maritime economy, but do not be concerned, I have no intention of reeling off reams of statistics; for the purposes of our community, recognition of its importance is the key, and, in thinking about this use of the oceans, we face a range of factors that do, or might impinge upon their use, so my second theme, is about the type of threats and issues that we must deal with and think about and importantly, to be in a position to respond to, and where necessary, neutralise these issues,

we must recognise the need for maritime cooperation at all levels, ranging from the tactical to the geopolitical. This Dialogue being a prime example.

Today, the Indian Ocean is correctly regarded as one of the world's most important oceans, not least due to the energy flows from the Middle East, and increasingly east Africa, to Europe, but more importantly into the Asia-Pacific. The volume of this trade is well known so I shall not repeat it. This strong global attention explains the presence of external actors in the region and the dynamics within the region are affected by their interplay.

But we know the Indian Ocean is much more than this. We know it as a vibrant region, with great diversity, and enormous potential, not least because of the intra-regional seaborne trade that transit its waters and for the value of its marine resources. Given this obvious strong and important maritime focus, the centrality of maritime security and safety is paramount in our considerations. But the achievement of maritime security in this ocean requires multilateral cooperation in a variety of spheres which I will expand upon today.

Opinions will vary on the most important sectors of the Indian Ocean maritime economy, but let me posit three of them: seaborne trade, fisheries, and offshore oil and gas deposits.

Regional aggregated seaborne trade data is difficult to find, but if we take as an indicative figure that there are about one hundred thousand [100,000] annual ship transits, then clearly it is a busy ocean. The world, and by implication many navies, focus on the energy flows across the

Indian Ocean but there is also considerable intra-regional trade, including coastal trade that contributes to these numbers. Combine this with the strategic chokepoints in the region, such as the Suez Canal, the Strait of Hormuz, the Bab el-Mandeb and the Malacca Strait, not to mention the straits in the Indonesian archipelago, and we have a very complex maritime security equation when it comes to shipping and trade.

But while there has long been a focus on shipping and trade in the region, fisheries assume a similar, if not greater, level of importance to some states in the Indian Ocean. From a food security perspective, fisheries are vital, while also making a major economic contribution to states. For some states, fish might contribute up to 50% of the animal protein intake of their people, while making a substantial contribution to gross domestic product and to export earnings.

These fisheries are spread across the Indian Ocean, containing a large variety of fish types with the fish stocks at varying levels of sustainability. And this is the key issue under the Law of the Sea Convention, which is that the right to harvest these fish in an exclusive economic zone also brings with it the obligation to manage the sustainability of the fishery. Of course, many fisheries are in the high seas and open to all, but the long term ecological sustainability of all these fisheries is paramount to human and economic security in the region. A number of regional bodies exist to provide a cooperative framework for the management of fisheries. Our navies will have little to do with most of the activities of these bodies, except in a possible compliance role, and I will expand upon this later.

Given the increasing global demand for fossil fuels, which currently constitute the foundation of all industrialised and industrialising economies, new sources of supply must be found and increasingly, these are being found offshore. They are very high value assets that generate valuable and critical sources of energy; if they are damaged or destroyed there will be considerable environmental, economic and security implications. There are numerous examples of accidental and prolonged spills around the world that support this statement.

A foundation for much of the maritime economic activity in the region is international law and the creation of maritime zones. However, some of the challenges we face are unintended consequences of international law. The varying sovereignty and sovereign rights in various maritime zones on the surface appear quite simple, but in a congested geography where maritime boundaries are not easily agreed, tensions have arisen. I don't seek to probe any further into the issue, but will emphasise the view of the Australian government, that States act peacefully in accordance with international law and importantly, that issues should be resolved within a legal framework. And I would note the obvious point, that navies and coastguards have always operated under a legal framework.

But what are the maritime security issues we face in the Indian Ocean? I have not yet used the word 'threat' when talking about maritime security and would prefer not to. In military planning 'threat' can be grossly simplified as capability times intent, but such calculations are generally applied to states acting against each other. But, as we know, many of the issues we face at sea might be caused by non-state actors, where such a threat calculation is difficult, if not impossible to apply. An alternative conceptual approach is a risk assessment that compares the likelihood of

an occurrence with its consequences; such an approach can accommodate non-state actors. This is a roundabout way of saying that the use of the term ‘threat’ can actually be problematic, so instead I will focus on issues and I will do this from a first principles approach.

It is clear to all of us that seaborne trade, and in particular energy flows, are critical to our national economies, as well as our regional and global economies. The key factor that emphasises the critical importance of seaborne trade is our increasing economic interdependence, where issues in one economy can quickly flow to another. We all rely on trade for economic development and growth and this trade makes a major contribution to our respective national prosperity.

Currently the greatest physical danger to seaborne trade comes from non-state actors, who are individuals or gangs who commit sea robbery or piracy. And this crime at sea also needs to be placed in perspective, where in our part of the world, many of the incidents occur when a ship is berthed or at anchor. This is a critical factor as the burden of responsibility for safety and security resides with the ship owner and master and with port authorities, not navies.

The importance of energy shipments across the Indian Ocean can be demonstrated in some ways by the naval resources that a number of us have devoted to counter-piracy operations in the north-west Indian Ocean to ensure good order at sea, and the freedom of navigation of commercial shipping. Maritime terrorism is of course possible, and there have been a number of incidents over the past few years. But the threat of all out commerce warfare between states appears unlikely.

But naval planners cannot and should not ignore the vulnerabilities of the transportation industry and the need to plan for the protection of shipping. The Pacific and Indian Ocean Shipping Working Group brings together a number of like-minded navies that meet regularly to discuss issues, doctrine and procedures relevant to commercial shipping and port operations, which are practiced through the Exercise Bell Buoy series.

As we know, regional fisheries are subject to illegal unregulated and unreported (or IUU) fishing. This has a severe ecological impact on some fisheries, which are now classified as overfished, as well as the obvious human and economic impact on fishing states. But in noting the problem, we also need to differentiate between the perpetrators, who range from fishermen who might cross maritime boundaries, through to criminal gangs. Conducting interceptions at sea are important to maintain maritime boundaries and fishery stocks, but a range of back office activities are also necessary to disrupt this criminal activity. Cooperation between states is critical to enforce management compliance of fisheries and this occurs under a range of agreements.

An example is the agreements Australia has with France in relation to the cooperative enforcement of fisheries laws. These agreements provide for joint patrols to be undertaken against illegal fishing activities in the most southern parts of the Indian Ocean where we share adjacent territories. Signed in 2003 and 2007 respectively, the two treaties facilitated the mutual exchange of Australian and French officials on respective patrol vessels to patrol the Australian Heard and McDonald Islands and the adjacent French Kerguelen Island. These joint patrols allow for sharing the burden of costly resources and act as a force-multiplier in patrolling this remote and inhospitable area.

Offshore energy infrastructure is one of the major maritime security issues facing us: ranging from accidents, maritime terrorism or economic warfare, where the cost of the infrastructure is considerable, the fossil fuels needed either for domestic consumption or export and the threat of large-scale pollution and the effect it will have on the marine ecology. Given our investment in, and reliance upon, offshore oil and gas, the Australian government has a keen interest in the protection of these installations, whose security is regulated under the Maritime Transport and Offshore Facilities Security Act. This Act allows implementation of the International Ship and Port Facility Security Code, in Australian domestic law.

My Command, Border Protection Command, is responsible for civil maritime security enforcement and conducts surface and aerial security patrols around offshore facilities throughout Australia's exclusive economic zone and in the Joint Petroleum Development Area with Timor-Leste. These patrols are conducted by Navy ships, air force aircraft, and Australian Customs and Border Protection vessels and contracted aircraft. Patrols are conducted on a regular, but deliberately unpredictable basis. The patrols aim to deter, prevent or respond to illegal actions that may negatively impact production or endanger embarked employees.

Additionally, the Australian Navy has increased its augmented security patrols off the North-West Shelf off the Western Australian coast. But protection is more than just patrolling. Exercises such as BLUE RAPTOR tested communications, procedures and protocols between Navy vessels, other Australian Defence Force units and critically, with the oil and gas

platforms; and exercise IRON MOON focused on maritime counter-terrorism scenarios concerned with maritime disruption and recovery operations.

The security of undersea submarine cables is an emerging maritime security challenge, as they carry 97 per cent of all international telecommunications, and are subject to natural breakage and damage, negligent actions from fishing and shipping activities, and direct attacks. Australia has a very strong regulatory regime in place for the physical safety and security of its undersea submarine cables, but what is missing is a regional, and ultimately an international approach to regulation and protection.

Of course we cannot dismiss the impact of disasters whether man made or natural. Our part of the world suffers from earthquakes, typhoons, and tsunamis, to name but a few; as well as the impact of pollution from ships, offshore oil and gas, and coastal runoff. Given the maritime geography of Asia and the Indian Ocean, maritime force, generally from our navies and coastguards, are called upon as the first responders for many of these problems.

In this regard, let me briefly talk about the MH370 tragedy. The unprecedented international response saw over 20 aircraft and 19 ships involved in the search in the southern Indian Ocean, 2000 kilometres south west from Perth. Chinese, Japanese, Korean and Malaysian assets were involved under the coordination of the Australian-led Joint Agency Coordination Centre alongside assets from Australia, New Zealand, the United States and the United Kingdom. This activity has shown the importance of close cooperation between maritime agencies and how

previous experience in working together can enhance our ability to form international responses rapidly and to work cohesively towards a common goal.

Another emerging security challenge facing us is determining and mitigating the impacts of climate change upon our oceans. Immediate areas we need to examine include the impact of acidification on the oceans and fisheries; and the impact of possible sea level rise on low lying islands, heavily populated coastal areas and of course our ports and shipping infrastructure. This issue has a rapidly evolving academic focus but has yet to be effectively translated into policy and ultimately action.

But if these are some of our regional maritime security challenges, then how might we tackle them?

Quite simply, in order for our countries and our navies to cooperate to ensure good order at sea, we need an administrative, planning and operational framework to achieve this. I have also waited until now to use the word 'trust'. To operate together we need trust. Trust cannot be given or traded it must be earned. It is earned through training together, exercising together and through operations. It is earned through the sharing of information. It is earned through a willingness to learn from each other and also to teach each other. And it is only through trust that we can achieve good order at sea in the Indo-Pacific.

I will turn my attention to some strategic and operational issues.

Thinking of activities at the strategic level is relatively simple - it is what we are doing now. This is the space occupied by Chiefs of Navies heads

of Coastguards and Marine Police. From a naval perspective, this is where a Chief of Navy conducts 'counterpart visits' with fellow chiefs. These visits provide a forum for one-on-one discussions and the opportunity to build personal rapport, trust, and common understanding. Such visits allow each service chief to brief their government on regional concerns, such visits and to gain a first-hand appreciation of how other countries might react to particular events. Moreover, with the mutual trust gained from these exchanges the service chiefs are better placed to deal with each other in times of crisis. And this is the critical point - when something happens and assistance is required, it is often a phone call, or increasingly a text message, that starts the process of support, rather than the cumbersome process of bureaucracies.

Naval chiefs also host a range of international activities to bring chiefs and other members of navies together. The best known examples of these are the naval symposia, which have incrementally evolved in terms of breadth and support over the years. In 1969 the US Navy conducted its first International Seapower Symposium at the Naval War College in Newport Rhode Island. Generally held biennially, it has become the preeminent forum for bringing together naval chiefs from around the world to meet, to discuss issues of relevance, as well as providing an opportunity in many instances to resolve issues where a point of difference has existed. Importantly, the ISS now also includes heads of coastguards and war college presidents and Admiral Barrett and I were delighted to meet many of you in Newport in September this year.

From the ISS evolved the Western Pacific Naval Symposium where Australia had the honour of hosting the first meeting in Sydney in 1988. This symposium has a differing rationale to the ISS, being geographically

focused and with the aim of improving naval mastery. The biennial symposia are where the chiefs meet to discuss issues - which might include lectures or presentations on regional or technical issues, technical discussions, reports on activities and cooperative plans for the future. I will talk more on the WPNS when looking at operational issues.

In terms of lineage, the Indian Ocean Naval Symposium (IONS) is a descendant of the Western Pacific Naval Symposium (WPNS), but its conceptualisation came from the Indian Navy, which hosted its first meeting in 2008. This symposium takes a slightly different approach again as it includes navies, coastguards and marine police, and is concerned with maritime cooperation and collaboration in the first instance. While not yet operational in the same sense that WPNS is, IONS will likely head in that direction. The biennial symposia usually comprise an academic seminar to provide the latest thinking on a range of maritime, economic and environmental topics, while its technical workshop consider pressing security and cooperative concerns in much greater detail. IONS also conducts an annual essay competition to promote thinking and educational development of its sailors, as well as producing IONSPHERE as an educational journal.

While not a naval symposia perse, the Heads of Asian Coast Guard Agencies Meeting, conceptualised by Japan in response to piracy in the late 1990s, came into being in 2004 and provides the opportunity to discuss strategic and operational level issues where these forces might be able to cooperate and collaborate, particularly on search and rescue.

Similarly, major international naval conferences also provide the opportunity for Navy Chiefs to meet, to learn about new issues, and to

hold discussions. Australia is particularly proud of the bilateral discussions it facilitates during its biennial Sea Power Conferences, as well as at the most recent IONS meeting in Perth in March 2014. These bilateral meetings are far less formal than official counterpart meetings and are focused on dealing with substantive issues between relevant navies. This Galle Dialogue also serves similar important purposes.

Also at the strategic level, formal 'Navy to Navy' talks are undertaken at the one/two star level, where a range of issues of mutual interest are discussed and the interaction objectives for our navies are developed. These discussions tend to focus on broader strategic, organisational, managerial, personnel, training and operational issues.

But it is at the operational level where things are happening and it is where we achieve the levels of cooperation and collaboration that are needed in ensuring good order at sea in the Indo-Pacific.

The WPNS has, over time, developed a range of handbooks, activities and exercises to improve the cooperation and collaboration between its member navies. Australia developed the Maritime Information Exchange Directory that would provide guidance on what navies would like to have reported to them. Malaysia developed the Replenishment at Sea Handbook, detailing ships' layouts and RAS procedures. And perhaps the most important document is CUES, initially called Code for Unalerted Encounters at Sea while in draft form, but on its endorsement as a voluntary code at the recent meeting in Beijing, it is now called the Code for Unplanned Encounters at Sea. CUES provides safety procedures to avoid collisions at sea, advice on formations and convoys, safe speeds and distances, and radio communications procedures. CUES and the use

of CUES is not limited to WPNS members on the contrary, it is a code that can and should be used by all mariners. The WPNS also conducts mine countermeasures and clearance diving exercises, as well as a Japan initiated sea-riding program.

One of the relatively newer activities is with the ASEAN Defence Ministers Meeting Plus (ADMM+) expert working group on maritime security. Initially co-chaired by Australia and Malaysia, it established a regular and active meeting program, hosted a table top exercise, established its own website and conducted a field training exercise. This exercise, conducted prior to the Royal Australian Navy's International Fleet Review in 2013, focused on information sharing, building a common understanding and establishing an interoperability baseline between ADMM Plus countries.

And of course the Japan-initiated Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) has proven great utility in the exchange of information and the promotion of cooperation between relevant maritime forces to counter regional piracy. In 2013, Australia became the 19th contracting party member to ReCAAP, and I am the Governing Council's representative for Australia. Information sharing is critical to good order at sea and current arrangements with the ReCAAP Information Sharing Centre and the Singapore Navy led Information Fusion Centre at Changi Naval Base provide a valuable service to the region.

At an operational level of engagement, navies are regularly involved in a large number of international exercises and operations, often including reciprocal visits between the senior officers. These exercises might be

bilateral in nature, but increasingly are multilateral. At this level, ship evolutions are generally focused more on warfighting than constabulary activities and are critical to the development and maintenance of mariner and interoperability skills, along with practicing the combined command and control arrangements necessary to operate in effective coalitions. As well as promoting technical proficiency, international exercises help in shaping the strategic environment and building trust and confidence between participants.

The lowest level of engagement, such as a passage exercise, occurs when warships transit an area and take the opportunity to exercise with adjacent naval forces. Often conducted at short notice and on an opportunity basis, they are usually restricted to navigation, seamanship and low level warfare activities. Being relatively simple and short, they can be organised with short lead times and optimise benefits of participating elements being in the same area at the same time.

Vital engagement also occurs with every overseas visit by a warship or coast guard cutter. Navies conduct frequent port visits and maintain deployment programs that ensure a visible presence further afield at regular intervals. The aims of these visits are many, but importantly they 'show the flag', demonstrating their state's friendship with the state visited, and allowing a direct interaction between states. They provide an opportunity for locals to visit the ship and talk to the sailors. Equally importantly, they allow officers and sailors to gain a first-hand appreciation of the state visited; a critical factor in building mutual understanding and respect.

While the most visible aspect of a navy's regional engagement involves ship visits and exercises, there are other interactions that also promote capacity building, understanding and cooperation between states. The provision of training, exchange officers and reciprocal attendance at staff courses are all key components of building understanding and trust. As an example, Australia provides 'individual training' where foreign personnel attend courses in Australia and RAN personnel do likewise overseas. Australia also hosts 'operational training' where foreign personnel are attached to our ships. Over 200 foreign naval personnel train in Australia each year, with most coming from regional countries. Importantly many senior officers from regional countries in fact many of you, have undertaken training in Australia and the personal contacts they have gained can assist when dealing with sensitive issues.

My limited overview of naval cooperation and regional activities from an Australian perspective might seem prosaic, but I think it highlights two important factors: the first is that a broad range of cooperative activities already take place, and second and perhaps more importantly is that these types of activities build trust and confidence in each other. Navies regularly deal with their foreign counterparts and know that you cannot 'surge trust' - it must be developed over time through meetings, discussion and exercising and training together.

To operate together we need trust, but it cannot be given or traded it must be earned. And it's just not just a word or concept that can be used without proper justification or consideration. Trust, including transparency and resultant confidence building measures, is earned through training, exercises and operations; those activities that provide the foundation of multinational cooperation. It is earned through the

sharing of information. It is earned through a willingness to learn from others and also to teach others. And it is only through trust, and with firmness, consistency and resolve, that we can apply good order at sea in the Indo-Pacific.

Thank you for your attention and I look forward to your questions.