Maritime Cooperation for Regional Security in SCS

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Ho Chi Minh City, Vietnam, 27-28 Nov. 2017
Maritime Cooperation for Regional Security

• Shipping in the SCS
• Marine Technology Trends
• Maritime Cooperation in SCS
• Conclusions
Maritime Cooperation for Regional Security

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• Shipping in the SCS
Seaborne trade accounts for 80% of total world trade volume

(Source: UNCTAD 2017)
As of 1 January 2017, world commercial fleet consisted of 93,161 vessels, with a combined tonnage of 1.86 billion dwt.

(Source: UNCTAD Review of Maritime Transport 2017)
China, the Republic of Korea and Japan were leaders in ship building, accounting for 92% of global deliveries in 2016.

(Source: UNCTAD Review of Maritime Transport 2017)
Top 10 nationally owned fleets, 2017 (dwt)

(Source: UNCTAD Review of Maritime Transport 2017)
Shipping in the SCS

World Maritime Day 2017

(Source: IMO homepage)
Shipping in the SCS

• The theme for this year will enable us to shine a spotlight on the existing cooperation between ports and ships to maintain and enhance a safe, secure and efficient maritime transportation system.

(Source: IMO Secretary-General Mr. Ki-tack Lim)
Shipping in the SCS

Shipping is the most international of all the world's great industries, and one of the most dangerous.
<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>Gross Tonnage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Panama</td>
<td>220,827,125</td>
</tr>
<tr>
<td>2</td>
<td>Liberia</td>
<td>138,735,562</td>
</tr>
<tr>
<td>3</td>
<td>Marshall Islands</td>
<td>132,877,581</td>
</tr>
<tr>
<td>4</td>
<td>Singapore</td>
<td>82,435,023</td>
</tr>
<tr>
<td>5</td>
<td>Malta</td>
<td>67,315,297</td>
</tr>
<tr>
<td>6</td>
<td>Bahamas</td>
<td>59,182,139</td>
</tr>
<tr>
<td>7</td>
<td>United Kingdom</td>
<td>47,689,807</td>
</tr>
<tr>
<td>8</td>
<td>China</td>
<td>45,416,722</td>
</tr>
<tr>
<td>9</td>
<td>Greece</td>
<td>40,868,971</td>
</tr>
<tr>
<td>10</td>
<td>Japan</td>
<td>24,579,000</td>
</tr>
</tbody>
</table>

(Source: IMO)
## World Merchant Shipping
Registered by Country on 31 Dec 2016

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>Gross Tonnage</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>Cyprus</td>
<td>21,724,652</td>
</tr>
<tr>
<td>12</td>
<td>Norway</td>
<td>17,387,174</td>
</tr>
<tr>
<td>13</td>
<td>Italy</td>
<td>16,133,555</td>
</tr>
<tr>
<td>14</td>
<td>Denmark</td>
<td>15,644,432</td>
</tr>
<tr>
<td>15</td>
<td>Indonesia</td>
<td>14,948,699</td>
</tr>
<tr>
<td>16</td>
<td>Portugal</td>
<td>12,163,926</td>
</tr>
<tr>
<td>17</td>
<td>United States</td>
<td>11,474,034</td>
</tr>
<tr>
<td>18</td>
<td>Republic of Korea</td>
<td>11,083,043</td>
</tr>
<tr>
<td>19</td>
<td>India</td>
<td>10,635,701</td>
</tr>
<tr>
<td>20</td>
<td>Germany</td>
<td>9,618,863</td>
</tr>
</tbody>
</table>

(Source: IMO)
Shipping in SCS
Top 10 Ports in 2017

01 Shanghai, China
02 Singapore, Singapore
03 Shenzhen, China
04 Ningbo-Zhoushan, China
05 Busan, South Korea
06 Hong Kong, China
07 Guangzhou, China
08 Qingdao, China
09 Dubai, United Arab Emirates

(Source: Lloyd’s List)
Shipping in SCS

Top 10:

Shanghai
Singapore
Shenzhen
Ningbo-Zhoushan
Busan
Hong Kong
Guangzhou
Qingdao
Dubai
Tianjing

(Source: Strategic Maritime Passage)
Shipping in SCS

WORLD CONTAINER PORT VOLUMES BY REGION

- Asia: 64%
- Europe: 16%
- North America: 8%
- Developing America: 6%
- Africa: 4%
- Oceania: 2%

(Source: Review of Maritime Transport, 2017)
Shipping in SCS

What are the scenarios of shipping and exports in Southeast Asia countries?
Shipping in SCS

ASEAN-China World share (dwt) for 2015

China
Vietnam
Thailand
Singapore
Philippines
Myanmar
Malaysia
Laos
Indonesia
Cambodia
Brunei

(Source: UNCTAD Homepage, 2017)
100,000 ships transit Malacca Strait every year, 70-80 % for China

Source: Malaysian Transport Minister Mr. YB Dato' Sri Liow Tiong Lai, 19 October 2016
South China Sea remains highly shipping density and vital shipping route.

2016 in SCS

>96,660 ships
>90% global fleet
>50 countries
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- Marine Technology Trends

Source: Rolls-Royce
Marine Technology Trends

Source: IMO Homepage
Marine Technology Trends

Key agenda Items at MSC 98

- Maritime Autonomous Surface Ship;
- Cyber risk management;
- .......;

Maritime Technology Trends

Maritime Autonomous Surface Ships (MASS) Scoping exercise

• IMO takes a proactive & leading role;
Marine Technology Trends

Scoping exercise is to touch on issues:

• human element,

• maritime safety & security,

• interactions with ports & pilotage,

• responses to incidents,

• protection of marine environment,
Scoping exercise is to consider:

- **legal** aspects,
- **responsibility** in MASS accident,
- **consequences** to cargo,
- **implications** to shoreside,
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SHIP-SOURCE POLLUTION

SOx

Shipowners and operators should make practical plans to meet the cap of 0.5% on sulphur in fuel from 1 January 2020.
Maritime Cooperation in SCS

Port Cooperation

Kemaman Port Authority, Kuching Port Authority and Sabah Ports Authority would be joining the alliance from Malaysian side.

On China side, Tianjin Port and Qingdao Port would be added, bringing the total number of ports in the alliance to 21.

(Source: The Star online, 4 Sept. 2017)
Three ECAs within China are launched in 2015, and entered into force from 1 January 2016.

2016-2019
Fuel sulphur $\leq 0.5\%$

By 2020
Fuel sulphur $\leq 0.1\%$

(Source: China Classification Society, Sept 2017)
Maritime Cooperation in SCS

(Source: China Classification Society, Sept 2017)
PSSA in Southeast Asia

Philippines
• Tubbataha Reefs Natural Park in Sulu Sea, as PSSA

Malaysia
• Pulau Kukup (Kukup Island) and Tanjung Piai (Cape Piai), as PSSA

Vietnam
• Ha Long Bay (Quang Ninh) – Cat Ba (Hai Phong)

Indonesia
• Gili Islands and Nusa Penida Islands, as PSSA
Philippines, Tubbataha Reefs Natural Park as PSSA

MEPC 71 approved Tubbataha Reefs Natural Park, situated in the Sulu Sea, Philippines as PSSA,

(Source: IMO MEPC 69, 2016)
PSSA in Southeast Asia

Malaysia:

Protection of Pulau Kukup (Kukup Island) and Tanjung Piai (Cape Piai) coastal protected areas (Johore)

(Source: IMO MEPC 71, 2017)
Vietnam:
Ha Long Bay (Quang Ninh) – Cat Ba (Hai Phong), as PSSA

(Source: IMO MEPC 69, 2016)
PSSA in Southeast Asia

Indonesia

Gili Islands and Nusa Penida Islands, in close proximity to international shipping routes in Lombok Strait, Indonesian Archipelagic Sea Lane (IASL) II, between Lombok and Bali Islands.

(Source: IMO MEPC 71, 2017)
Maritime Cooperation in SCS

China-Asean Joint SAR Exercise

Magic Vs Jupiter
- 29 overboard
- 328 to be rescued
- 8 injured
- 2 transferred by helicopter

Brunei,
China,
Cambodia,
Lao,
Myanmar,
Philippines,
Thailand

20 ships, 3 helicopters, 1000 people

(Source: china.people.com.cn, 31 October. 2017)
Maritime Cooperation in SCS

Autonomous Ship

– UNCLOS;
– SOLAS,
– MARPOL,
– COLREG,
– STCW,
– Liability,
– …
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ASEAN – CHINA Summit
Maritime Cooperation for Regional Security

For regional security in SCS:

- **Confidence building**
- **Capacity building**
- **Cooperation**
- **Connectivity of facilities**
Maritime Cooperation for Regional Security

• joint vision,
• greater synergy
• political and security cooperation,
• bond of business cooperation,
• people-to-people exchange,
e.g., cruise tourism, maritime search and rescue, marine environmental protection.
Maritime Cooperation for Regional Security

RMS Titanic, 15 April 1912, with 1,500 loss

Costa Concordia, Jan. 2012,
Cruiser Safety


4252 POB – luckily, 32 fatalities only

(Source: International Maritime Rescue, October 2017)
Safer, More Secure Voyage in SCS

China and Southeast Asian countries work together for regional security!
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