



BRUNEI DARUSSALAM  
2013

ASEAN Regional Forum  
**ANNUAL SECURITY  
OUTLOOK 2013**

ASEAN Regional Forum **ANNUAL SECURITY OUTLOOK 2013**

**BRUNEI DARUSSALAM 2013**

The background features a large, light blue wireframe sphere that recedes into the distance. In the foreground, a dark blue, wavy ribbon-like structure curves across the bottom left and right. The overall color palette is a gradient from light blue at the top to a pale yellow at the bottom.

ASEAN Regional Forum

**ANNUAL SECURITY  
OUTLOOK 2013**





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# FOREWORD



As a chairman of the ASEAN Regional Forum, I have great pleasure in presenting this 14th Volume of the ARF Security Outlook. Initiated in 2000 under the Chairmanship of the Kingdom of Thailand, this annual publication comprises voluntary contributions from countries taking part in the Forum.

As a non-classified document, its purpose is to enhance transparency, confidence and understanding among the participants and I thank all who have contributed to this essential aspect of the Forum.

A handwritten signature in black ink, appearing to read 'M. Bolkiah'.

**MOHAMED BOLKIAH**

Chairman of the 20th ASEAN Regional Forum  
Minister of Foreign Affairs and Trade of Brunei Darussalam

Bandar Seri Begawan  
Brunei Darussalam, July 2013

# EXECUTIVE SUMMARY


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The “2013 ARF Annual Security Outlook” contains submissions from sixteen participants in the ASEAN Regional Forum, reviewing the regional security environment from July 2012 to July 2013.

The submissions show that, over the past five years, new economic and strategic factors are making the Asia Pacific region increasingly important internationally. These factors are determining the ARF’s approach to security, especially in the consequent need they demand for stable and productive relations with the major powers.

The submissions also define security in two forms. One involves traditional security concerns, such as the situation in the Korean Peninsula; instability in the Middle East and North Africa; and the territorial disputes that may produce conflict in the South China Sea. The other seeks to address non-traditional security threats that challenge regional peace and security in the form of terrorism, transnational crimes, natural disasters, piracy and cyber-attacks.

Although these concerns are felt by all ARF participants, differences in perceptions, in accordance with national security agenda and defence policies are evident. As a result, differences in approach inevitably ensue.



Nevertheless, a consistent message is expressed that the ARF provides a platform on which security needs for both traditional and non-traditional concerns can be assessed peacefully through dialogue, consultation and cooperation.

Hence, the contributors underline the importance of the various regional mechanisms, such as “East Asia Summit” and the “ASEAN Defence Ministers Meeting Plus”. It is recognized that these regional mechanisms offer opportunities to develop practical cooperation both at the highest political level and among the defence establishments.

The submissions also express participants’ commitment to the ARF process, through the implementation of ARF work plans. In support of this commitment, they list activities due to be convened in the next inter-sessional year.

In terms of its broad implications, the “2013 ARF Annual Security Outlook” confirms that the ARF continues to play a critical role in building peace and security in South-east Asia. While continuing the initial focus on confidence building measures, all submissions reflect the need for participants to strengthen efforts aimed at implementing the “ARF Preventive Diplomacy Work Plan”.



# AUSTRALIA

## I. OVERVIEW OF THE REGIONAL SECURITY ENVIRONMENT

While the outlook for our region in many ways remains positive, the shift of economic and strategic weight to Asia challenges us all to work more closely together bilaterally and in regional forums such as the ARF in the interests of mutual security and prosperity.

Rapid economic growth has brought benefits to many in the region, but significant challenges remain. Apart from evolving great-power relationships, these include: unresolved territorial disputes, rapidly expanding military budgets, nuclear and missile proliferation, the impact of transnational crime, natural disasters, human pandemics, energy and food security and the maintenance of economic growth through open and inclusive economic liberalisation.

Such issues cannot be resolved by any one nation alone; they require properly coordinated regional responses driven by regional institutions which themselves encourage the culture, habits and practices of cooperation.

### a. Korean Peninsula

The DPRK's development of nuclear weapons and missile delivery systems poses a direct threat to international peace and security, a major challenge to global non proliferation objectives and endangers stability in our region. This was highlighted by the DPRK's rocket launch of 12 December 2012 using ballistic missile technology and its third nuclear test of 12 February 2013, which Australia condemned in the strongest possible terms as clear violations of UN Security Council (UNSC) resolutions.

Australia believes ARF members have an important role to play in preventing the spread of nuclear weapons and their delivery systems and we call on all ARF members, particularly the DPRK, to fully implement their obligations under Security Council resolutions, including Resolution 2094 of 7 March 2013.

We look forward to an end to the DPRK's hostile rhetoric, the easing of tensions on the Korean Peninsula and the resumption of inter-Korean dialogue. In the current environment, the DPRK needs to take concrete steps to show it is serious about denuclearisation before discussions of a lasting settlement, including the six-party talks, can resume with prospects of success.

### b. South China Sea

As a maritime trading nation, we have a key interest in the maintenance of peace and stability, respect for international law, freedom of navigation and unimpeded trade in the South China Sea. A large portion of Australia's trade passes through the South China Sea. Australia calls on governments to clarify and pursue their territorial claims and accompanying maritime rights in accordance with international law, including the United Nations Convention on the Law of the Sea (UNCLOS). Australia does not take a position on the competing claims in the South China Sea.

We encourage China and ASEAN countries to continue work towards a binding Code of Conduct, to exercise restraint and refrain from actions that could increase tensions. It is important for the continued prosperity of the region that the South China Sea not become an area of conflict.

### **c. Middle East and North Africa**

Australia notes the continuing progress in the political transition of Tunisia, Egypt, Libya and Yemen, including the holding of elections in Egypt and Libya and the establishment of the National Dialogue process in Yemen. While this progress is encouraging, significant challenges remain, including security, social unrest and the need for economic reform. Libya continues to grapple with security and border control issues. Egypt in particular faces serious economic issues, and will need to implement reform without prompting renewed civil unrest. We share international concern over the risks of regional arms proliferation and smuggling of people and drugs. All countries in the region should be encouraged to ensure the protection and promotion of the rights of all citizens, including those from minority groups.

The threat to regional stability and security from ongoing violence in Syria reinforces the need for sustained strong international action to bring about a durable, inclusive political resolution to end the bloodshed. Australia continues to support broader international efforts by way of rigorous autonomous sanctions against individuals and entities responsible for human rights abuses in Syria. In support of the Syrian people, Australia has contributed AUD 66.5 million to provide medical supplies and emergency food assistance and to evacuate people injured during the conflict and is working to improve protection of medical workers and access to medical facilities in Syria. Australia has also been vocal in calling for an end to violence and the protection of human rights in Syria through the UNSC, UN Human Rights Council, and the Friends of the Syrian People meetings. Australia remains concerned over allegations of chemical weapons use in Syria,

and calls for Syria's chemical weapons stocks to be secured, pending their destruction under outside supervision, and never used under any circumstances.

The lack of any recent progress in the peace process between Israel and the Palestinians remains of international concern. Australia remains strongly committed to a negotiated two-state solution that allows a secure Israel and an independent future Palestinian state to live side by side. To this end, Australia provides significant support for Palestinian institution building in support of a future state. We will provide more than AUD 300 million in assistance to the Palestinian people over the next five years, including AUD120 million in direct budget support to the Palestinian Authority. Australia remains a leading donor to the United Nations Relief and Works Agency (UNRWA) and in 2012 announced AUD 90 million over five years in support of education and medical care for Palestinian refugees. Since 2000 Australia has provided over AUD117 million to UNRWA.

Australia remains deeply concerned about the nature of Iran's nuclear program and strongly believes negotiations and robust sanctions measures are the best way to seek a peaceful resolution. Australia welcomed the recent P5+1 talks in Almaty, Kazakhstan but is disappointed that Iran did not take this renewed opportunity to engage constructively to resolve international concerns about its nuclear program. Iran must comply with relevant UN Security Council resolutions and cooperate fully with the International Atomic Energy Agency. In support of broader international efforts to pressure Iran, Australia has in place UNSC sanctions, as well as additional sanctions under autonomous legislation. Australia is also chairing the UNSC Iran Sanctions Committee in 2013 and 2014.

#### **d. Afghanistan**

Australia continues to make a substantial military and civil contribution to international efforts to strengthen Afghanistan's security and deny international terrorists from basing in and/or conducting activities from Afghan territory.

Australia is the 9th largest contributor of troops to the ISAF mission and the second biggest contributor outside of NATO. In addition, Australia has committed approximately AUD 900 million in development assistance to Afghanistan since 2001.

Along with the other 49 nations that comprise ISAF, Australia is participating in the transition to full Afghan security responsibility by the end of 2014. In line with this strategy, ISAF will close Multinational Base-Tarin Kowt by the end of 2013 and the Australian presence in Uruzgan province, which has been the main focus of our military contribution in recent years, will conclude.

During and beyond transition, Australia will continue its support for Afghanistan's security and development. In May 2012, Prime Minister Gillard signed a comprehensive, long-term partnership with President Karzai which outlines Australia's ongoing commitment to Afghanistan in the areas of development, trade, political relations and defence. Australia will contribute to the post-2014 NATO-led train, advise, assist mission. We are also making substantial financial commitments to ensure ongoing security in Afghanistan and will contribute AUD 250 million per year in development assistance to Afghanistan by 2015-16 and USD 100 million annually for three years from 2015 towards sustaining the Afghan National Security Forces.

#### **e. Pacific**

Australia has welcomed the steps taken by Fiji towards holding elections in 2014, but setbacks continue. The elections must be accompanied by freedom of expression, media and association and must gain acceptance by the people of Fiji. Australia stands ready to support Fiji's return to democracy and is committed to resuming the full range of bilateral linkages after credible elections. Together with the Pacific Islands Forum, the Commonwealth and other members of the international community, we continue to call for a credible election in Fiji.

#### **f. Regional architecture**

At the 7th EAS, held in Phnom Penh in November 2012, leaders reaffirmed the importance of the EAS as a key component part of regional architecture. Leaders discussed a range of regional political and security issues and endorsed further cooperation in existing priority areas including health, disaster preparedness, education, energy security and finance. Leaders also launched officially the Regional Comprehensive Economic Partnership (RCEP).

Leaders-level discussions on strategic issues have significant potential to promote regional security and prosperity. Australia would like to see these discussions continue to develop and deepen.

Australia remains committed to ministerial dialogue and practical cooperation on security issues in the ARF and in the ASEAN Defence Ministers' Meeting-Plus process.

Australia will continue to advocate for closer cooperation and coordination between these

ASEAN-centred groupings to encourage more effective and efficient use of resources and to avoid duplication.

## II. NATIONAL SECURITY AND DEFENCE POLICY

### a. Overview of national security and defence policy

#### *(1) National security*

The Government of Australia continues to work to implement its expanded national security agenda.

In May, the Government released its 2013 Defence White Paper which recognises that Australia's security is inextricably linked to that of the region and outlines Australia's commitment to support regional stability and security by working with regional partners and allies.

The Defence White Paper complements the National Security Strategy, 'Strong and Secure: A Strategy for Australia's National Security' launched by the Prime Minister in January 2013. The strategy highlights the dramatic strategic shift towards the Indo-Pacific region and provides a blueprint for national security over the next decade. The Strategy is consistent with the Australia in the Asian Century White Paper released in October 2012, which recognises that Australia has much to offer through cooperation with other nations to support sustainable security in the region.

Domestic crisis management arrangements encompassing an "all hazards" approach are also now in place.

#### *(2) Defence*

The Defence White Paper addresses significant developments that have occurred since Australia's previous Defence White Paper was released in 2009. These developments include:

- the accelerated shift of global strategic weight from the West to East;
- the Australian Defence Force's (ADF's) operational transition in Afghanistan and draw down in East Timor and Solomon Islands;
- the effects of regional military modernisation; the United States' 'rebalance' to the Asia Pacific;
- the 2012 release of the Australian Defence Force Posture Review; and
- the ongoing effects of the Global Financial Crisis.

The 2013 White reflects the enduring nature of our strategic interests and principal tasks for the Australian Defence Force. It identifies the defence of Australia against direct armed attack as Australia's most fundamental strategic interest. The next priority is the security, stability and cohesion of our immediate neighbourhood, followed by stability of the Indo-Pacific region (with a priority on Southeast Asia), and a stable, rules-based global order.

It reinforces that Australia's alliance with the United States is our most important security relationship and a cornerstone of our defence policy. It adjusts key elements of Australia's defence posture, with a view to deepening Australia's defence partnerships within our

region, and enhancing the Australian Defence Force's presence in the resource rich north and west of Australia.

The White Paper also builds upon the defence force modernisation and transformation program the Government initiated through the 2009 White Paper. It reaffirms core capability decisions made in 2009, including the commitments to acquire two Landing Helicopter Docks, three Air Warfare Destroyers, the Joint Strike Fighter and 12 Future Submarines. It also commits Australia to new initiatives, including: acquisition of 12 new build EA-18G Growler aircraft; suspension of consideration of military-off-the-shelf designs for the Future Submarine Program; and consideration of options for the early replacement of supply ships HMAS Success and HMAS Sirius.

#### **b. Data contribution to ARF Arms Register**

Australia's 2012 fiscal year military expenditure return, as provided to the UN under the UNGA resolution 35/142 B, is attached for the purpose of this contribution.

### **III. NATIONAL CONTRIBUTIONS TO REGIONAL SECURITY**

#### **a. Counter-terrorism**

Significant counter-terrorism successes in recent years, including the deaths of Osama bin Laden and the prosecution of key terrorist leaders, including in South-East Asia, have diminished the Al-Qaeda senior leadership's ability to plan and direct major operations. Notwithstanding, the nature of terrorism threat is evolving, presenting new and sometimes more difficult challenges.

In this regard, Australia was pleased to serve as the 2012-13 co-chair of the ARF ISM on Counter-Terrorism and Transnational Crime (CTTC) with Vietnam. The 11th ISM on CTTC, held in Hanoi on 4-5 March, provided an opportunity to share information on the key trends in transnational crime in East Asia and the Pacific, and on initiatives in the CTTC's four priority areas: illicit drugs; chemical, biological, radiological and nuclear (CBRN); counter-radicalisation; and cyber security and cyber terrorism.

As co-chair, with Indonesia, of the Global Counterterrorism Forum South-East Asia Working Group, Australia continues to focus on targeted activities addressing key challenges in the region such as in the management and custody of terrorist detainees in prisons and youth radicalisation.

#### **b. Non-Proliferation, Counter-Proliferation, Arms Control and Disarmament**

Australia is committed to the goal of a world free of nuclear weapons. Australia regards the Nuclear Non-Proliferation Treaty (NPT) as the cornerstone of the nuclear non-proliferation and disarmament regime. Australia participated actively in the 2013 Nuclear Non-Proliferation Treaty Preparatory Committee (NPT PrepCom) in Geneva. At this meeting, states party to the NPT reaffirmed their support for the 2010 NPT Review Conference outcomes as the basis for advancing the objectives of the NPT.

In 2010, Australia and Japan co-founded the cross-regional Non-Proliferation and Disarmament Initiative (NPDI) to help take forward these outcomes. The NPDI is currently focused on encouraging commencement of negotiations on a Fissile

Material Cut-off Treaty (FMCT); promoting the universalisation and early entry into force of the Comprehensive Nuclear-Test-Ban Treaty (CTBT); advocating universal adoption of the Additional Protocol on strengthened International Atomic Energy Agency (IAEA) safeguards; reducing the role of nuclear weapons; addressing non-strategic nuclear weapons; and promoting disarmament transparency, including through the development of a standard nuclear disarmament reporting form.

Australia is also strongly committed to the prevention of WMD proliferation, and welcomes any opportunity to collaborate with ARF participants on non-proliferation activities and to help meet commitments arising from United Nations Security Resolution 1540. Australia strongly supports the ARF's own mandated non-proliferation and disarmament activities, including, for example, through co-chairing the 5th ARF Inter-Sessional Meeting (ISM) on Non-Proliferation and Disarmament in Manila in June 2013. These ISMs focus on non-proliferation, peaceful uses and disarmament.

Australia remains an active participant in the Proliferation Security Initiative (PSI), which provides for the exchange of information on and coordinated action to help prevent the transfer of materiel to WMD programs of concern. As a result, we welcome support from regional states for the initiative to underline further the region's determination to prevent WMD proliferation, and significantly boost PSI participants' operational capacity. The PSI is this year marking its 20th anniversary – this will be an opportunity for PSI endorsees to reaffirm their commitment to the Initiative and to further engage the wider international community on the goal of countering WMD proliferation.

There is shared recognition in our region of the need for further action to combat illicit small arms proliferation. Australia welcomes the adoption by the UN General Assembly on 2 April of the text of an Arms Trade Treaty as negotiated under the Chairmanship of Australia's Ambassador to the United Nations in Geneva, Peter Woolcott. We are aiming to sign and ratify the Treaty as soon as possible and urge others to do likewise to facilitate the earliest entry into force of this historic instrument which promises important security and humanitarian outcomes for members of the ARF and beyond.

Australia was an early signatory to the Convention on Clusters Munitions and became a party in April this year. We will continue to play an active role in encouraging broadest possible acceptance of the Convention and in assisting parties in their clearance efforts.

### **c. Transnational Crime**

#### *(1) Organised crime*

The Australian Government continues to advance efforts to combat national and international organised crime through the Australian Federal Police (AFP) Crime Program, which focuses on prevention and disruption. The Crime Program's structure comprises: crime operations, which now includes a fraud and anti-corruption portfolio; serious organised crime and the international network. The Program has an international network of teams in 28 countries which collaborate with international law enforcement agencies both bilaterally and multilaterally, including with Europol and Interpol. The international network also has oversight of the AFP's Pacific Transnational Crime Network.

The AFP is also contributing to joint taskforces and enhancing industry engagement. Ongoing taskforces include waterfront joint taskforces and a criminal assets confiscations taskforce. In addition, planning is underway to establish an anti-gang taskforce that will provide a centralised national approach to target gang violence and organised crime.

Australia welcomes the recent publication by the UN Office on Drugs and Crime (UNODC) of the inaugural 'Transnational Organised Crime in East Asia and the Pacific: A Threat Assessment'. The assessment provides ground-breaking empirical and observational information base, so that policy in this area may be better formulated and coordinated across the region.

### *(2) People-smuggling*

Australia remains committed to addressing people smuggling and trafficking in persons, including as co-chair of the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime (the Bali Process). At the Fifth Bali Process Ministerial Conference, held in Bali on 2 April 2013, ministers agreed to further strengthen law enforcement and immigration management cooperation and capacity by linking the Bali Process Regional Support Office in Bangkok, established in 2012, with the Jakarta Centre for Law Enforcement Cooperation. Ministers also agreed to establish a working group to specifically address trafficking in persons issues and urged the continued implementation of the Regional Cooperation Framework (agreed at the Fourth Ministerial Conference in 2011), including through the activities of the Regional Support Office.

### *(3) Illicit Drugs*

Domestically, the Australian Government continues to develop and implement measures to strengthen our approach to combating illicit drugs. According to the Australian Crime Commission's Illicit Drug Data Report (IDDR), more than 9.3 tonnes of illicit drugs were seized nationally in 2010-11, with the weight of national seizures continuing to increase in 2011-12. There were 84,738 illicit drug related arrests in 2010-11, with the number of arrests increasing in 2011-12. In 2010-11, 703 clandestine laboratories were detected in Australia. A record number of laboratories were detected in 2011-12, the majority of which were methylamphetamine related. In terms of arrests, seizures and use, cannabis remains the dominant illicit drug in Australia.

### *(4) Cyber Security*

The global challenges of cyberspace require an increased international effort, particularly through multilateral and regional forums, to improve the security of cyberspace and to develop common understandings about the norms that apply to State behaviour in cyberspace. In the UN, Australia chairs the Group of Governmental Experts on Developments in the Field of Information and Telecommunications in the Context of International Security and the Group will hold its final session in New York in June 2013. It addresses norms pertaining to State use of ICTs and confidence building, stability and risk reduction measures to address the implications of State use of ICTs. Australia also participates in the series of international conferences of which the Seoul Cyberspace Conference in October 2013 is the third, and which seek to contribute to the international dialogue on norms of behaviour in cyberspace.

In the ARF, Australia is a co-lead on cyber security, together with Malaysia and the Russian Federation, within the framework of the Inter-sessional Meeting on Counter-Terrorism and Transnational Crime. Australia is leading work to develop a work plan on cyber security, as requested by ARF Ministers following their adoption of the ARF Statement on Cooperation in Ensuring Cyber Security in July 2012. In September 2012, Australia and Singapore hosted an ARF Workshop on Cyber Security Incident Response which developed ARF participants' capacity to cooperate in the event of a cyber-security incident. Building on this workshop, which tapped into a strong desire for practical assistance, and on the September 2012 ARF workshop on Confidence Building Measures in Cyberspace hosted by the Republic of Korea and Malaysia in Seoul, Australia has developed a concept paper for a workshop on Cyber Confidence Building Measures. The workshop will be held in the first half of 2014, and will also have a practical focus.

Australia's first National Security Strategy identifies the need to enhance the defence of Australia's digital networks through integrated cyber policy and operations as a key national security priority. Australia will also establish the Australian Cyber Security Centre which will co-locate cyber security capabilities from across different government agencies in one facility with a view to enhancing the integration and impact of these capabilities. The new Centre is expected to be operational by the end of 2013.

#### **d. Humanitarian Assistance and Disaster Relief**

Australia continues to devote significant effort to developing and coordinating activities

between and across regional organisations regarding humanitarian assistance and disaster relief. As co-chair of the ISM on disaster relief, Australia, with co-chair Indonesia, has initiated discussion of practical ways to promote closer links between the ARF, ADMM-Plus and EAS.

As co-chairs of the ISM, Australia and Indonesia revised the ARF work plan on disaster relief in 2012, aligning it more closely with the ASEAN Agreement on Disaster Management and Emergency Response (AADMER). While still mindful of the wider ARF membership, the 2012 – 2014 revised work plan is now better matched with the priorities of the region.

As part of the work by the co-chairs, Australia and Indonesia are proposing an ARF workshop on consular contingency planning in the coming ARF cycle.

More broadly, Australia also funds the Australia-Indonesia Facility for Disaster Reduction (AIFDR), and provides an online disaster relief mapping service for ARF members (DRMS). Australia remains a primary donor for the ASEAN Coordinating Centre for Humanitarian Assistance on Disaster Management (the AHA Centre) which undertakes operational coordination of activities under AADMER.

#### **e. Maritime Security**

Australia is deeply committed to comprehensive maritime security engagement in the Asia Pacific region. Our maritime interests are extensive and enduring: we are a major trading nation and enjoy close economic and other ties to Asia-Pacific countries. Maritime security also overlaps many other key areas of regional security, including counter-proliferation



and, transnational crime and underpins the strength and effectiveness of many of our regional multilateral institutions.

Protection of shipping lanes throughout Asia and the security of maritime approaches to Australia are essential to the region's and Australia's fundamental interests. Australia's maritime zone is extensive - around 27.2 million square kilometres - and we manage an extremely large search and rescue region, in which we have responsibility for the safety of people in distress, equivalent to about one-ninth of the Earth's surface.

As a maritime state, Australia works closely with regional partners to enhance maritime security. Regional efforts have been effective in reducing the impact of piracy and armed robbery at sea in South-East Asia. The Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) has supported this work.

Australia has participated as an observer in the ReCAAP Governing Council meetings for the past three years. We are pleased to have lodged in March 2013 our formal application to join the treaty which is being considered by ReCAAP members.

Further afield, Australia contributes to international efforts aimed at reducing the threat of acts of piracy off the Horn of Africa. We also participate in the US-led Combined Maritime Forces (CMF), which supports counter-piracy efforts throughout the Indian Ocean, and in the Contact Group on Piracy off the Coast of Somalia (CGPCS).

We are also increasing our engagement in dialogues committed to understanding and combating the financing of piracy operations and expenditure of piracy revenues through

the CGPCS and the Financial Action Task Force (FATF) and hosted an international counter-piracy conference for officials in Perth from 15-17 July 2012.

Australia is also pleased to be working with the Philippines on a proposal to hold the second ARF seminar on UNCLOS. The proposed seminar will build on the work of the first seminar which was held in 2011.

## **f. Space Security**

The safety, security and sustainability of space have emerged as important international security issues. Satellites have become critical national infrastructure essential for telecommunications, air and sea navigation, electronic commerce, banking, climate monitoring, disaster management, national security and defence - many of the basic services upon which our societies depend. These satellites are increasingly under threat from orbiting space debris and the possible testing or use of destructive anti-satellite weapons.

Australia has actively engaged in international efforts to promote the safety, security and sustainability of space. Australia has encouraged greater engagement of ARF members on these issues, notably by organising an ad hoc ARF Space Security Workshop, co-chaired by Australia and Vietnam, on 6-7 December in Hoi An, Vietnam. A series of expert presentations raised awareness among ARF participants of the important challenges in protecting the safety, security and sustainability of outer space activities. Not least among these challenges is the risk posed to space-based infrastructure by proliferating space debris. Importantly, participants at the workshop

recommended that this issue be further considered by the ARF.

Australia is also actively supporting development of the proposed International Code of Conduct for Outer Space Activities, an initiative being led by the European Union. The Code of Conduct is a non legally-binding set of transparency and confidence-building measures that would contribute significantly to improving the safety, security and sustainability of space. The Code of Conduct would be a practical and achievable step, in particular to prevent behaviour that exacerbates the pressing problem of proliferating debris in space. Australia encourages ARF participants to engage further in developing the Code, and having their views heard on this and other important space security issues.

Workshop on Space Security in Hoi An in December 2012.

Australia will continue to work closely with ARF participants to further strengthen the role of regional architecture in promoting security, including through closer coordination of the work across the ARF, the EAS and ADMM-Plus.

#### **IV. ROLE OF THE ARF**

##### **a. National Contributions to Enhancing the ARF and Regional Security**

Australia continues to make a significant contribution across the ARF agenda. In the 2012-2013 inter-sessional year, Australia co-chaired with Vietnam the ISM on Counter-Terrorism and Transnational Crime, co-chaired with Indonesia the ISM on Disaster Relief and co-chaired with the Philippines and Japan the ISM on Non-Proliferation and Disarmament.

Australia co-sponsored an ARF biological workshop on Preparedness and Response to a Biological Event in September 2012 in Manila. Australia co-chaired the ARF Workshop on Cyber Security Incident Response with Singapore in August 2012 and also co-chaired with Vietnam the ARF

**Table 1.2 - 2016/17 Financial Summary**

**Table 1.2 - 2016/17 Financial Summary**

The financial summary is presented in the following table. The figures are in millions of dollars unless otherwise stated. The figures are based on the 2016/17 financial statements of the Department of Health and Human Services, and are subject to audit.

Category	2016/17	2015/16	2014/15	2013/14	2012/13
<b>Revenue</b>	1,450	1,450	1,450	1,450	1,450
<ul style="list-style-type: none"> <li>• Grants and contributions</li> <li>• Other revenue</li> </ul>	1,450	1,450	1,450	1,450	1,450
<b>Operating Expenses</b>	1,450	1,450	1,450	1,450	1,450
<ul style="list-style-type: none"> <li>• Personnel</li> <li>• Depreciation and amortisation</li> <li>• Other operating expenses</li> </ul>	1,450	1,450	1,450	1,450	1,450
<b>Operating Result</b>	0	0	0	0	0
<b>Financial Expenses</b>	0	0	0	0	0
<b>Financial Income</b>	0	0	0	0	0
<b>Other Income</b>	0	0	0	0	0
<b>Other Expenses</b>	0	0	0	0	0
<b>Net Result</b>	0	0	0	0	0

**Supplementary Information**

The financial summary is presented in the following table. The figures are in millions of dollars unless otherwise stated. The figures are based on the 2016/17 financial statements of the Department of Health and Human Services, and are subject to audit.	
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**TABLE 2008-001**

<b>Country</b>	<b>Year</b>	<b>Area</b>	<b>Value</b>	<b>Unit</b>	<b>Source</b>
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# **BRUNEI DARUSSALAM**

## **I. OVERVIEW OF THE REGIONAL SECURITY ENVIRONMENT**

Brunei Darussalam values the progress that has been achieved through the ARF in discussing issues by peaceful means such as dialogue and consultations.

Today's security concerns, however, are broad and multi-dimensional. Matters such as food security, poverty, energy security, climate change, communicable diseases and global economic uncertainties are more pronounced as a result of globalisation. This underlines the importance of working together by means of action-oriented initiatives in various multilateral fora.

Pragmatic initiatives, therefore, extend beyond the scope of non-traditional security issues and may need to be studied further to ensure the ARF's relevance to current security situation. Due consideration should also be given to the notion of comprehensive security, covering economic and social aspects affecting the Asia-Pacific region.

As ASEAN looks beyond 2015, Brunei Darussalam believes that it is timely for the ARF to consider how best it can adapt to the evolving strategic environment.

## **II. NATIONAL SECURITY AND DEFENCE POLICY**

The White Paper, "Defending the Nation's Sovereignty: Expanding Roles in Wider Horizons", published in 2011, outlines Brunei Darussalam's vision of how to respond effectively to the new security agenda.

The White Paper charts policies which attempt to maximize the operational effectiveness of the armed forces across the breadth of the new security agenda.

In doing so, the paper outlines practical measures, such as:

- Identifying particular capabilities that will be acquired in both the short and the long term, including acquiring advanced airborne surveillance, new medium lift helicopters and the improved mobility and firepower of the land force; and
- Strengthening the joint operational planning and capability development process through technology and professional development.

The White Paper also seeks to ensure that Brunei Darussalam can make an effective contribution to promoting regional stability. It supports security cooperation, both in the region and beyond – which Brunei Darussalam has demonstrated in its peace monitoring mission in the Philippines and Lebanon.

### **a. Defence Expenditure**

In the financial year 2012, the approved defence was estimated at \$BND 513, 172, 760.00 (Five hundred and thirteen million, one hundred and seventy thousand and seven hundred and sixty Brunei Dollars). This was 0.15% less than the approved defence spending for 2011.

## **b. Military Personnel**

Brunei Darussalam's total active manpower is as follows:

Land Forces Personnel	: 4,900 regulars
Navy Personnel	: 1,000
Air Force Personnel	: 1,100
Paramilitary Force	: 4,000 men of the Royal Brunei Police Force
Conscription	: None

## **III. NATIONAL CONTRIBUTIONS TO PROMOTING REGIONAL SECURITY**

As the Chairman of ASEAN, Brunei Darussalam's overall agenda is intended to ensure that ASEAN's regional commitments are carried out, especially as the Association work towards completing the ASEAN Community in 2015. While maintaining ASEAN's centrality, Brunei Darussalam continues to encourage the support of its friends and partners in ASEAN led-mechanisms such as the ASEAN Regional Forum and the ASEAN Defence Ministers Meeting Plus. Cooperation through these mechanisms covers a number of areas such as humanitarian assistance, disaster relief, transnational crime, peacekeeping, non-proliferation and disarmament and defence.

In terms of enhancing regional cooperation in the defence sector, Brunei Darussalam hosted the 7th ADMM and 2nd ADMM Plus. Reflecting the theme of "Securing Our People, Our Future Together", Brunei Darussalam promotes the interaction of defence and military personnel. In realizing this goal, Brunei Darussalam introduced the

"ASEAN Defence Interaction Programme (ADIP)", which aims to build understanding and confidence among the personnel in the defence establishments.

### **a. Humanitarian Assistance and Disaster Relief**

In the ADMM/ADMM Plus framework, Brunei Darussalam hosted the "Second ASEAN Humanitarian Assistance and Disaster Relief (HADR) Exercise" and the "ADMM Plus HADR/Military Medicine Exercise" in June 2013. The exercise focused on military cooperation and activities which concentrated on military medicine, engineering and distribution of aid to disaster-affected population. The exercise was successful in enhancing and increasing practical military cooperation to the next level. It brought together the ADMM-Plus countries in a joint exercise that incorporated HADR and military medicine scenarios.

Brunei Darussalam, through the National Disaster Management Centre (NDMC), is engaged in cooperation in disaster management with regional and international bodies such as the ASEAN Committee on Disaster Management (ACDM) and the UN International Strategy for Disaster Reduction. NDMC also fully supports the regional ASEAN Coordinating Centre for Humanitarian Assistance. NDMC is expected to assume the role of ACDM Chairman and host to the "3rd Conference of the Parties for the AADMER" in 2014. NDMC supports the implementation of the AADMER Work Programme which aims to enhance disaster management capacity of ASEAN Member States.

## **b. Transnational Crime**

Brunei Darussalam will host the “Second Special ASEAN Ministerial Meeting on Drug Matters” in September 2013, which will reaffirm the region’s commitment to implementing the Leaders’ Declaration for a Drug-Free ASEAN 2015. Brunei Darussalam is also a participant in the “ASEAN Ministerial Meeting on Transnational Crime” (AMMTC).

In improving border controls, Brunei Darussalam’s law enforcement agencies have bilateral arrangements with their Malaysian neighbouring states – Sabah and Sarawak. Periodically, Brunei Darussalam and Malaysia exchange intelligence and share experiences and best practices. This cooperation is an important initiative, especially in dealing with malicious activities at border checkpoints. Similar cooperation takes place with Singapore.

Nationally, Brunei Darussalam is a party to eleven of the UN Conventions in supporting counter terrorism. Brunei Darussalam has also strengthened its Anti-Terrorism Order, 2011 by issuing the Anti-Terrorism (Terrorist Financing) Regulations 2013. The regulations, which took effect from 8 December 2012, will enable Brunei Darussalam to implement the United Nations Security Council Resolutions 1267, 1373, 1988 and 1989.

## **c. Peacekeeping**

Since October 2004, Brunei Darussalam has been participating in the peace-keeping and monitoring mission of the International Monitoring Team (IMT) led by Malaysia in the Southern Philippines. There are currently 15

Brunei Darussalam IMT personnel serving in Mindanao. The 9th mandate of the IMT will expire in March 2014.

## **d. Non-Proliferation, Counter Proliferation, Arms Control and Disarmament**

Brunei Darussalam is a signatory and state party to a broad range of United Nations Treaties and Conventions, including:

- Geneva Conventions;
- Treaty on the Non-Proliferation of Nuclear Weapons (NPT);
- Comprehensive Nuclear Test Ban Treaty (CTBT);
- Chemical Weapons Convention (CWC); Biological Weapons Convention (BWC); and
- Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction (APLM).

## **IV. ROLE OF THE ARF**

### **a. National contributions to enhancing the ARF and regional security**

For the 2012-2013 inter-sessional year, Brunei Darussalam assumed the role of Chairman of the 20th ASEAN Regional Forum. Brunei Darussalam hosted the ARF Senior Officials’ Meeting, the 9th ARF Security Policy Conference and the Defence Officials’ Dialogue on 22-24 May 2013.

Brunei Darussalam considered these meetings of great value in the opportunities they offered for Foreign Affairs and Military/Defence officials from 27 participating

members to exchange views and build mutual trust and understanding.

Brunei Darussalam and People's Republic of China co-chaired the ARF ISG on Confidence Building Measures and Preventive Diplomacy. They co-edited a commemorative publication marking the 20th meeting of the ARF in July 2013. Brunei Darussalam also co-chaired with Malaysia and New Zealand the "ARF Workshop on Ship Profiling". Brunei Darussalam reaffirmed the value it attaches to the work of the ARF Experts and Eminent Persons and recently appointed 3 new representatives to the EEPs.

As Chairman of the ARF, Brunei Darussalam contributed to the ARF process with the submission of the "Concept Paper on Moving towards Preventive Diplomacy". The paper recommends that the ARF undertakes Preventive Diplomacy activities in a phase-by-phase approach.

On improving synergy between the ARF and ADMM Plus, Brunei Darussalam has asked the ARF Unit to publish a Joint Calendar for the ARF and ADMM Plus. This is expected to be circulated for the first time at the ARF ISG on CBMs and PD in the 2013-2014 inter-sessional year.

#### **b. Brunei Darussalam contributions in 2013-2014**

Brunei Darussalam will co-chair a number of activities in the ARF. These include:

- 17th ARF Heads of Defence Universities/Colleges/Institutions Meeting;
- ARF Roundtable on Training Resources for Preventive Diplomacy;

- ARF Workshop on Marine Oil Spill;
- ARF Environmental Security: Preparedness, Response and Cooperation to Pollution Incidents involving Hazardous and Noxious substance in Maritime Environment.



# CAMBODIA

## **I. OVERVIEW OF THE REGIONAL SECURITY ENVIRONMENT**

All the countries in the Asia-Pacific Region are troubled by difficulties and challenges of varying degree as the global and regional security landscape has changed dynamically, security risks and uncertainties are high although there is a trend regional integration and global cooperation. Such trend requires stronger information sharing, increases mutual understanding and trust, and establishes a sustainable net of dialogues and discussion to cope with the emerging security Issues.

Terrorism remains a pre-eminent national and global security threat. Some countries have proactively managed their threats and others are reacting to threats. Most governments have built their operational capabilities to respond to terrorism but still hard to do with prevention of ideological extreme causing radicalization. To fight terrorism effectively, governments should invest a multi-pronged response, especially dealing appropriately with youth venerable or subjected to be terrorists. The issues in (Southern) Thailand, Philippines, Afghanistan, Pakistan and India are seen to be predominantly ethically or religiously and politically motivated, but there are factors which fuel the insurgency. It is more likely that violent would continue unabated into a foreseeable future. Terrorism is very complicated issue; terrorists have their systematic organization and well organization; they can move and act quickly. Terrorism is no longer a single issue of a country or nation but it is international so far, there is no individual country has fought successfully against terrorism.

The common issue of maritime security threats in the region, Asia pacific and world at large that it experienced and continues to face are such as illegal exploitation of national resources, illegal

activities in protected areas, unauthorized maritime arrivals, maritime terrorism, prohibited imports and exports, compromise to Bio-security and piracy, and violence and problems and restrictions in handling of maritime security challenges. These multi-faced threats do demand the strengthening maritime security cooperation, building maritime capacity and setting more responsive and effective guideline for cooperation, developing friendship and practicing the law of the Sea.

In this regard, the Asia-Pacific Region and ASEAN communities remain under the threats of Non-Traditional Security (terrorism, transnational organized crimes, epidemics, national disasters, etc) and also Traditional security (sea and land territorial disputes, nuclear and conventional arms proliferation, and also political and legal disputes ) with the increase in emerging security issues, defense and security cooperation among ASEAN member-state face difficulties which demands for new ideas to resolve the conflicts. Effective cooperation amongst the ASEAN member states and also between all these countries is vital.

The solutions would require enhancing international cooperation, confidence building and preventive diplomacy among the ASEAN member states. No single country can deal with the threats (war against terrorism, economic-financial crisis and climate change and global warming) alone. Thus, the international community is required to work together as one to address all threats. In addition, ASEAN Regional Forum, Shanghai Cooperation Organization, APEC, ASEAN plus China, Korea, Japan (ASEAN+3), EU-ASEAN, US-ASEAN, and ADMM-Plus are examples of existing avenues to deal with these threats. These are continuously improving and playing a more prominent role in maintaining regional

peace and stability, and some positive factors are gaining the upper hand in regional security cooperation.

## **II. NATIONAL SECURITY AND DEFENSE POLICY**

Cambodia's new stability, the importance of providing a secure environment for development, and the nation's engagement in the international community demand a coherent and well founded defense policy. Managing these security challenges effectively will not be an easy task and it will take some years to achieve a comprehensive outcome. National recourses are not unlimited and the right balance must be maintained between expenditure on defense security, and the resources devoted to overall national development. The clear national objective is to achieve security and development together.

For Cambodia's defense policy and security strategy within these emerging new security paradigms in region and world at large, the Royal Government of Cambodia especially through the Ministry of National Defense has reviewed the so-called Defense White Paper and reformed defense and security's priorities to respond to its development.

Those include the key areas of strengthening border defense measures; PKO capability building, counter-terrorists and counter-transnational crimes capabilities, maritime security initiatives, disaster response capability building, and others. These changes have resulted in the justification of principles more realistic features, that is, they have been aligned more closely with the situation and practical needs. This has enabled the Royal Cambodian Armed Forces to overcome various obstacles.

To support this national goal, Cambodia's defense policy needs to pursue several key objectives in the coming years. These are to:

- Maintain the capacity to ensure stability and social order within Cambodia in support of national interests;
- Protect the nation's borders against transnational crimes such as the unauthorized movement of people, drugs, criminal activity, firearms and other goods that maybe' detrimental to national security; Engage in confidence building measures with Cambodia's neighbors including meeting of senior officers and development of security dialogues.
- Reshape the RCAF into a smaller, more professional military force able to defend Cambodia's national interests by focusing on force structure review, training and education and expertise development. More robust defense resource management would also be maintained;
- Contribute to national development through the provision of specialist skills and services (engineering, communications, transport, medical and Humanitarian Assistance and Disaster Relief);
- To fight terrorism effectively, government should invest multi-pronged response, especially dealing appropriately with youth venerable or subjected to be terrorists;
- In order to meet the UN Standard, the Cambodia Peacekeeping Forces have conducted regular training in country and abroad and also maintain a high level PKO operation as well as upgrade Peacekeeping Training Center as a regional level.

- Develop over time an enhanced capacity to protect Cambodia's interests in surrounding maritime areas;

The RCAF has an essential part to play in promoting national cohesion and development in support of other Government Agencies. The specific initiatives set out subsequently in the White Paper provide a clear agenda for realizing that potential.

### **III. NATIONAL CONTRIBUTIONS TO REGIONAL SECURITY**

#### **a. Counter Terrorism and Transnational Crimes**

Although Cambodia, for the time being, as not been faced with serious terror threats, we are always prepared to response. However, our principle is to prevent terrorist acts from happening rather than too much reliance on response measure. This principle includes a policy of non-discrimination and measures to prevent radicalizations. Nevertheless, Cambodia's counter-terrorist capabilities remain major challenges. In this regard, we are working with the US and Australia in efforts at building Cambodia's counter-terrorism capabilities.

Like other countries, Cambodia is facing various problems of transnational crimes. Narcotics are the most serious one. Cambodia was once just a transit point but it has now been affected by the impact of the amphetamine. Circulations of this kind of drug have been worsening in the past six- seven years.

The Royal Government with cooperation from foreign friends has stepped up its efforts to cope with this serious problem. Additionally, Cambodia is committed in collaborating with other nations in fighting other transnational

criminal acts such as human trafficking, money laundering, cross border terrorism etc. Close cooperation with our neighbors is essential to the promotion of border security and safety of cross-border trades.

In response to growing threats of terrorism, the Royal Government of Cambodia has taken a number of important steps, which include:

- Establishing the National Counter-Terrorism Committee (NCTC) in late 2004 and the NCTC Secretariat (SNCTC) in mid-2005.
- Creating various departments within the SNCTC including the National Headquarters of Counter-Terrorism Special Forces (NHQCTSF) in early 2008;
- Drafting a CT Planning Book, which will be submitted to the Parliament in the near future;
- Adopting the counter-Terrorism Law in 2007;
- Working with our partners on various counter-radicalization initiatives such as seminars and other educational programs.
- Initiating the plan to improve maritime security via the establishment and empowerment of National Committee for Maritime security; and
- Implementing the measure to improve land and sea border security as well as cooperating closely with partner countries in tackling transnational criminal activities.

#### **b. Humanitarian Assistant and Disaster Relief**

The military has played a prominent role in

recent large-scale natural disasters. In fact, the importance of the military in disaster management is now widely accepted in the region due to the structure, organization, assets, capabilities and fast development of the armed forces. Even in countries where civilians play the main role in disaster management, the military remains in the forefront and its role in many nations have also been increasing. While we cannot prevent disasters, we can reduce the severity of their impact and enable more lives to be saved.

The Royal Cambodian Armed Forces is in the process of developing the military's role in both internal and external disaster responses. Beside its homeland security responsibility, the Royal Gendarmerie is now tasked to engage in HA/DR activities. With support from the United States, RCAF is building its mobile medical and engineering capabilities. Other activities that may help enhance RCAF's HA/DR capabilities include training, exercise, civil-military projects and various civic action programs.

### **c. Maritime Security**

Maritime security is one of the vital key for national security, peace and social and economic development. Particularly the maritime security contributes to the: regional and global security in the war against the piracies, illegal drug smuggling, human trafficking, all other regional and international security concerns, and terrorism as well. It is real if the maritime security is really in a big trouble, the national, regional and international security, and the economic growth inevitably face with disasters and difficulties, too. Therefore, it is necessary that we all do our best to work together and enhance closer cooperation than before to participate in a better peace operation of maritime security.

Cambodia is preparing to strengthen its capacity to protect the maritime security; even its sea territory is not big but great potentiality especially oil exploration. Several foreign oil companies are now investing their business on oil exploration in the Cambodian Sea. Thus, Cambodia must guarantee their security and safety.

Maritime security has become more important in Cambodian security policy. As we are exploiting potential interests and maintain protection of maritime assets, the Royal Government sees the build-up of maritime capacities as one of its top priorities. The National Committee for Maritime Security (NCMS) was established in December 2009 and General Secretariat was created in August 2010 followed by the establishment of a Technical Working Group soon afterward. The committee acts as a central consolidating authority to enhance security in Cambodian maritime areas. The NCMS has two main roles: ensuring maritime defense and coordinating maritime law enforcement.

Since early last year, a series of workshops, supported by Australia, the United States, and Japan were conducted to gain consensus for roles and responsibilities for the NCMS, formulate national maritime security policy and strategy and operational guidelines and review Cambodia's maritime security legal frameworks. Functioning of NCMSs Technical Headquarters has been in process with support from Australia and the United States. This facility would be utilized as a maritime security operation coordinating center and a platform for military, police and civilian to work together in an operation level.

Cambodia deployed a mid-level officer to Changi naval base in Singapore for maritime security information-sharing and as part of its contribution to regional maritime security efforts.

# CANADA

## I. OVERVIEW OF THE REGIONAL SECURITY ENVIRONMENT

The world's centre of gravity – economic, political and demographic – is shifting toward the Asia-Pacific. Canada, as an Asia-Pacific country with strong economic and people-to-people ties with the region, benefits tangibly from this dynamism, growth, and largely peaceful environment. Through expanding our bilateral and multilateral relationships and encouraging deeper economic cooperation, including by advancing free trade negotiations, Canada is committed to the region's stability and security, which go hand in hand. Our economic effort must therefore be underpinned by enhanced contributions to regional governance, stable and secure societies and democratic development and human rights. Equally crucial to continued security and prosperity are effective and accountable institutions which members and regional partners can rely on to address their common interests, to resolve conflicts peacefully, and to facilitate necessary cooperation.

While the region's spirit of dynamism has included the emergence in recent years of new bodies and organizations, the ASEAN Regional Forum (ARF) remains at the forefront of political-security cooperation in Asia-Pacific and continues to offer its members and partners important frameworks for security dialogue and initiatives. Regional cooperation across a range of activities and stakeholders is essential to addressing the challenges posed by WMD proliferation, and to prevent terrorism involving nuclear, radiological, biological, or chemical materials. As highlighted by the 53 world leaders at the Seoul Nuclear Security Summit in March 2012, regional efforts will be particularly important to address global security objectives for

nuclear safety and security, and to reduce the threat posed by nuclear terrorism.

Canada is committed to working with ARF partners to advance regional contributions to these key international priorities. Canada also supports broader cooperation in the region as outlined in Foreign Affairs and International Trade Canada's (DFAIT) Report on Plans and Priorities 2013-14. Under the Plan of Action to Implement the Joint Declaration on ASEAN-Canada Enhanced Partnership 2010-2015 adopted in July 2010, Canada will strengthen cooperation with ASEAN in the context of the ASEAN Regional Forum; this includes the implementation of the ARF Vision Statement and its Hanoi Plan of Action, especially in the area of preventive diplomacy.

Along with economic opportunity, pluralism and tolerance are key to stability and development in Asia-Pacific. With a number of countries in the region facing the challenges of political transition in the years ahead, it will be important to consider how to leverage the experiences and expertise of neighbours and partners to build capacity and share lessons learned. Canada believes that the ARF should also strengthen and leverage partnerships with the UN and with other regional organizations which have actively engaged in this area, and in preventive diplomacy. Canada's participation in the ARF-led voluntary elections observation mission in Timor-Leste in July 2012 underscores our commitment to supporting democratic processes that respond to the needs of populations, including minority groups. Concrete initiatives such as this demonstrate the important role that the ARF can play to encourage good governance and to prevent conflict within societies that can also pose a threat to regional peace and security. Canada supports Asia-Pacific partners in developing

bilateral and multilateral mechanisms and activities to prevent, prepare for, and respond to, security and stability threats, as well as minimize the risk of future ones.

The following highlights three security challenges which will benefit from enhanced regional security cooperation, including through the ARF:

**Non-proliferation, Arms control and Disarmament (NACD)** challenges in Asia-Pacific continue to galvanize regional and international concern. This stems from the rise in the number of indigenous weapons development programs and new exporters, significant advancements in some national missile programs, as well as the threat posed by North Korea. North Korea continues to develop its ballistic missile and nuclear weapons capabilities in violation of its international non-proliferation obligations. This threat was underscored by two missile tests by North Korea in 2012 (April and December) and its third nuclear test (February 12th, 2013). Canada unequivocally condemned each test, and co-sponsored United Nations Security Council Resolution (UNSCR) 2094 expanding sanctions against North Korea in response to the nuclear test. Canada's objective is for North Korea to cease its provocative behaviour, which is destabilizing for the region, as well as for international peace and security, take concrete steps toward denuclearization, and comply with all its non-proliferation obligations under relevant UNSCRs and the Nuclear Non-Proliferation Treaty (NPT).

The further proliferation of nuclear and other WMD-related materials threatens the security of Asia-Pacific countries, as well as the broader international community. Preventing WMD proliferation and terrorism requires

consistent and conscientious support to ensure universal implementation of relevant instruments such as UN Security Council Resolution 1540 (2004) which requires all states to enact and enforce domestic controls to prevent non-state actors from gaining access to WMD-related materials. Canada continues to strongly encourage states to submit their initial report on 1540 implementation to the 1540 Committee and to work to prepare a national action plan for 1540 implementation. Building on the launch in Canada of the Global Partnership Against the Spread of Weapons and Materials of Mass Destruction (or "Global Partnership") at the 2002 G8 Summit in Kananaskis, Canada worked to advance the implementation of UNSCR 1540 by ensuring that the Global Partnership was given an explicit mandate (as of 2007) to provide assistance in this regard. Regional organizations can also coordinate requests for offers of assistance to help states to implement the provisions of UNSCR 1540. Another important tool and framework for regional cooperation to prevent WMD proliferation by state and non-state actors is the Proliferation Security Initiative (PSI), which is a voluntary international counterproliferation effort for enhancing global cooperation and capabilities related to WMD interdiction.

Regional efforts and initiatives in support of national measures can also help to develop more robust national export control systems and border security management. Canada supports other regional action on NACD issues through the work of the Inter-Sessional Meeting on Non-Proliferation and Disarmament (ISM on NPD), and will continue to participate actively in this forum.

**Maritime security** concerns a range of issues and threats arising in the maritime

domain such as piracy and the illegal movement of people and illicit cargoes at sea, including WMD-related materials and dual-use goods. Recognizing the seriousness of these threats, in addition to efforts within the PSI to enhance maritime WMD interdiction capabilities, there have been other promising examples of maritime security cooperation such as counter-piracy efforts in the Strait of Malacca. The ARF continues its work on this priority area and Canada is committed to advancing regional cooperation for maritime security, including through the ARF ISM on Counter-terrorism and Transnational Crime, which Canada co-chaired last year. Canada is closely following developments in the South China Sea, where Canada shares an interest in Freedom of Navigation and unimpeded commerce in the region. Canada does not take a position on foreign maritime boundary or territorial disputes and considers that any conflicting maritime claims in the South China Sea are matters for amicable resolution by the parties concerned in accordance with the provisions of the UN Convention on the Law of the Sea (UNCLOS). Canada supports efforts to reduce tensions and build confidence, including efforts by ASEAN and China to agree to a Code of Conduct of Parties in the South China Sea.

**Cyber security** is a shared responsibility and Canada supports ARF efforts in fostering coordination among ARF participants to ensure security for the use of information and communication technologies (ICT). As communication networks and connectivity have become an increasingly essential tool for social and economic development in Asia-Pacific countries, the safety, security, trustworthiness, and reliability of ICT in the region are crucial to ensuring ICT's important contribution to sustainable growth. Safe and reliable ICT is also essential to decisive

national and international action to strengthen the detection and surveillance of infectious diseases to ensure early warning for the effective control of outbreaks and to prevent new pandemics.

A full list of Canada's participation in recent ARF meetings and events is provided under "IV (a) – National Contributions to Enhancing the ARF and Regional Security."

## II. INFORMATION ON CANADA'S NATIONAL SECURITY AND DEFENCE POLICIES

### a. Canada's National Security and Defence Policies

National security and defence policies must increasingly work together in a complex security landscape. *Securing an Open Society: Canada's National Security Policy* (released April 2004) establishes a strategic framework and action plan for responding to a range of security threats, including terrorist attacks, outbreaks of infectious diseases, natural disasters, cyber attacks on critical infrastructure and domestic extremism. The Policy focuses on three core national security interests: Protecting Canada and the safety and security of Canadians at home and abroad; Ensuring Canada is not a base for threats to our allies; Contributing to international security. Recognizing that Canadians – individuals, industry and governments – are embracing the many advantages that cyberspace offers, Canada's *Cyber Security Strategy* (released October 2010) provides a roadmap to comprehensively address cyber security risks and tackle cybercrime. It also provides a basis for engaging with international partners to address shared cyber security concerns. An indicative list of Canada's international

efforts in this area is found in the recently-released Action Plan 2010-2015 for Canada's Cyber Security Strategy. The importance of cooperation and partnerships is also reflected in *Building Resilience Against Terrorism*, Canada's first Counter-terrorism Strategy. In today's global security environment, efforts to counter domestic and international terrorism involve collaborating with Canada's international partners as well as with domestic agencies, security and intelligence communities, law enforcement agencies and partners in civil society.

Canada has adopted a **Canada First Defence Strategy (CFDS)** for a fully integrated, flexible, multi-role and combat-capable military, which plays an active role in a whole-of-government approach to meet defence and security requirements, domestic and international. The Canadian Forces (CF) serve Canadians at home by supporting other government departments and civilian agencies in areas such as search and rescue and disaster relief operations. Canada is a strong and reliable partner in the defence of North America, notably through the North American Aerospace Defence Command (NORAD). Internationally, the CF remains capable of participating in a wide range of operations including maritime security and interdiction operations, complex peace support and stabilization missions, traditional peacekeeping and observer operations, humanitarian assistance and evacuation operations, when needed, to assist Canadians abroad.

#### **b. Data contributions to the ARF Arms Register**

According to the Stockholm International Peace Research Institute (SIPRI), military

expenditure in Asia and Oceania rose by 3.3 per cent in 2012.

In keeping with the important advances in promoting transparency in conventional arms, including through the United Nations Register of Conventional Arms (UNCAR) and the instrument of Standardized Reporting on Military Matters, including transparency on military expenditures, Canada supports the sharing of information about national security and defence programs and policies, to enhance transparency in the Asia-Pacific region. Canada's 2012-2013 fiscal year military expenditure return, as provided to the UN under UN General Assembly Resolution 66/20, is attached for the purpose of this contribution.

### **III. NATIONAL CONTRIBUTIONS TO REGIONAL SECURITY**

#### **a. Participation in regional exercises and training initiatives**

Canada's defence relationships in Asia-Pacific continue to benefit from cooperation with partners in both bilateral and multilateral forums and activities, such as the US-hosted multinational Rim of the Pacific (RIMPAC) exercises in which Canada regularly participates. RIMPAC 2012 saw the Canadian Armed Forces (CAF) take a substantial leadership role in the exercise, providing military forces and platforms. Canada welcomes opportunities for future participation in regional exercises such as RIMPAC, including in the forthcoming COBRA GOLD exercise in 2014 through which Canada can make a meaningful contribution. Building on our regional engagements including through ARF, Canada continues to actively pursue membership in the ASEAN Defence



Ministers' Meeting – Plus (ADMM+) in keeping with Canada's interest in promoting security and defence dialogue, in the Asia-Pacific region. Canada strongly supports regional cooperation on security and defence issues, including cyber security.

Through the Military Training and Cooperation Program (MTCP), Canada provides training support to, and shares best practices with, ARF partners in areas such as complex peace support involving civilian and military actors. Canada has also supported training to develop regional capacity building for peace operations through the Global Peace and Security Fund (GPSF), including the UN Senior Mission Leader Course held in Indonesia in 2012.

## **b. Counter-Terrorism**

Since 2005, Canada's Counter-Terrorism Capacity Building Program (CTCBP) has provided counter-terrorism related training, resources and expertise to partners, including a number of ARF members. Of particular note has been Canada's engagement with four countries in Southeast Asia (Thailand, Indonesia, Malaysia and Philippines) to deliver training courses to prepare first responders in the event of a Chemical, Biological, Radiological and Nuclear (CBRN) incident. This project has since provided sufficient training and expertise that each beneficiary is now able to deliver the training independently.

Canada is working with its partners in international and regional organizations to achieve the implementation of the 18 international conventions and protocols on terrorism, including the *Convention on the Suppression of Unlawful Acts Relating to International Civil Aviation* (Beijing

*Convention) and the Protocol Supplementary to the Convention to the Unlawful Seizure of Aircraft* (Beijing Protocol). Canada is pleased with the recent renewal of the UN Global Counter Terrorism Strategy, which is intended to enhance national, regional and international efforts to counter terrorism. Recognizing its importance, Canada and like-minded partners regularly cite the Strategy when acting internationally on matters of counter-terrorism. Canada is committed to ensuring that the Strategy remains a timely instrument through biennial review and chaired the review process for 2012.

Canada is committed to implementing the ASEAN-Canada Joint Declaration for Cooperation to Combat International Terrorism and to deepening cooperation under the ARF Work Plan on Counter-Terrorism and Transnational Crime. Starting this year, Canada will seek to undertake efforts through the ARF and with ASEAN members to enhance regional capacity to detect illicit CBRN materials in shipping containers through Canada's Global Partnership Program (GPP), and in so doing build the capacity of national authorities to facilitate trade security.

## **c. Non-Proliferation, Arms Control and Disarmament**

Canada is committed to a step-by-step process toward non-proliferation and disarmament and the eventual elimination of all nuclear, chemical and biological weapons, as well as to introducing effective controls on their means of delivery. To this end, Canada is an active State Party to all major international NACD treaties, notably the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) which is the only international treaty that prohibits

the proliferation of nuclear weapons, and in which the five nuclear-weapon States (NWS) commit to nuclear disarmament. Canada considers each of the NPT's three main pillars - non-proliferation, disarmament and peaceful uses of nuclear energy - as equally important, interconnected and mutually reinforcing.

Canada shares the international community's grave concern about severe proliferation challenges, particularly with respect to Iran, North Korea, and Syria. Canada is committed to supporting appropriate measures in response to any further provocations by North Korea, working with the international community to ensure full implementation of UNSCR 2094, and to supporting the ongoing work of the Sanctions Committee to respond to violations, as well as the expert panel.

All countries have a stake in preserving the integrity of the NPT, which enjoys near universal adherence and membership. Canada, therefore, continues to view Iran's nuclear program with grave concern. Despite Iran's claims to the contrary, there is mounting evidence that Iran's nuclear program is not exclusively for peaceful purposes. Should Iran acquire a nuclear weapons capability, this would seriously damage the integrity of the NPT. A nuclear weapons capable Iran could also provoke other states into developing their own nuclear deterrent and bring further instability into an already volatile region.

Canada is gravely concerned by recent allegations of chemical weapons use in Syria, and urges the Syrian government to grant unfettered access to the UN investigation team so that all sites of alleged use can be examined without further delay. Canada continues to work in close contact with our allies and partners to monitor the situation in Syria.

Controlling access is an important component of an overall strategy to address WMD proliferation challenges affecting the region and the international community as a whole. To this end, Canada supports regional action and cooperation to promote the full implementation of UNSC 1540 by ARF partners. One example is to enhance cooperation and participation in PSI-related information exchange, capacity-building, and practical exercises as a means to disrupt illicit WMD trafficking across the region and to deter proliferation. Canada also encourages ARF partners to endorse the Proliferation Security Initiative's *Statement of Interdiction Principles*.

In Asia-Pacific, Canada's GPP has supported regional training in Southeast Asia on radiological source security, as well as a project in Vietnam to advance nuclear security. Canada has also encouraged the efforts of countries in the region to ratify international legal instruments related to nuclear security through GPP support to a regional workshop focused on training and assistance to Southeast Asian countries. GPP activities benefit all ARF members by reducing the likelihood that WMD and related materials and knowledge will be used in terrorist attacks. With eight ARF members (Australia, Canada, the European Union, Japan, the Republic of Korea, New Zealand, Russia and the United States) participating in the Global Partnership, the ARF can play an important role in coordinating efforts to address the threat of WMD proliferation and terrorism. Canada and the Netherlands, with the United Kingdom and the United States, are also actively working to expand the membership of the Global Partnership to include global and regional leaders, including in Asia-Pacific. Other measures to control access and limit the risk posed by WMD proliferation to non-

state actors include the Global Initiative to Combat Nuclear Terrorism.

Acknowledging the role of nuclear energy to meet the increasing energy demands of states, Canada supports the peaceful uses of nuclear power in a safe and secure manner, notably through full cooperation with the International Atomic Energy Agency (IAEA). Canada strongly believes that a Comprehensive Safeguards Agreement and an Additional Protocol now constitute the new safeguards standard. Through signing and ratifying the Additional Protocol, ARF states and dialogue partners can support transparency and confidence in the peaceful nature of their nuclear programs. Canada has consistently supported efforts to assist member states to build capacity to fully implement the Protocol, and believes that the ARF can also work to promote universal implementation in Asia-Pacific of the Additional Protocol to an IAEA Safeguards Agreement. Canada frequently highlights the importance for North Korea and Iran to resume compliance with their IAEA obligations.

Canada is committed to working with ARF partners to develop practical measures and national instruments to universalize key international NACD treaties, norms, and instruments such as the Biological and Toxin Weapons Convention (BTWC), the Chemical Weapons Convention (CWC), the Comprehensive Nuclear Test-Ban Treaty (CTBT), the IAEA safeguards system, the Ottawa Convention on Anti-Personnel Mines, the Convention on Cluster Munitions (CCM), and other arrangements such as the Hague Code of Conduct against Ballistic Missile Proliferation (HCOB). Canada also continues to advance efforts with partners toward Fissile Material Cut-Off Treaty (FMCT) negotiations, which remains a shared priority for both

nuclear non-proliferation and disarmament. This was recognized by the 67th UN General Assembly with the adoption of A/RES/67/53 (2012), *Treaty banning the production of fissile material for nuclear weapons or other nuclear explosive devices*, which established a Group of Governmental Experts (GGE) to make recommendations on possible aspects of a treaty. Canada welcomes engagement by Asia-Pacific states with the GGE in 2014 and 2015. Cross-regional groups like the Non-Proliferation and Disarmament Initiative (NPDI) which includes Asia-Pacific countries (Canada, Australia and Japan) are also playing an important complementary role by fostering cooperation on nuclear non-proliferation and disarmament goals, including with respect to an FMCT and the universalization of the IAEA's Additional Protocol.

Canada supports Nuclear Weapon Free Zones (NWFZs) as an important regional approach to nuclear non-proliferation and disarmament, and as a confidence-building measure. Canada, along with its NPDI partners, welcomes the efforts to resolve remaining concerns and reservations regarding certain Nuclear Weapons-Free Zone treaties, including the Bangkok Treaty, with a view to securing ratifications by all Nuclear Weapon States of the protocols for these agreements.

Canada looks forward to continuing to work actively within the Inter-Sessional Meeting on NPD to support regional NACD cooperation.

#### **d. Transnational Crime**

Canada is committed to working with Asia-Pacific partners, including through ARF, to counter threats to governance and stability arising from the activities of transnational organized crime groups in the region.

Frequently linked to organized crime are trafficking networks, including illicit drugs, migrant smuggling and money laundering, which underscore the transnational dimension of these challenges.

While virtually every country in the world is affected by these crimes, migrant smuggling in the Asia-Pacific region is a key area of concern that Canada has worked to address with regional partners and initiatives under the auspices of global organizations like the United Nations Office on Drugs and Crime (UNODC), the International Organization for Migration (IOM) and INTERPOL. Canada has led programs in Indonesia, Malaysia, Thailand, Philippines, Cambodia, Laos PDR, and Vietnam to combat migrant smuggling through the Anti-Crime Capacity Building Program's (ACCBP) Human Smuggling Envelope (C\$12 million from 2011-2013). C\$7 million of this amount has supported a variety of projects in Southeast Asia, including support for the IOM's Document Examination Support Center (DESC) located in Bangkok which provides real time support to regional immigration officers in the identification of fraudulent travel documents. The ACCBP also funded a UNODC project that created three inter-agency Port Intelligence Units (PIUs) in Thailand, Indonesia and Cambodia to prevent migrant smuggling in the region. In Indonesia, Canada funded the Frontline Officers' Awareness Training on People Smuggling, a regional training initiative aimed at combating people smuggling in Southeast Asia. Canada is very appreciative of the cooperation we have enjoyed with ASEAN countries to address shared concerns arising from migrant smuggling.

Drug trafficking is an ongoing challenge for development and good governance in the region. In July 2012, Canada and

Japan each earmarked a total of \$3.5M for joint funding of priority counter-narcotics initiatives in Afghanistan, with a focus on law enforcement capacity building programming to be implemented by the UNODC. These joint efforts will directly support the recommendations of the Canadian-facilitated Afghanistan-Pakistan Cooperation Process (APCP). The ARF can also facilitate the sharing of best practices on supply and demand reduction efforts, including preventing the diversion of precursor chemicals used to manufacture illicit drugs.

Canada encourages countries and partners in the region, that have not already done so, to take steps to ratify and implement the United Nations Convention against Transnational Organized Crime (UNTOC), the United Nations Convention against Corruption and the three UN drug conventions. Canada looks forward to working with ARF members at the Fifth Session of the Conference of the States Parties to the United Nations Convention against Corruption, to be held in Panama in November 2013.

#### **e. Humanitarian Assistance and Disaster Relief**

The indiscriminate and unpredictable nature of catastrophic natural disasters continues to underscore the need to deepen practical cooperation among Asia-Pacific partners on disaster preparedness and response. Canada has been an active contributor to humanitarian relief efforts in the region, and in 2012-2013 provided timely, effective, coordinated and needs-based assistance in response to a number of natural disasters in Asia-Pacific. These included support to relief efforts in the Philippines following typhoons Washi (\$1.25M) and Bopha (\$3M) in December

2011 and December 2012 respectively. Following widespread flooding arising from heavy monsoon rains and severe cyclones across Southeast Asia in fall 2012, Canada contributed to humanitarian relief efforts in a number of affected countries, including the Philippines, Indonesia and North Korea.

Through support to local and international efforts, including within the United Nations system and with regional partners, Canada strongly supports disaster risk reduction and mitigation measures that aim to enhance resilience and reduce vulnerability among communities and nations, including through promoting the implementation of the Hyogo Framework for Action 2005-2015: *Building the Resilience of Nations and Communities to Disasters*.

In the ARF context, Canada participates in the Inter-Sessional Meeting on Disaster Relief (ISM-DR), which provides a valuable opportunity to share best practices and lessons learned in emergency management and to enhance cooperation in disaster preparedness and response. Canada also engages in the biennial ARF Disaster Relief Exercise (DiREx), a key mechanism for testing ARF coordination and procedures for responding to natural disasters in the region.

#### **f. Maritime Security**

Recognizing the importance of strengthened capacity and cooperation in the maritime domain to address a range of security issues and interests in the Asia-Pacific, including WMD proliferation and illicit trafficking, Canada strongly supports continued ARF engagement in maritime security.

Since the identification of maritime security as one of ARF's four key areas in 2008, ARF members including Canada have worked to develop projects to focus on issues such as enhanced information sharing and sharing of best practices, confidence building measures based on international and regional legal frameworks, and capacity building of maritime law enforcement agencies in the region. Canada was pleased to field both officials and Canadian academic experts to Vietnam's 4th International Workshop on the South China Sea in Ho Chi Minh City, in November 2012.

ARF cooperation on maritime security issues will continue to support the region's security and prosperity objectives by ensuring the efficient and secure movement of goods and people through strategic corridors.

### **IV. ROLE OF THE ARF**

#### **a. National Contributions to Enhancing the ARF and Regional Security**

The ASEAN Regional Forum (ARF) makes an important contribution to security dialogue and cooperation on specific threats. In 2012 and 2013, Canada participated in the following ARF meetings and events:

- 5th ARF Peacekeeping Experts' Meeting
- ARF Workshop on Cyber Incident Response
- ARF Seminar on Confidence-Building Measures in Cyberspace
- 16th ARF Heads of Defence Universities/Colleges/Institutions Meeting (HDUCIM)
- ARF Defence Officials' Dialogue (DOD) / ARF Inter-Sessional Support Group Meeting on Confidence Building Measures and Preventive Diplomacy (ISG on CBMs and PD)

- ARF Workshop on Space Security
- ARF Disaster Relief Exercise (ARF DiREx 2013) Initial Planning Conference (IPC)
- 11th ARF Inter-Sessional Meeting on Counter-Terrorism and Transnational Crime (ISM on CTTC)
- 12th ARF Inter-Sessional Meeting on Disaster Relief (ISM on DR)
- ARF Disaster Relief Exercise (ARF DiREx 2013) Final Planning Conference (FPC)
- ARF Defence Officials' Dialogue (DOD)
- ARF Workshop on Ship Profiling
- 5th ARF Inter-Sessional Meeting on Maritime Security (ISM on MS)
- ARF Inter-Sessional Support Group Meeting on Confidence Building Measures and Preventive Diplomacy (ISG on CBMs and PD)
- ARF Disaster Relief Exercise (ARF DiREx 2013)
- 2nd ARF CBM Seminar on Implementation of UNSCR 1540
- 7th ARF Experts and Eminent Persons (EEPs) Meeting
- 19th ASEAN Regional Forum
- ARF Senior Officials' Meeting
- 4th ARF Inter-Sessional Meeting on Maritime Security
- 9th ARF Security Policy Conference

## **b. Future of the ARF**

The Asia-Pacific region has witnessed the emergence in recent years of a number of newer forums for dialogue and cooperation such as the East Asia Summit (EAS) and the ASEAN Defence Ministers' Meeting-Plus (ADMM+). Canada is seeking membership in each of these forums and encourages opportunities for constructive dialogue and cooperation in the region that these forums help to promote and sustain.

In this evolving security landscape, the ASEAN Regional Forum enjoys an impressive durability as the anchor of political and security cooperation in Asia-Pacific. This includes advancing the region's capacity to address and to mitigate transnational security threats from WMD proliferation and chemical, biological, radiological and nuclear terrorism. Practical cooperation in areas such as maritime security will also be essential to effectively address illicit trafficking networks in the region. These initiatives, among others, underscore the importance of pursuing deeper cooperation through ARF on a range of issues that will require the sustained efforts of Asia-Pacific countries and partners, in years to come. In this regard, the ease and regularity of dialogue and exchange through ARF makes a major contribution to Asia-Pacific security.

Recalling the first principles of ARF, as outlined in the First Chairman's Statement (1994) - "to make significant contributions to efforts towards confidence-building and preventive diplomacy in the Asia-Pacific region," Canada is committed to ensuring that the ARF continues to build upon existing initiatives in areas that will better serve the needs, collective interests and responsibilities of Asia-Pacific countries and partners.

PREVIOUS YEAR EXPENDITURES FISCAL YEAR 2011-12  
UN Standardized Reporting Form

FORCE GROUPS -->	STRATEGIC FORCE\$	LAND FORCE\$	NAVAL FORCE\$	AIR FORCE\$	OTHER MILITARY FORCE\$ #	CENTRAL SUPPORT ADMINISTRATION AND COMMAND	UN PEACE-KEEPING \$	MILITARY ASSISTANCE AND COOPERATION	EMERGENCY AID TO CIVILIANS \$	UNIDISTRIBUTED	TOTAL MILITARY EXPENDITURE\$
RESOURCE COSTS	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
<b>1. PERSONNEL #</b>		3,851.5	1,317.7	1,524.7		3,567.3	2.6	6.6			9,482.2
1.1 CONSCRIPTS											
1.2 ACTIVE MILITARY PERSONNEL		1,907.5	783.5	1,036.1		1,633.0	2.0	8.7			5,364.8
1.3 RESERVES		343.3	89.9	97.8		107.2					640.3
1.4 CIVILIAN PERSONNEL		333.1	274.9	136.4		1,433.5		5.3			2,183.4
1.5 MILITARY PENSIONS #		463.6	188.3	254.4		373.5					1,281.8
<b>2. OPERATIONS AND MAINTENANCE</b>		2,247.8	902.7	1,801.8		2,233.6	5.8	15.3			7,281.9
2.1 MATERIALS FOR CURRENT USE #		602.3	263.4	483.3		388.7	1.6				1,949.3
2.2 MAINTENANCE AND REPAIR #		387.6	169.4	311.0		383.1	1.0				1,254.2
2.3 PURCHASED SERVICES #		1,808.8	441.9	808.3		1,802.4	2.8				3,264.4
2.4 OTHER		248.5	188.0	199.2		247.4	8.6	13.3			802.8
<b>3. PROCUREMENT AND CONSTRUCTION (APPURTENANCES) #</b>		818.5	651.5	1,528.6		496.8					3,496.4
3.1 PROCUREMENT		659.8	553.8	1,438.9		418.2					3,071.7
3.1.1 AIRCRAFT AND SHIPS			0.7	1,101.4		0.2					1,103.3
3.1.2 MOBILES, INCLUDING			17.8	2.3							20.1

See explanatory notes.

FORCE GROUPS -->	STRATEGIC FORCE\$	LAND FORCE\$	NAVAL FORCE\$	AIR FORCE\$	OTHER MILITARY FORCE\$ #	CENTRAL SUPPORT ADMINISTRATION AND COMMAND	UN PEACE-KEEPING \$	MILITARY ASSISTANCE AND COOPERATION	EMERGENCY AID TO CIVILIANS \$	UNIDISTRIBUTED	TOTAL MILITARY EXPENDITURE\$
RESOURCE COSTS	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
<b>CONVENTIONAL WARHEADS</b>											
3.1.3 NUCLEAR WARHEADS AND BOMBS											
3.1.4 SHIPS AND BOATS			394.2			1.6					395.8
3.1.5 ARMoured VEHICLES		98.3									98.3
3.1.6 ARTILLERY		28.6									28.6
3.1.7 OTHER ORDNANCE AND GROUND FORCE WEAPONS		284.8				1.6					286.4
3.1.8 AMMUNITION		177.7	15.8	37.8							231.3
3.1.9 ELECTRONICS AND COMMUNICATIONS		64.2	37.7	209.2		312.6					563.7
3.1.10 NON-ARMoured VEHICLES		33.7	8.0	19.0		14.2					74.9
3.1.11 OTHER		51.3	98.7	49.3		188.5					387.8
<b>3.2 CONSTRUCTION</b>		158.8	97.7	81.1		78.5					416.1
3.2.1 AIR BASES, AIRFIELDS				26.1		18.6					44.7
3.2.2 NAVAL BASES AND FACILITIES			97.1								97.1
3.2.3 ELECTRONIC FACILITIES				1.4		1.4					2.8
3.2.4 PERSONNEL FACILITIES		13.7		2.2		13.3					31.4
3.2.5 TRAINING FACILITIES		48.2		1.5		4.8					54.5
3.2.6 OTHER											

FORCE GROUPS -->	STRATEGIC FORCES (1)	LAND FORCES (2)	NAVAL FORCES (3)	AIR FORCES (4)	OTHER MILITARY FORCES (5)	CENTRAL SUPPORT ADMINISTRATION AND COMMAND (6)	UN PEACE-KEEPING (7)	MILITARY ASSISTANCE AND COOPERATION (8)	EMERGENCY AID TO CIVILIANS (9)	UNIDISTRIBUTED (10)	TOTAL MILITARY EXPENDITURE (11)
RESOURCE COSTS		54.8	0.5	49.3		48.2					153.0
4. RESEARCH AND DEVELOPMENT						362.5					362.5
4.1 BASIC AND APPLIED RESEARCH											
4.2 DEVELOPMENT, TESTING AND EVALUATION						362.5					362.5
R. TOTAL (1+4+5+6)		6,117.8	2,951.8	4,848.5		6,688.2	7.8	21.3			20,687.4

Explanatory remarks (if any):

UN REPORT

COUNTRY: CANADA; FISCAL YEAR: 2011-2012 (1 April 2011 to 31 March 2012)

ACTUAL OUTLAYS, CURRENT PRICES

NATIONAL CURRENCY AND UNIT OF MEASURE: CANADIAN DOLLAR (MILLIONS)

\* Due to rounding, figures may not add up to totals shown.



# **CHINA**

## **I. SECURITY SITUATION IN THE ASIA-PACIFIC REGION**

Since the beginning of 2012, the Asia-Pacific region has generally maintained the sound momentum of peace, stability and development. Major countries in the region have increased their dialogue and coordination and maintained stable state-to-state relations. Emerging markets and developing countries saw their influence rising and played an increasingly important role in upholding peace and promoting development. Against the backdrop of lingering impact of the international financial crisis and sluggish global economic growth, East Asia has enjoyed rapid economic growth and deepening integration process, becoming a major engine driving global economic recovery and growth.

Nevertheless, the region is also faced with a number of challenges. Affected by the weak economic recovery in Europe and the United States, Asian countries' economic growth has been slowing down with rising downward pressure. Amid the profound changes in international and regional situation, disputes have heated up over territorial sovereignty and maritime interests in East Asia. The situation on the Korean Peninsula is delicate and fragile, with tensions rising again. The counter-terrorism situation in Afghanistan and Pakistan remains grim. Some countries, in a period of political, economic and social transition, underwent domestic turbulence. Non-traditional security challenges like terrorism, natural disaster, maritime security, transnational crime, and cyber security are on the rise.

## **II. CHINA'S DEFENCE POLICY**

China advocates a new security concept featuring mutual trust, mutual benefit, equality and coordination, and pursues comprehensive

security, common security and cooperative security. It stands for peaceful settlement of international disputes and regional flashpoints and against willful use or threat of force, aggression or external expansion.

China is committed to developing cooperative military relations that are non-aligned, non-confrontational and not directed against any third party, and promotes the establishment of equitable and effective collective security mechanisms and military confidence-building mechanisms. Acting in line with the principle of openness, pragmatism and cooperation, China has deepened its cooperation with other countries on security and participated in UN peacekeeping missions, international counter-terrorism cooperation, international maritime escort missions and disaster relief operations. China supports effective disarmament and arms control conducted in a just, equitable, comprehensive and balanced manner to uphold global strategic stability.

China pursues a national defence policy that is defensive in nature. The goals of China's defence policy in the new era are: safeguarding state sovereignty, security, territorial integrity and development interests; participating in and supporting national economic and social development; enhancing the performance of the armed forces with information technology application as the major criterion and promoting the modernization of national defence and the armed forces; implementing a military strategy of active defence; following a self-defensive nuclear strategy; and creating a security environment conducive to peaceful development of the country.

China is confronted with complex and diverse traditional and non-traditional security challenges, and under the threats of separatism and terrorism. China is the only major country

in the world that has not achieved national reunification. The advancement of its defence modernization is warranted by the reasonable needs of national security and serves as a guarantee for peaceful development. China's defence spending is reasonable, appropriate and commensurate with its national security needs. China will not and has no intention to engage in arms race with any other country or pose a military threat to any other country. In 2007, China officially joined the UN Standardized Instrument for Reporting Military Expenditures and has since submitted annual reports on military expenditure of the previous year. In 2012, China's military budget was RMB670.274 billion, equivalent to 1.29% of China's GDP.

In April 2013, China issued the Diversified Employment of China's Armed Forces, the first thematic white paper on national defence. It puts forward the concept of diversified employment of armed forces for the first time, expounds on the basic policies and principles of employing armed forces and stresses the assumption of China's due international responsibilities. For more details, please refer to the English version of the Diversified Employment of China's Armed Forces at [http://eng.mod.gov.cn/TopNews/2013-04/16/content\\_4442750.htm](http://eng.mod.gov.cn/TopNews/2013-04/16/content_4442750.htm)

### **III. CHINA'S EFFORTS TO PROMOTE SECURITY IN THE ASIA-PACIFIC REGION**

China is committed to peace and stability in the Asia-Pacific region and persists in following the path of peaceful development and the win-win strategy of opening-up. China develops friendly cooperation with all countries on the basis of the Five Principles of Peaceful Coexistence and is actively involved in regional cooperation. It has

handled both traditional and non-traditional security issues and worked tirelessly for a harmonious Asia-Pacific region of lasting peace and common prosperity.

#### **a. Relations with Major Countries in the Asia-Pacific Region**

##### *(1) China-US Relations*

Since 2012, leaders of the two countries have had meetings at the G20 Summit, APEC Economic Leaders' Meeting, Nuclear Security Summit, East Asia Summit and other multilateral occasions. The two sides reached the important agreement on jointly building the China-US cooperative partnership based on mutual respect and mutual benefit, and exploring ways to build a new type of major-country relations. Sessions were successfully held under the institutionalized dialogue mechanisms such as the China-US Strategic and Economic Dialogues, the Joint Commission on Commerce and Trade, the High-Level Consultation on People-to-People Exchange, the Strategic Security Dialogue and the Consultation on Asia-Pacific affairs.

##### *(2) China-Russia Relations*

In June 2012, President Vladimir Putin paid a state visit to China. The two heads of state held a meeting in Beijing. China-Russia relations have entered a new phase in which the two countries provide important development opportunities to each other and see each other as priority cooperation partners. In March 2013, President Xi Jinping paid a state visit to Russia. The two leaders agreed to take the development of China-Russia relationship as a priority of their respective diplomatic agenda, increase mutual political support, deepen

cooperation in practical fields, in particular the strategic projects, enhance coordination and cooperation in international and regional affairs, and strive to translate the strength of their high-level political relations into concrete results of practical cooperation in various fields.

### *(3) China-India Relations*

The year 2012 was the “Year of China-India Friendship and Cooperation”. China-India relations maintained the momentum of sound and steady growth. Then Chinese President Hu Jintao met with Indian Prime Minister Manmohan Singh on the sidelines of the Fourth BRICS Leaders Meeting. Then Chinese Premier Wen Jiabao also met with him on the sidelines of the UN Conference on Sustainable Development and the East Asia Summit. The two countries conducted a series of exchanges activities to mark the “Year of China-India Friendship and Cooperation”. The second China-India Strategic Economic Dialogue was held in India. Youth delegations from the two countries exchanged visits.

### *(4) China-Japan Relations*

The Year 2012 marked the 40th anniversary of the normalization of diplomatic relations between China and Japan and the “Year of Exchanges and Friendship Between Chinese and Japanese Nationals.” The first half of the year witnessed continued high-level contacts, dynamic exchanges between legislatures and political parties, as well as close communication between diplomatic services of the two countries. Bilateral exchanges and cooperation in various fields made progress, and activities celebrating the 40th anniversary of the normalization of diplomatic relations were unfolded as

scheduled. Financial cooperation made substantive progress by launching the direct trading between the RMB and the Japanese Yen.

However, China-Japan relations were affected by sensitive issues from time to time. In September 2012, in disregard of firm opposition of the Chinese government and people, the Japanese government implemented the so-called “nationalization” of China’s Diaoyu Dao, leaving an unprecedentedly severe impact on China-Japan relations. The Chinese side cannot but take necessary measures to safeguard national territorial sovereignty. Yet, we have all along acted in the overall interests and exercised restraint. China will continue to resort to dialogue and consultations in managing the Diaoyu Dao issue and seeking a proper solution.

## **b. Regional Cooperation**

### *(1) China-ASEAN Cooperation*

China and ASEAN countries have jointly advanced common development by steadily promoting strategic dialogue and communication, enhancing political mutual trust and strengthening result-oriented cooperation in the Free Trade Area (FTA), connectivity, and in maritime, social, and cultural fields. In November 2012, the 15th China-ASEAN Summit was held in Phnom Penh, Cambodia. Then Premier Wen Jiabao put forward a series of initiatives and measures to deepen bilateral cooperation in FTA, science, technology, connectivity as well as in social and cultural fields.

China-ASEAN trade in 2012 was US\$400.1 billion. China has set up a China-ASEAN Maritime Cooperation Fund of RMB3 billion

to support maritime cooperation. The two sides also launched some new dialogue mechanisms, including the China-ASEAN Science and Technology Ministers' Meeting and the China-ASEAN Defence Ministers' Consultative Meeting.

#### *(2) ASEAN Plus Three (APT) Cooperation*

The Commemorative Summit for the 15th Anniversary of ASEAN Plus Three Cooperation was held in Phnom Penh, Cambodia in November 2012. At the summit, leaders of APT countries jointly issues the Leaders' Statement on ASEAN Plus Three Partnership on Connectivity and the ASEAN Plus Three Leaders' Joint Statement on the Commemoration of the 15th Anniversary of the ASEAN Plus Three Cooperation. In 2012, APT cooperation made important progress in preserving financial stability and food security in the region. All sides agreed to double the size of Chiang Mai Initiative Multilateralization (CMIM) to US\$240 billion. The ASEAN Plus Three Emergency Rice Reserve Agreement went into effect on 12 July 2012.

#### *(3) China-Japan-ROK Cooperation*

China-Japan-ROK cooperation grew steadily in 2012. China successfully hosted the fifth trilateral leaders' meeting. Trilateral cooperation in economy and trade achieved major progress and the three countries signed an investment agreement. In March 2013, the first round of negotiation on China-Japan-ROK FTA was held in Seoul, the ROK.

#### *(4) East Asia Summit (EAS)*

In November 2012, then Premier Wen Jiabao attended the Seventh EAS. Based on the Phnom Penh Development Initiative proposed by China, the EAS adopted the

Phnom Penh Development Declaration, which called on participating countries to focus on development, adhere to the underlying theme of unity and cooperation, advance the six priority cooperation areas and strive for balanced, inclusive and sustainable development. During the EAS, leaders also attended a launch ceremony for negotiations on the Regional Comprehensive Economic Partnership (RCEP).

#### *(5) Shanghai Cooperation Organization (SCO)*

In June 2012, the SCO Summit was held in Beijing. The participants had in-depth exchanges of views on such issues as deepening friendly cooperation, the prospects of SCO's development as well as regional and international situations. Extensive consensus was reached and 11 important documents were signed or released. The Summit agreed to accept Afghanistan as an SCO observer and Turkey a dialogue partner. These outcomes laid a solid foundation for further cooperation between member states in political, security, economic and cultural areas and showed the resolve and confidence of all participants in promoting SCO's development in the second decade of its growth.

### **c. Regional Hotspot Issues**

#### *(1) Korean Peninsula Nuclear Issue*

Thanks to the joint efforts of all sides, the situation on the Korean Peninsula showed signs of easing in the beginning of 2012. The DPRK and the US held the third high-level dialogue in Beijing and reached important consensus which was released by the two sides respectively on 29 February. However, after the DPRK's satellite launch in April, DPRK-US dialogue came to a standstill and

the DPRK-ROK relations were tense. The DPRK launched another satellite in December 2012 and conducted its third nuclear test in February 2013, to which the US, the ROK and Japan responded strongly. As tension on the Peninsula escalated, the Korean nuclear issue grew increasingly complex and serious.

Facing these developments, China, as the Chair of the Six-Party Talks, has been dedicated to promoting peace talks and encouraging relevant parties to have contact and dialogue. China has done a lot in upholding peace and stability on the Peninsula and working for an early resumption of the Six-Party Talks. China will work relentlessly with the rest of the international community to advance the Six-Party Talks process, and implement the goals of the "September 19 Joint Statement" in a comprehensive and balanced way so as to realize lasting peace and stability on the Korean Peninsula and in Northeast Asia.

### *(2) Myanmar*

Myanmar is an important neighbor of China. The two countries share a 2,200-kilometer boundary and the friendly exchanges between the two peoples go back thousands of years. Stability and development in Myanmar concerns China's immediate interests. China supports Myanmar in upholding stability at home, expanding external cooperation, opening wider to the outside world and speeding up development. China maintains that the international community should respect the development path independently chosen by the people of Myanmar.

The issue in northern Myanmar concerns not only the ethnic reconciliation process in Myanmar, but also tranquility and stability along the China-Myanmar border. China has stayed in close communication with the

government of Myanmar and relevant parties on this issue and helped the two sides have peace talks in China. The tense situation in northern Myanmar is calming down. China hopes that the conflicting parties will stick to peace talks to settle their differences and realize lasting peace in northern Myanmar at an early date. China is ready to play a constructive role for the peace process of northern Myanmar in line with the wish of Myanmar.

### *(3) Afghanistan*

China and Afghanistan are traditional friendly neighbors and the Chinese government attaches great importance to developing good-neighborliness and friendly cooperation with Afghanistan. In 2012, China-Afghanistan relations reached a new high. Leaders of the two countries exchanged visits. The two sides agreed to elevate China-Afghanistan relations to a strategic and cooperative partnership and signed the Action Plan Between China and Afghanistan for Implementing the Joint Declaration on Establishing Strategic and Cooperative Partnership. Over the years, China has actively taken part in Afghanistan's economic reconstruction by providing assistance within the realm of its capability and building a number of projects that benefit the Afghan people. China will step up efforts in this regard in the future.

### *(4) The Situation in Pakistan*

Pakistan, as an important country in South Asia, is at the forefront of international counter-terrorism efforts, and has made outstanding contribution to fighting terrorism. It is now faced with some difficulties in maintaining national stability and making economic and social development. Under the precondition of respecting the independence, sovereignty and

territorial integrity of Pakistan, the international community should provide the country with support and assistance in achieving sustainable security, stability and economic development. As Pakistan's friendly neighbor and all-weather cooperation partner, China hopes to see social stability and economic growth in Pakistan and will continue its assistance to Pakistan.

#### **d. Non-Traditional Security Cooperation**

##### *(1) Cooperation in Disaster Relief*

The Chinese government attaches great importance to and supports international cooperation and exchanges in disaster reduction and relief in the Asia-Pacific region. China actively participates in international disaster relief operations, supports the establishment of mechanisms of exchanges and mutual visits and has strengthened exchanges between and training for disaster reduction and relief personnel. By way of sharing disaster information and mutual learning of each other's experience, China has worked with other countries to jointly enhance the disaster management capability.

From 2009 to 2012, China hosted the ARF Seminar on Laws and Regulations on the Participation in International Disaster Relief by Armed Forces for three times. In September 2012, China hosted the EAS Seminar on Capacity Building for Disaster Preparedness. In November, China hosted the China-ASEAN Seminar on Spatial Information Products Sharing in Disaster Risk Mitigation. China will actively participate in the ARF Direx 2013 in May and the first ASEAN Defence Ministerial Meeting Plus Humanitarian and Disaster Relief/Military Medicine Exercise in June.

In recent years, while successfully tackling large-scale natural disasters within its boundaries,

China has responded to the needs of disaster-hit countries and international calls by participating, as its abilities permit, in bilateral and multilateral international disaster relief operations in the wake of the Indian Ocean tsunami, earthquake in Haiti, floods in Pakistan, the huge earthquake in Japan and droughts in the Horn of Africa. China is one of the founding contributors of the UN Central Emergency Response Fund.

##### *(2) Cooperation in Counter-Terrorism*

In recent years, Asia-Pacific countries have stepped up counter-terrorism cooperation and made some progress in fighting terrorism. The counter-terrorism situation is good on the whole. However, due to complex reasons, terrorist and extremist forces can still find some room for survival and maneuver in some countries of this region. In a small number of Asia-Pacific countries, terrorist activities are frequent. All countries in the region are also faced with increasingly severe threats from cyber terrorism. Counter-terrorism remains a major task for countries in this part of the world.

China is a victim of terrorism and opposes all forms of terrorism. It has been an active participant in Asia-Pacific counter-terrorism cooperation. China is ready to enhance exchanges and cooperation with other countries and work for new progress in international counter-terrorism efforts, contributing to world peace and stability. In 2012, China had counter-terrorism consultations and exchanges with Russia, India, Japan, the ROK, Vietnam, Myanmar, Indonesia and Malaysia. China, Japan and the ROK held the second counter-terrorism consultations. The Special Forces from China and Indonesia had a joint counter-terrorism exercise. China also took part in Southeast Asia Working Group activities under the Global Counterterrorism Forum and activities under the ARF.

### *(3) Fighting Transnational Crimes*

Transnational criminal activities in the Asia-Pacific region have taken increasingly diverse forms. Regional countries are faced with a myriad of transnational crimes such as drug trafficking, human trafficking, cyber crimes, money laundering and piracy. Moreover, many transnational criminal activities are intertwined. China actively participates in international cooperation under the framework of the UN and relevant regional and international organizations to fight transnational crimes and has actively conducted bilateral police and judicial cooperation with relevant countries. The Chinese government has also stepped up its crackdown on organized transnational crimes through a series of special-purpose law enforcement operations.

The Chinese government attaches great importance to cyber security, and adheres to the guiding principle of “active use, scientific development, law-based administration and ensured security”. While encouraging and promoting the development and wide application of the Internet in China, the Chinese government exercises regulation and governance over the Internet in accordance with law to ensure its sound development and protect the lawful rights and freedom of citizens and legal persons. The Chinese government resolutely cracks down on all kinds of cyber crimes and cyber terrorist activities. It bans using the Internet to incite ethnic hatred and separatism, to promote cult and to distribute salacious, pornographic, violent or terrorist information.

Despite their different national conditions, the Asia-Pacific countries share common goals on cyber security and enjoy broad prospects for cooperation. Countries should give full play to the role of the UN as the main channel and strengthen communication and cooperation.

The pressing task is to formulate rules for cyber security, regulate the activities of all countries and work for a peaceful, secure, open and cooperative cyberspace. To this end, China, Russia and some other countries submitted the “International Code of Conduct for Information Security” to the UN General Assembly in 2011, which could serve as a foundation for discussions in the Asia-Pacific region.

China attaches importance to and actively takes part in Asia-Pacific dialogue and cooperation on cyber security. Since 2006, China has sent delegations every year to the meetings of the ASEAN Telecommunication Regulators’ Council. China will host the ARF Workshop on Measures to Enhance Cyber Security in the second half of this year.

### *(4) Maritime security cooperation*

China has attached high importance to maritime security cooperation with other Asia-Pacific countries. It takes an active part in regional mechanisms and relevant activities, explores cooperation on maritime law enforcement, and expands cooperation on marine ecological conservation and environmental protection, maritime disaster forecast and reduction, playing a constructive role in promoting maritime security and stability in the Asia-Pacific region.

As one of the initiators of the Regional Cooperation Agreement on Combating Piracy and Armed Robbery Against Ships in Asia (ReCAAP), China has given active support for the capacity building and development of the Information Sharing Center (ISC) of the ReCAAP, made annual contribution to ISC, participated in the meetings, exercises and training programs of the ISC, and provided staff for its secretariat. China sent a delegation to the fifth ARF Inter-Sessional Meeting on Maritime Security held in April 2013. China will hold the ARF Workshop on

Marine Oil Spill in the first half of 2014. China hosted the 13th Experts Meeting of the North Pacific Coast Guard Forum (NPCGF) in Xiamen in March 2012, and sent a delegation to the 14th Experts Meeting of NPCGF in Russia in March 2013.

In order to combat piracy in waters off the coast of Somalia and the Gulf of Aden, the Chinese Navy, in accordance with relevant resolutions of the UN Security Council, began escort missions in December 2008 in the above-mentioned areas. By 3 April 2013, the Chinese Navy had carried out 14 escort missions of 37 ship times for 562 batches of a total of 5,118 Chinese and foreign vessels (including 2,549 foreign vessels), escorted and rescued 16 vessels attacked or boarded by pirates, saved 42 vessels pursued by pirates in 31 missions, and escorted four vessels of the World Food Program. The Chinese government and military have also taken an active part in such international mechanisms as the Contact Group Meetings on Piracy off the Coast of Somalia and the Sharing Information and Deconfliction (SHADE) meetings on escort cooperation. Since 2012, China has coordinated with Japan, India and the ROK which conduct independent escort missions to pool resources and improve efficiency of such missions.

In March 2013, the Chinese government decided to restructure the State Oceanic Administration, integrate maritime law enforcement forces, and establish the China Coast Guard. It will allow China to fully leverage various maritime law enforcement resources, carry out maritime security cooperation, fight crimes and ensure security at sea more effectively, and make even bigger contribution to regional peace and security.

The situation in the South China Sea is stable on the whole, and the freedom of navigation in the South China Sea is fully guaranteed. China is

committed to properly managing and resolving sovereign disputes over some islands and reefs of the Nansha Islands and overlapping claims over maritime rights and interests in some waters in the South China Sea with countries concerned through bilateral negotiations and friendly consultations on the basis of respect for history and the international law. China is ready to strengthen practical cooperation with countries concerned in the South China Sea, and actively promote "shelving disputes and pursuing joint development" as well as maritime cooperation, so as to jointly uphold peace and stability of the South China Sea. China has set up a China-ASEAN maritime cooperation fund worth RMB3 billion to support the cooperation projects between China and ASEAN countries on navigation safety, marine scientific research and environmental protection and crackdown on maritime organized crimes. China will continue to work with ASEAN countries to comprehensively and effectively implement the Declaration on the Conduct of Parties in the South China Sea (DOC), strengthen cooperation under the framework of the DOC, sustain the momentum of dialogue and consultation, increase mutual trust, and work, on the basis of consensus, towards the adoption of a code of conduct.

#### *(5) Non-proliferation and Disarmament Cooperation*

China actively supports and participates in the international efforts for arms control, disarmament and nuclear non-proliferation, and stands for the complete prohibition and thorough destruction of nuclear weapons. China has earnestly participated in the implementation of the final document of the eighth review conference of the Treaty on the Non-Proliferation of Nuclear Weapons (NPT), and taken an active part in the new round of the NPT review process and the P5



conference on implementing the NPT. China will make unremitting efforts together with other parties towards the NPT goals of nuclear non-proliferation, nuclear disarmament, and peaceful use of nuclear energy.

China firmly supports ASEAN countries in their efforts to build a nuclear-weapon-free zone and has reached consensus in principle with ASEAN on the Treaty on the Southeast Asia Nuclear-Weapon-Free Zone and its protocol. China is ready to sign the protocol at an early date. China respects Mongolia's status as a nuclear-weapon-free country, and supports relevant resolutions adopted by successive sessions of the UN General Assembly. In September 2012, China, together with the other four nuclear-weapon states, issued a joint statement, reaffirming Mongolia's nuclear-weapon-free status and related security assurances provided to Mongolia.

The Chinese government attaches great importance to nuclear safety and security, and opposes nuclear proliferation and nuclear terrorism. China has taken effective nuclear safety and security measures, faithfully fulfilled its international nuclear security obligations, and maintained a good record in nuclear safety and security. China has constantly improved its non-proliferation laws and regulations and strengthened institutional building. A legal system on non-proliferation export control has been put in place, covering nuclear, biological, chemical and missile sectors, and non-proliferation mechanisms have been established, including a national export control expert support system and a cross-agency emergency coordination mechanism on non-proliferation export control. China has strictly enforced the export control system and stepped up publicity of export control regulations and education for companies.

Since 2012, China has continued to take a constructive part in the non-proliferation and disarmament process in the Asia-Pacific region and made positive contributions. In March 2012, a Chinese delegation attended the fourth ARF Inter-Sessional Meeting on Non-proliferation and Disarmament in Australia, and worked with other participants to formulate the ARF Work Plan on Non-Proliferation and Disarmament. In December 2012, a Chinese delegation attended the ARF Space Security Workshop in Vietnam and made keynote speeches on "Prevention of Weaponization and Arms Race in Outer Space" and "Asia-Pacific Space Cooperation Organization." In the same month, another Chinese delegation attended the 11th Asia-Pacific Conference on Disarmament and Non-proliferation in the ROK, and made a keynote speech on the prospects of an "Arms Trade Treaty".

#### **IV. CHINA'S VIEW ON ARF'S FUTURE DEVELOPMENT**

Over the past 20 years, ARF has grown into the most inclusive and influential security forum in the Asia-Pacific region, developing a set of effective dialogue and cooperation models and principles. It has made remarkable progress in fostering the new security concept of comprehensive security, common security and cooperative security and carrying out security cooperation, thus playing an important role in increasing mutual trust between Asia-Pacific countries and in cultivating a harmonious regional environment. ARF is facing both opportunities for development and challenges from other regional security cooperation mechanisms. It needs to make continued progress by enhancing dynamism and efficiency. In line with its founding principles and successful experience, ARF needs to step up efforts in the following areas.

First, it is important to give the central role to enhancing mutual trust. ARF clearly defined its mission at its inception as a forum aimed at strengthening dialogue, enhancing cooperation, reducing differences and promoting constructive state-to-state relations. For years, it has played an important role in enhancing mutual understanding and mutual trust between its participants. However, due to reasons both of the past and present, there is still a severe lack of mutual trust between Asia-Pacific countries, and ARF still has a long way to go in this regard. There should be no self-contentment or slackened efforts. We need to see that as long as we keep to dialogue, enhance mutual understanding, and accumulate trust, we will be able to prevent and manage differences and problems, and push forward the development of ARF on the basis of consensus. Therefore, all participants, by further tapping the potential of ARF, need to consolidate and deepen confidence-building measures, and stay committed to this effort throughout the development of ARF.

Second, it is important to prioritize non-traditional security cooperation. In the context of deepening globalization and regionalization, Asia-Pacific countries are increasingly interdependent. As war and other traditional security threats are significantly decreasing, non-traditional security threats such as natural disasters, terrorism, transnational crimes and maritime security are becoming major security challenges to the region. In recent years, ARF has explored ways for non-traditional security cooperation and achieved positive results. By following the trend of the times and leveraging its own advantages, ARF should continue to focus on joining efforts in preventing and responding to non-traditional regional security challenges and deepen cooperation in disaster prevention and relief, crackdown on transnational crimes

and maritime security so as to foster new highlights in its endeavors.

Third, it is important to adhere to the principle of non-interference. ARF principles developed over the past 20 years since its establishment, such as mutual respect, equal-footed dialogue, non-interference in others' internal affairs, consensus-based decision-making, making gradual progress and accommodation of each other's comfort level, embody the diversity of the Asia-Pacific region. These principles are ARF's source of vitality and foundation for future development. All participants have generally agreed to build on confidence-building measures and gradually move to preventive diplomacy. The Asia-Pacific's striking feature of diversity and regional countries' different concerns for security determine that we must not copy the experience of other regions in conducting our own preventive diplomacy. Instead, we should adhere to such principles as non-coerciveness and non-interference in others' internal affairs on the basis of the Concept and Principles of Preventive Diplomacy ARF adopted in 2001, and work hard to find a path of preventive diplomacy suited to our regional reality.

As its founding member, China has attached great importance to the forum and actively participated in its development over the past two decades. We advocate the new security concept featuring mutual trust, mutual benefit, equality and coordination, and have proposed and undertaken over 30 cooperation projects, playing a constructive role in the healthy development of the forum. Going forward, China will continue its firm support for ASEAN centrality in ARF, work with other participants for its constant progress, and support ARF in making even bigger contribution to upholding regional peace and security.

# DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA

## I. OVERVIEW OF THE REGIONAL SECURITY ENVIRONMENT

The Asia-Pacific region attracts a worldwide attention as a hub of global politics, economy and military activities.

The economic centre of the globe shifts to the Asia-Pacific, and along with it, the military strategic focus to the Northeast Asia.

Every country in the region has its share of interest in enhancing its status and role in the political and security architecture of the region and the globe, and the multilateral organizations such as the ASEAN take the initiative and play an active part in the regional peacebuilding and development drive.

The Asia-Pacific region is known for complexity of composition and complications of intra-relations. Not a few countries contradict and conflict one another for irreconcilable issues such as territorial disputes, historical matters.

The Asia-Pacific region faces serious security challenges as ever.

The biggest challenge comes from the military aspect, posing a threat to regional peace and security and accelerating arms race by incessant arms buildup and military drills motivated by rivalry to secure domination and extend sphere of influence in the region.

Countries compete for superiority, in the modernization of ballistic missiles, introduction of missile defense system, building and deployment of submarines and

aircraft carriers, development and purchase of latest fighter planes and so on.

It is none other than the United States (U.S.) that instigates a dangerous arms race in the region.

The U.S. intends to deploy on a priority basis 60 percent of its navy force in the Asia-Pacific region by 2020 in line with its defense strategy made public in 2012. At the same time, it places emphasis on rallying its allies and strengthening military alliances.

By forging U.S.-Japan-south Korea and U.S.-Japan-Australia tripartite military alliances, the U.S. pursues the strategy of fulfilling its ambition to hold supremacy over the Asia-Pacific region and eliminate independent countries that are against it.

Under this strategy, the U.S. designated the DPRK as its principal enemy and the target of attack in the Asia-Pacific region because the DPRK chose to differ in political views and system; the U.S. intentionally aggravated the tension on the Korean Peninsula by introducing massive state-of-the-art military equipment including the strategic means of nuclear strike into and around the Peninsula.

## **II. SITUATION ON THE KOREAN PENINSULA AND NATIONAL SECURITY POLICY**

The tension on the Korean Peninsula is on the verge of a war due to the U.S. policy of hostility toward the DPRK that continues to grow ever more.

The U.S. and its vassal forces become all the more outspoken in their schemes to isolate and stifle the DPRK by enlisting all their political, economic and military resources. As a result, a great obstacle stands in the way of the DPRK which intends to concentrate its efforts on economic construction so that the people would not tighten their belts any longer but enjoy the benefits of socialism.

The tension began escalating when the U.S. wantonly violated the DPRK's right to satellite launch for peaceful purposes.

The U.S., picking a quarrel with the DPRK's successful launch in December 2012 of a peaceful satellite, railroaded a "resolution on sanctions" through the United Nations Security Council (UNSC). It was a hostile, outrageous act that illegalizes the legitimate right of a sovereign state to launch a satellite.

In response to the encroachment upon the legitimate right of a sovereign state to develop space and its sovereignty, the DPRK was compelled to conduct the third underground nuclear test of a self-defensive measure, as a link in the whole chain of substantial countermeasures to defend its sovereignty and security.

The U.S. and its vassal forces adopted another "resolution on sanctions" at the UNSC and in the mean time, they staged joint military exercises by enlisting vast aggressive forces that include hundreds of thousands personnel and state-of-the-art military hardware to ignite a nuclear war on the Korean Peninsula.

Nuclear submarines, aircraft carriers and other sophisticated nuclear strike means unprecedented in the past such as B-52, B-2A strategic bombers, were mobilized successively to the Key Resolve and Foal Eagle joint military exercises, turning south Korea and its surrounding waters into a breeding ground of a nuclear war and a huge war equipment exhibition.

Today there is no place on earth like the Korean Peninsula where aggressive nuclear war exercises are being staged in an extremely dangerous manner.

The DPRK has not once made an issue with the satellite launch of the U.S. by alleging a missile test nor has it ever tried to railroad a sanctions resolution of the UNSC on such pretext. Never did it threaten the U.S. by introducing state-of-the-art weapons to the sea off the continental U.S.

It is none other than the U.S. that pushed the situation on the Korean Peninsula to the brink of a war.

The persistent hostile policy pursued and the nuclear war exercises staged by the U.S. in an attempt to stifle DPRK in the wake of its prodding the UNSC into adoption of “resolutions on sanctions” one after another compelled the DPRK to clarify its position to take military countermeasures for self-defence.

It is quite preposterous and like a thief crying “Stop thief!” that the U.S. is making a fuss about someone’s “provocation” and “containment”

Behind the U.S. maneuvers of sparking off a vicious cycle of tension by picking a quarrel with the DPRK’s launch of peaceful satellite and constantly staging large-scale joint military exercises is the motive to disarm the DPRK’s nuclear capability and overthrow the socialist system.

It is quite natural for the DPRK to take counteractions for self-defence by bolstering up nuclear force now that the U.S., world’s biggest nuclear weapons state, threatens and blackmails the DPRK with a nuclear stick.

This time when the DPRK has been exposed to the U.S. direct and substantial threat of nuclear attack, it keenly felt the need to bolster up its nuclear deterrence both in quality and quantity.

Proceeding from the requirements of the prevailing situation and the developing revolution, the DPRK put forth at the March 2013 Plenary Meeting of the Central Committee of the Workers’ Party of Korea the new strategic line of simultaneously carrying on the construction of the economy and the upbuilding of the nuclear forces.

The strategic line of simultaneously carrying on the construction of the economy and the upbuilding of the nuclear forces is a realistic one which will maximize the economic development

and defense upbuilding in keeping with the actual conditions of the DPRK.

The new line will enable the DPRK to further strengthen its defense capabilities at small expense without increasing military expenditure and direct great efforts to the economic construction and the improving of the people’s standard of living.

The Supreme People’s Assembly (SPA) of the DPRK adopted the ordinance on “Consolidating the Position of the Nuclear Weapons State for Self-defence” at the Seventh Session of the 12th SPA convened on 1st April, 2013. (*See Annex*)

While continuing with its physical nuclear threat against the DPRK, the U.S. recently began talking about dialogue for dismantling the DPRK’s nuclear deterrent.

Pressure and dialogue can never go together. The DPRK has no idea of sitting at the humiliating negotiating table with the party threatening it with nuclear weapons.

Dialogue should be based on the principle of respecting sovereignty and equality—this is the DPRK’s consistent stand.

Moreover, the nuclear weapons of the DPRK are neither goods for getting U.S. dollars nor a political bargaining chip to be put on the table of negotiations.

The U.S. hostile policy aimed at stifling the DPRK by force of arms remains unchanged as ever. Under such circumstances, talking about dialogue is nothing but a crafty ploy intended to mislead the world opinion.

Genuine dialogue is possible only at the phase when the DPRK builds up nuclear

deterrent strong enough to defuse the U.S. threat of nuclear war and when the U.S. rolls back its hostile policy and nuclear threat and blackmail against the DPRK.

If one is not strong enough, one can neither defend the sovereignty of the country and the dignity of the nation nor achieve happiness and prosperity of the people.

This is proved by the lesson drawn from some countries in the Balkans and Middle East which gave up even their existing war deterrent, yielding to the pressure and appeasement after failing to build up powerful capacities for self-defence, reading faces of big powers, and eventually fell victims to the invasion.

The DPRK, holding fast the nuclear shield for self-defence, will firmly defend the ideology and social system chosen by its people and all other socialist treasures won at the cost of blood and safeguard the nation's right to existence and its time-honored history and brilliant culture.

### III. ROLE OF ARF

The ARF, as a useful forum for dialogue on peace and security issues in the Asia-Pacific region, makes a positive contribution to promoting confidence-building, preventive diplomacy and conflict resolution among its member states.

At the same time, the role of ARF is being enhanced through implementing its joint work plans to effectively counter non-traditional challenges including disaster relief, piracy, contagious disease that hinder the development of the region.

In accordance with the underlying idea of its external policy – independence, peace and friendship, the DPRK joined the ARF to take part in cooperation with the ASEAN countries and other ARF member states to achieving common objective of securing peace and security of the region under the principles of respect for sovereignty, non-interference and equality.

The DPRK supports the initiative taken and central role played by the ASEAN, the driving force of the ARF, to expand and develop the ARF work to a higher level.

The DPRK also appreciates that the ASEAN pay a deep attention and give unsparing efforts to help bring peace and stability on the Korean Peninsula, and the DPRK believes the ASEAN will maintain a fair position with regard to the issue of the Korean Peninsula in the future.

The DPRK continues to attach importance to the ARF and will do its share of contribution so that the ARF fulfill its mission as a useful forum to promote regional peace and security.

### [Annex]

Ordinance of the Supreme People's Assembly of the DPRK on "Consolidating the Position of Nuclear Weapons State for Self-defence":

1. The nuclear weapons of the DPRK are just means for defence as it was compelled to have access to them to cope with the ever-escalating hostile policy of the U.S. and nuclear threat.
2. They serve the purpose of deterring and repelling the aggression and attack of the enemy against the DPRK and

dealing deadly retaliatory blows at the strongholds of aggression until the world is denuclearized.

3. The DPRK shall take practical steps to bolster up the nuclear deterrence and nuclear retaliatory strike power both in quality and quantity to cope with the gravity of the escalating danger of the hostile forces' aggression and attack.

4. The nuclear weapons of the DPRK can be used only by a final order of the Supreme Commander of the Korean People's Army to repel invasion or attack from a hostile nuclear weapons state and make retaliatory strikes.

5. The DPRK shall neither use nukes against the non-nuclear states nor threaten them with those weapons unless they join a hostile nuclear weapons state in its invasion and attack on the DPRK.

6. The DPRK shall strictly observe the rules on safekeeping and management of nukes and ensuring the stability of nuclear tests.

7. The DPRK shall establish a mechanism and order for their safekeeping and management so that nukes and their technology, weapon-grade nuclear substance may not leak out illegally.

8. The DPRK shall cooperate in the international efforts for nuclear non-proliferation and safe management of nuclear substance on the principle of mutual respect and equality, depending on the improvement of relations with hostile nuclear weapons states.

9. The DPRK shall strive hard to defuse the danger of a nuclear war and finally

build a world without nukes and fully support the international efforts for nuclear disarmament against nuclear arms race.

10. The related institutions shall take thorough practical steps for implementing this ordinance.





# EUROPEAN UNION

## I. OVERVIEW OF THE REGIONAL SECURITY ENVIRONMENT

The year 2012 has been a landmark year in EU-Asia relations. An important number of high-level visits, the organisation of four summit meetings with strategic partners (Japan, Republic of Korea and twice with China), the success of the EU-ASEAN Ministerial in Brunei in April 2012 with the signing of a new Plan of Action aiming to broaden and intensify relations in particular in the political and security area, plus the signing of EU's accession to the ASEAN Treaty of Amity and Cooperation (TAC) are some of the highlights of an intensified dialogue and cooperation with the region. This dynamic corresponds to the policy of engagement with a region which hosts four of EU's strategic partners, manages sustained growth rates and has the potential of contributing increasingly as a responsible player to global security and stability.

The EU's engagement remains comprehensive, from enhanced political dialogues to cooperation on global challenges, various sectoral areas, crisis management, plus humanitarian and development assistance. The EU's actions are framed by the core Lisbon Treaty tenets: to contribute to peace, security, sustainable development, solidarity, free and fair trade, the eradication of poverty and the protection of human rights and the development of international law.

In 2012, the EU's dialogue and cooperation with its Asia-Pacific partners included a strong element of developing the frameworks for deeper bilateral cooperation. Several partnership and cooperation agreements have been negotiated and/or signed (Philippines, Vietnam, Mongolia),

while good progress has been achieved in the negotiation of framework agreements (Australia, New Zealand, Singapore, Malaysia). In the same vein, negotiations on several trade agreements have been launched or continued at good pace (India, Malaysia, Vietnam), leading in the case of the FTA with Singapore to a successful conclusion.

The ASEM 9 Summit (in Laos, 5-6th November 2012) confirmed the interest of European and Asian partners to enhance mutual relations and cooperation in addressing today's challenges. The relevance of this dialogue has been underlined through the decision of more countries on the two continents to join the process (Norway, Switzerland and Bangladesh).

The EU has reacted promptly to the changes towards more democracy in Burma/Myanmar. The response has been comprehensive, engaging more aid and dialogue (including at the top level), the suspension of the restrictive measures (with the exception of the arms embargo) and the setting up of an EU Office in Yangon. In April 2013, all the EU restrictive measures have been lifted, with only the arms embargo staying in place.

The EU has consolidated its presence as a security and development actor in the region. For Afghanistan, the EU reconfirmed its enduring commitment. Bilateral relations with the country will be framed by a long-term Cooperation Agreement on Partnership and Development, which will provide the legal underpinning of the EU's engagement with Afghanistan over the coming years. The EU-Pakistan 5-year Engagement Plan has been endorsed in January 2012, while in June 2012 the EU-Pakistan strategic dialogue was launched.

The EU has paid particular attention to the territorial and maritime developments in the region. The High Representative, on behalf of the EU, has highlighted in her statement the importance of peaceful and cooperative solutions, in accordance with international law.

The EU has paid particular attention to developments with a potential impact on the security, stability and prosperity of Asia-Pacific: the DPRK's nuclear and ballistic missile programmes and the attendant risks of proliferation; maritime and territorial claims in the region; access to resources (water, energy); asymmetrical threats (counterterrorism, pandemics, piracy, cyber-piracy).

The above-mentioned issues have been touched upon in the regular political dialogue meetings held in 2012 with EU's various Asia-Pacific partners (Australia, Indonesia, Japan, New Zealand, Vietnam, ASEAN), but also in the framework of the strategic dialogue with China and the dedicated high level political and security dialogues (India, Republic of Korea) or in the context of the regular contacts and consultations with Russia and USA. EU High Representative Ashton and the US Secretary of State Clinton have agreed in 2012 a joint statement on EU and US objectives to support development, prosperity and stability in Asia and to promote cooperation in and with Asian partners to that effect.

## **II. EU COMMON FOREIGN, SECURITY AND DEFENCE POLICY**

The Nobel Peace Prize awarded to the EU is recognition of its work on reconciliation, democracy, promotion of human rights and enlarging the area of peace and stability across the continent. These objectives remain

the driving force for the EU's global action, having at its core the objective of upholding and developing effective multilateralism. The strengthening of the UN remains a key element in the EU external action. The EU remains a staunch supporter of a broader inter-regional cooperation, clearly recognising that regional bodies such as the OSCE and the ASEAN and the ASEAN Regional Forum can make an important contribution to comprehensive security in a particular region and globally (as stated at the OSCE Joint meeting of Contact Groups with Mediterranean and Asian Partners for Cooperation, June 2012). The close EU-NATO cooperation, set in the framework of the "Berlin Plus" arrangements, continues to work smoothly and efficiently.

In 2012, EU efforts focused on more effective, capable and coherent crisis management, as well as on tackling global challenges, in particular piracy, fighting trans-border organised crime (cybercrimes, terrorism, anti-trafficking), non-proliferation, access to resources (water, energy). Partnerships have been developed with Asia-Pacific partners, aiming at strengthening cooperation in these areas.

In 2012, three new civilian missions were launched: EUCAP NESTOR to support regional maritime capacity building in the Horn of Africa and Western Indian Ocean states; EUAVSEC South Sudan to help strengthen security at Juba International Airport and EUCAP Sahel Niger to improve the capacities of Nigerian Security Forces to fight terrorism and organised crime. Furthermore, planning for CSDP action in Mali and Libya was also underway towards the end of 2012.

On 14 December 2012, the EU Heads of State and Government sent a strong signal in

favour of strengthening the EU's capacity to act as a security provider, with the adoption of procedural conclusions on CSDP to prepare the European Council discussion on defence scheduled in December 2013. With a view to this debate, the European Council identified three priorities: (i) increase the effectiveness, visibility and impact of CSDP; (ii) enhance the development of defence capabilities; (iii) strengthen Europe's defence industry.

The promotion of synergies in developing civilian and military capabilities amongst Member States is intended to build a more comprehensive EU operational capability in conflict prevention and crisis management. This work encompasses a wide range of actions leading to, inter alia, the facilitation of dual use of civilian or military capabilities, new training packages for personnel deploying to theatres of operations, synergies in logistical support, better interoperability between civil and military elements, better sharing of tools and compilation of lessons learned from operations, and more coherent reporting on capability development.

During 2012, 14 countries (Albania, Canada, Chile, Croatia, Iceland, former Yugoslav Republic of Macedonia, Montenegro, Norway, New Zealand, Serbia, Switzerland, Turkey, Ukraine, the US) participated in 9 of the CSDP missions and operations (EUFOR ALTHEA, EUJUST LEX Iraq, EULEX Kosovo, EUPM BiH, EUPOL COPPS, EUPOL Afghanistan, EUNAVFOR ATALANTA, EUTM SOMALIA, EUSEC RD Congo). Fruitful interaction with several other partners continued in the context of anti-piracy activities.

In the course of 2012, the former Yugoslav Republic of Macedonia, New Zealand and Moldova concluded with the EU agreements

to establish a framework for their participation in EU crisis management operations ("Framework Participation Agreements"/ FPA). FPA negotiations with Georgia and the Republic of Korea have been launched.

### **III. CONTRIBUTIONS TO REGIONAL SECURITY**

EU initiatives, activities and operations are a firm contribution to global security, including for the Asia-Pacific region. The EU is mobilising a range of instruments to tackle important foreign policy and security challenges in what we refer to as the 'comprehensive approach'. While many have focused on developing such an approach over the last decade, only the EU has all the tools - and has them in sufficient strength - to make a lasting impact. The EU is directly involved - and indeed often lead - peace-seeking negotiations. It works closely with - and materially supports - international and regional partners to deal with regional challenges where only collective efforts can deliver results - from asymmetric security risks, to climate change, and disaster relief to security sector reform.

The cooperation in these areas is at the core of Bandar Seri Begawan Plan of Action to strengthen the ASEAN-EU enhanced partnership (2013-2017).

#### **a. Terrorism and organised crime**

##### *(1) Counterterrorism*

Political Dialogues on Counter Terrorism with key partners of the EU have continued in 2012. Specific dialogues were held with the UN, the United States, Russia, Turkey,

Pakistan, India and Saudi Arabia. Terrorism related issues are also discussed in a range of other EU dialogue meetings including foreign policy security dialogues.

As announced by the High Representative at the Global Counterterrorism Forum/GCTF Ministerial meeting in Istanbul in June 2012, the EU will support the establishment of the International Institute on the Rule of law and Criminal Justice - Tunisia. The International Centre on Countering Violent Extremism was inaugurated in Abu Dhabi at the last Ministerial meeting of the GCTF on 13-14 December. The inaugural meeting of the GCTF Horn of Africa region working group, co-chaired by the EU and Turkey, took place in Dar es Salaam on 8-10 February 2012 with wide participation of the countries from the region and international and regional organisations. The EU commends the organisation of the GCTF Southeast Asia Working Group-ASEAN Workshop for First Responders of Victims of Terrorism, to be hosted in Bali (Indonesia) in September 2013.

Given developments in Mali and the risk of the creation of a terrorist sanctuary in the North, as well as spill-over risks to other countries of the region, the Sahel has become a priority for the EU. EUCAP Sahel, the civilian CSDP operation in Niger launched in July 2012, is the first CSDP Mission to have CT included in its mandate.

The EU has continued to implement projects on Counter Terrorism under the Instrument for Stability (IfS), in particular the Civilian Capacity Building for Law Enforcement (CCBLE) project in Pakistan, and projects in the Sahel and South-East Asia. Identification missions took place to identify CVE projects in Pakistan and the Horn of Africa, as well as other projects in the Horn.

The EU and its Member States held a semi-annual dialogue with the US Department of State Legal Adviser on counter-terrorism and international law, in which international legal principles applicable to the fight against terrorism are discussed. The dialogue has the objective of furthering an improved mutual understanding of our respective legal frameworks, and developing common ground from which we can work more effectively in combating terrorism.

The EU contributes (2 million euro) to a joint initiative with UNODC aiming at supporting South East Asian countries to fighting terrorism. The initiative provides support for enhancing counter-terrorism law enforcement and criminal justice capacities at both the regional and national level. Countries within the geographic scope of the project include Indonesia, Philippines, Viet Nam, Lao PDR and Cambodia.

## *(2) Cyber security*

Preparations for the Communication on an EU Cyber Security Strategy (adopted in February 2013) were taking place throughout 2012, including first steps towards capacity-building in third countries and international outreach. The EU participated actively in the preparation of the Second International Conference on Cyberspace held in Budapest. The High Representative spoke at the event, underlining the importance of an open and free Internet while intensifying the fight against cybercrime and other cyber threats. Similar topics were also raised by the EU in the first EU-China Cyber Task-Force meeting in September in Beijing. The second EU-India cyber security and cybercrime consultations took place in October 2012 in Delhi.

## **b. Maritime Security**

Threats to maritime security and safe sea passages such as maritime piracy and armed robbery at sea are a global concern. There is a negative impact on the economy, security and stability of states and regions most directly concerned, as well as globally due to the risk of a break in the supply chain of critical resources. EU's €16.5 million Critical Maritime Routes programme also funded by the Instrument for Stability has five on-going projects and covers 17 coastal countries of the West Indian Ocean, South East Asia and the Gulf of Guinea. It enhances the information sharing capacities and enforcement functions of coastal states to achieve safer and more secure maritime traffic by inter alia countering piracy and armed robbery at sea. Since its set up, the following engagements have been taken in South East Asia:

- Capacity Building On Hazardous and Noxious Substances (HNS), implemented by IMO, as one of the projects for Cooperative Mechanism for in the Straits of Malacca and Singapore. With the budget 0.5MEUR it contributed to the IMO Trust Fund that supporting co-operation among stakeholders towards enhancing safety and marine environment protection in the Straits of Malacca and Singapore, for supporting the project "Capacity Building On Hazardous and Noxious Substances". The project was running in 2011-2012.
- Another project currently in the design and inception phase Critical Maritime Routes – Indian Ocean (CRIMARIO), to be implemented by EU Member States Consortium will identify a future action on maritime domain awareness around the Wider Indian Ocean Basin. It aims to involve the existing maritime information

sharing centres (such as the Information Sharing Centre of the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia) and create an information sharing system to provide maritime domain awareness linking the Wider Western Indian Ocean and South Asia in a single picture. A validation workshop involving all partners took place in February 2013 in Singapore.

## **c. Non-proliferation, Counter-proliferation, Arms Control and Disarmament**

Non-proliferation and disarmament continued to be an integral part of the EU's foreign policy in 2012 contributing to the effective implementation of the European Security Strategy.

The EU continued to support universal accession to relevant international treaties and instruments as well as their full and effective implementation. The EU also continued to promote the inclusion of clauses on the non-proliferation of WMD, as well as on small arms and light weapons (SALW) into agreements between the EU and third states, including Brunei, Malaysia, and Singapore.

The EU attended the Fourth ARF Inter-Sessional Meeting on Non-Proliferation and Disarmament from 8-9 March 2012 in Sydney and welcomed the subsequent adoption of the ARF Work-Plan on Non-Proliferation and Disarmament as an important success.

The HR/VP, on behalf of the E3 + 3 group (France, Germany, United Kingdom and the US, Russia and China) and based on her mandate from the UNSC, continued to lead international efforts on behalf of the EU to find a lasting and comprehensive diplomatic

solution to the Iranian nuclear issue. Despite several rounds of talks with Iran in Istanbul (April), Baghdad (May) and Moscow (June), differences between Iran and the E3+3 remained. The need to engage Iran in a meaningful confidence-building process to address longstanding international concerns regarding its nuclear programme, remained as urgent as ever. Iran's continued refusal to comply with its international obligations and increasing concerns over unresolved issues regarding the exclusively peaceful nature its nuclear programme, resulted in the adoption in September 2012 of a further Resolution by the IAEA Board of Governors expressing deep and increasing concerns. In accordance with the dual track approach, in January 2012 the EU Council adopted a new round of strong sanctions against Iran, including a prohibition on the import of Iranian crude oil and petroleum products. And, due to Iran's failure to engage seriously in negotiations, the Council decided to impose a further package of strong sanctions in October, to again confirm its commitment to the dual track approach including sanctions.

The EU continued to follow closely the situation in DPRK, as non-proliferation issues pose serious concerns. Particularly worrying in 2012 was the carrying out of two rocket tests (a failed one in April and a successful one in December) using ballistic missile technology, in violation of DPRK's international obligations. On both occasions, the EU condemned the launch and called on North Korea to refrain from further provocations and choose a path of dialogue with the international community, including in the context of the 6-party talks. Following on developments in early 2013, the EU has decided on additional sanctions.

In order to enhance the well-being and security of citizens, the EU is currently working with

eight regions, including South East Asia, to create Chemical, Biological, Radiological and Nuclear (CBRN) Centres of Excellence (CoE). The purpose of these Centres is to promote institutional capacity building for CBRN risk mitigation on a national and regional level and to strengthen capacities for crisis management and disaster preparedness, while building confidence. The Instrument for Stability Multiannual programme 2012 – 2013 allocates nearly €65 million to the Initiative for the period. The ten ASEAN member states participate in the CBRN CoE for South East Asia. The Secretariat for the CoE is in Manila situated at the offices of the President. Through the establishment of a specific facility coordination will also take place with other members of the ASEAN Regional Forum (ARF) providing assistance in the field of CBRN risk mitigation. These activities will be part of the EU contribution to the development and implementation of the ARF Workplan Counter-terrorism and Transnational Crime.

A China-EU-Africa dialogue on security issues related to conventional weapons trade and trafficking has been launched in November 2012, with several follow-up activities foreseen for 2013. The first meeting of the Africa-EU-China EWG (Expert Working Group) was held in Brussels on 13 November 2012 and was followed by a seminar on the Arms Trade Treaty process (see also further below) attended by EWG members, officials, scholars and think tank experts from Africa, China and EU member states and EU institutions on 14 November 2012. Both events allowed increasing mutual understanding between African, European, and Chinese interlocutors on respective positions in the ATT process and on conventional arms issues in general. The first meeting of the EWG also adopted a work plan for the next six months that will

include further outreach events on ATT in China and Africa and the establishment of a joint African-EU-Chinese Research Centre on conventional arms.

In preparation of the Second Review Conference on the UN Programme of Action on the Illicit Trade in Small Arms and Light Weapons (27 August-7 September 2012 in New York), the EU funded a regional seminar for Asia which took place on 5-6 March 2012, in Bali, Indonesia. Participants included representatives from Bangladesh, Bhutan, Brunei, Cambodia, China, India, Indonesia, Japan, Laos, Malaysia, Maldives, Myanmar, Nepal, Pakistan, Philippines, Singapore, Sri Lanka, Thailand and Vietnam, ASEAN, ASEAN Chiefs of police (ASEANAPOL), the Centre for Strategic and International Studies, the International Red Cross and Red Crescent and the Small Arms Survey. The seminar aimed at improving the regional implementation of the UN Programme of Action, assisting Asian countries with the effective preparation for the Second Review Conference and laying the groundwork for the development of a realistic, achievable, measurable and time-bound regional implementation plan for the period 2012-2014.

The EU also substantially engaged with a number of ASEAN countries on the UN process leading to an Arms Trade Treaty (ATT), which will make trade in conventional arms more responsible and transparent, thus reducing human suffering, and tangibly contributing to international peace, security and stability. Intensive consultations took place in the margins of the ATT diplomatic conferences. With the Arms Trade Treaty now open for signature and subsequent ratification, the EU intends to continue to closely interact with ASEAN countries with

a view to notably assessing the regional positive impact the ATT can have.

In 2012, the EU has continued to promote its initiative for an International Code of Conduct for Outer Space Activities. Following the presentation of the draft Code to the International Community in June 2012 in Vienna, the EU participated in the ARF Space Security Workshop in Vietnam from 5-7 December 2012 and co-organised the regional seminar on the role of Norms of Behaviour in Space Security on 12 December in Kuala Lumpur with UNIDIR, the United Nations Institute for Disarmament Research.

#### **d. Humanitarian Assistance and Disaster Relief**

The EU actively participated in the process of fostering regional cooperation in disaster preparedness and management in this area. The EU is interested in developing a stronger cooperation with the ASEAN Regional Forum and stands ready to support ASEAN countries in developing a regional system of mutual assistance in case of disasters. Participation to common exercises is also a priority.

In 2012 the EU offered assistance to people and communities affected by natural disasters (Indonesia, Bangladesh, Afghanistan) or to displaced persons (Afghanistan, Thailand, Bangladesh, Myanmar).

Starting 2013, the EU will finance a project aiming at strengthening ASEAN's Coordinating Centre for Humanitarian Assistance on Disaster Management (AHA Centre) and contribute to the reinforcement and interconnectivity of the regional network of situation rooms/centres.

### **e. Sustainable management of resources**

In 2012, the EU paid particular attention to water and energy, as these resources are sensitive factors in the global and regional security balance.

Several energy dialogues have been conducted with China, Russia, USA, the parties focusing on energy security, renewables and energy efficiency, energy infrastructure.

In line with the European Security Strategy and its implementation report, the access to water resources could be a major factor for tensions and conflicts. The EU aims at developing greater engagement on conflict prevention efforts on regional and transboundary water basins and to promote collaborative and sustainable water management arrangements.

The China Europe Water Platform (CEWP) was launched at the 6th World Water Forum (March 2012). It promotes policy dialogue, joint research and business development in the water sector.

The EU and US agreed to cooperate in developing water and gender initiatives in the context of the Lower Mekong sub-regional cooperation.

## **IV. ROLE OF ARF**

The ARF is the only multilateral security forum in the region where all states are attending and the EU is present. It offers a valuable platform for the EU to engage on issues like maritime security, non-proliferation and disarmament, counter-terrorism and trans-national crime. Making use of its integrated

and comprehensive approach to security, the EU has engaged actively in the various levels of the ARF e.g. the Inter-sessional Support Groups (ISG), Senior Officials' Meeting, and the ministerial. The ARF enables the EU to promote its norms, standards and best practices in the region (for instance on non-proliferation, trans-national crime, maritime security and cyber security etc). The HR/VP participated in the 19th ARF Ministerial in July 2012 in Pnomh Penh.

The ARF plays a central role in the evolving regional architecture. There is a need to ensure appropriate transparency and synergies with other regional fora such as the ADDM+ meetings and the East Asia Summit.

The further development of the ARF should focus on more conflict prevention, offering opportunities for open exchanges and dialogue. The EU stands ready to facilitate the transfer of good practices in terms of confidence building measures and preventive diplomacy. In this regard, the EU underlines the importance of studying the experience of other regional organisations, such as the OSCE, and strengthening the organizational and institutional structure of the ARF.



# INDONESIA

## I. OVERVIEW OF THE REGIONAL SECURITY ENVIRONMENT

The Asia Pacific region is truly a region full of multifaceted challenges, old and new, traditional and non-traditional, political and security, economic and social. On the other hand, it is also a fact that the region is remarkable potential and achievable. The region has much transformed, in terms of peace and stability as well as prosperity. The region is indeed some of the most remarkable political transformation in recent decades, a net contributor to international peace and security, to efforts in promoting economic development and social progress.

Amidst it all, the ASEAN Regional Forum, as the prime forum for political and security issues in the region for almost two decades, has played a critical role in ensuring a peaceful and stable political and security environment for its people. Indonesia believes that the ARF continues to be an important forum in the evolving regional security architecture and can significantly contribute to increase climate conducive for the progresses to be made at national, bilateral and regional level.

Indonesia's commitment to contribute to the peace, stability and security in the region is clear. Its commitment to address any potential threats to peace and stability is persistence and at all levels. As stipulated in its Constitution, Indonesia is actively contributing to the maintenance of world and regional peace and stability based on the principles of the UN Charter, the Treaty of Amity and Cooperation (TAC), the ASEAN Charter and other related international and regional norms and values.

Indonesia welcomes the decision of the 18th ARF in 2011 to endorse the ARF Preventive

Diplomacy Work Plan to mark the collective will to move to the second stage process of ARF. The work of the ARF on preventive diplomacy is based on the existing decisions including the ARF Concept and Principles of Preventive Diplomacy.

On any political and sovereignty issues, Indonesia has always underscored the importance of upholding the norms and principles of regionalism, especially our commitment to the peaceful resolution of disputes. The TAC, the Bali Principles for Mutually Beneficial Relations and other existing international laws and norms should therefore be faithfully put to practice, as our guidance in responding to real life situations. All participants to the ARF should continue to be guided by the same principles and approaches to strengthen the peaceful settlement of disputes as an indispensable means of ensuring peace and stability in the region.

Dialogue and consultations that are the norms of ASEAN and ASEAN-led mechanisms have proven to be effective approach in enhancing mutual understanding and confidence. These mechanisms should be continuously refined to ensure that we are effective in addressing real life situations.

This principle and approach is also applied to overlapping territorial claims in the South China Sea that should be resolved through peaceful means by the concerned parties by upholding the spirit of the ASEAN-China Declaration on the Conduct of Parties in the South China Sea, including in exercising self-restraint. Indonesia believes that this issue represents a test case of our capacity in managing conflicts in the region.

Due to its strategic geographical position as the interlinking country in the region and the largest archipelagic state in the world, Indonesia's regional security outlook is heavily determined by maritime security, including in the Straits of Malacca, traditional and non-traditional challenges and threats emanating from or in the sea.

While giving special attention to maritime security in the region, Indonesia is of the view that the efforts to address maritime security face a distinctive challenge as it covers both traditional and non-traditional security threats. It is then considerable that the region, including the ARF should pay more attention and promote efforts in advancing regional cooperation and activities addressing the inevitable nexus between regional maritime security and regional efforts combating transnational maritime crimes.

At the same time, maritime security related issues also represent potentially useful areas of cooperation in the Asia Pacific region and beyond for our common benefit, including building maritime connectivity for ASEAN and beyond. It is therefore crucial for the ARF to help promote more robust activities and programs in maritime security in the region.

Meanwhile in the Northeast Asian region, especially in the Korean Peninsula, Indonesia is deeply concerned at the possible repercussion of a failure in exercising restraint. Indonesia deems it important to urge parties concerned to resume dialogues and to create condition conducive for the resumption of Six-Party Talks. ARF in this light can play a pivotal role in facilitating communications through its dialogue and consultation mechanism.

The existence and the danger of proliferation of nuclear weapons pose a grave threat

to humanity. Indonesia's ratification of the Comprehensive Ban Treaty (CTBT), as the main international regime for nuclear disarmament and non-proliferation, last year is no doubt a vital contribution of Indonesia to regional and international nuclear non-proliferation and disarmament efforts.

In terms of ASEAN legal framework, Southeast Asia Nuclear Weapon Free Zone (SEANWFZ) Treaty, Indonesia is pleased to note the negotiations of the revised Protocol of the SEANWFZ Treaty were concluded in 2011 during Indonesia's tenure as Chair of ASEAN. Indonesia is also pleased to note the Regional Seminar on Maintaining a Southeast Asia Region Free of Nuclear Weapons was convened in Jakarta, Indonesia, on 12 February 2013. The Seminar discussed and identified the possible closer linkages between the ASEAN legal frameworks, namely SEANWFZ Treaty and the ASEAN Charter, and the CTBT, the International Energy Agency (IAEA) safeguards and other relevant security instruments. Indonesia believes the Seminar has contributed to promoting and maintaining Southeast Asia region free of nuclear weapons.

The Asia-Pacific region is never free from the mounting threats of non-traditional security issues. The region's resolve is continuously challenged despite global and regional joint efforts to combat and address them. Indonesia is greatly encouraged by the effectiveness of the TAC in Southeast Asia. Indonesia welcomes the accession to the Treaty by more than 30 countries outside ASEAN. Indonesia is confident that this development will help ensure peace and stability in our region.

Indonesia welcomes greater interest and contribution from the ARF participants in

this Annual Security Outlook (ASO). The dictum of the ASEAN Political-Security Community clearly observes the need for greater transparency and understanding of defence policies and security perception. The ARF ASO is a means to decipher intent and project concerns of ARF participants that help build mutual trust and confidence.

## **II. NATIONAL SECURITY AND DEFENCE POLICY**

Indonesia's doctrine of National Defence is based on the nation's values manifested in a Total-National Defence System that involves all stakeholders, territories, and other national resources. The system is integrated, focused, sustainable, and continue to protect and defend the people, sovereignty, and territorial integrity of the Republic of Indonesia. This doctrine was formulated on the basis of national identity (Pancasila), the constitution (1945 Constitution), juridical basis (Act No. 3 of 2002), historical foundation and the implementation of the concept of Archipelagic State.

This strategic doctrine is oriented to building national defence resilience and capability which contributes to the maintenance of regional peace and security. This layered defence system and strategy rest on the combined and integrated efforts of military and non-military elements.

As stipulated in the Preamble of the Constitution, Indonesia is also obliged to participate in upholding world peace. As a result, Indonesia is committed to contribute actively in maintaining and preserving international peace and security. Indonesia's involvement in peacekeeping

operations is a reflection of Indonesia's active contribution towards the creation of a world order based upon independence, eternal peace, and social justice.

Indonesia's first involvement with a United Nations peacekeeping mission was in 1957, by participating in UNEF (UN Emergency Forces), in the Sinai Peninsula. Currently, Indonesian peacekeepers are deployed in seven UN peacekeeping operations, namely UNIFIL (Lebanon), UNAMID (Darfur), UNISFA (Abyei-Sudan), UNMISS (South Sudan), UNMIL (Liberia); MONUSCO (Congo) and MINUSTAH (Haiti). With a total of 1,971 personnel, Indonesia ranks fifteenth among Troops/Police Contributing Countries.

The deployment of Indonesian forces to support the United Nations' peacekeeping missions demonstrates Indonesia's commitment towards the maintenance of world peace and security. Indonesia's participation is also a manifestation of Indonesia's independent and active foreign policy.

Indonesia attaches particular importance on peacekeeping issues as reflected in the establishment of the Indonesian Peace and Security Centre (IPSC) on December 2011. The Centre, which integrates seven related functions, including building Indonesia's capacity in peacekeeping operations, will enhance Indonesia's capacity to contribute to the efforts of maintaining international peace and security.

In the framework of ASEAN Defence Ministerial Meeting (ADMM) Cooperation, Indonesia and Thailand has conducted a meeting of ASEAN Peacekeeping Centre Network on September 2012 in Thailand.

The Meeting focused on the discussion of possible areas of cooperation and work plan of Peacekeeping Centers Network 2012-2020. This year, Indonesia is hosting the second meeting of the ASEAN Peacekeeping Centre Network on 2-5 September 2013 in IPSC, Bogor, West Java Province.

In the spirit of regional cooperation and partnership, Indonesia and Mongolia co-chaired the Fifth ARF Peacekeeping Experts' Meeting in Ulaanbaatar on 27-18 August last year. The theme of the Meeting was "Cooperation of Regional Peacekeeping Centers and Challenges in the Peacekeepers Training. The meeting was focus on the Peacekeeping training and its challenges, including the standby fund and standby force mechanisms for rapid deployment of the Peacekeeping Operations, the areas where we can share best practices among ARF Participants. Indonesia looks forward to the establishment of an ASEAN Peacekeeping Centre Network and a wider network of peacekeeping centers in the region. The existing 40 peacekeeping centers in the Asia Pacific region are important assets for building wider network and cooperation for the maintenance of regional and international peace and security.

Indonesia's regional defence outlook places a particular emphasis on international cooperation encompassing bilateral, regional and international approaches. ASEAN will continue to have a central role in any regional security architecture in the Asia Pacific region. Another critical basis for international cooperation is to promote greater transparency and understanding of defense policies and security of the countries in the region.

### **III. NATIONAL CONTRIBUTIONS TO REGIONAL SECURITY**

#### **a. Counter-terrorism**

Indonesia believes that counter-terrorism efforts require addressing root causes and "condition conducive". As the root causes of terrorism are varied and complex, the strategy to address them must be comprehensive. For Indonesia, this among others entails the promotion of people-centered approach to counter-terrorism, promotion of inter-civilization dialogue, information sharing and intelligence exchange and document integrity and security in enhancing cooperation to combat terrorism and transnational crimes, cooperative counter-terror action on border security, measures against terrorist financing. Indonesia is committed very much to such a comprehensive approach to addressing the challenge of terrorism.

#### *(1) Promoting a People-Centered Approach to Counter-Terrorism*

Indonesia views terrorism as an unconventional crime. It is politically or ideologically motivated. The complex and changing nature of terrorist methods requires continual reassessment and renewal of measures that have been traditionally used. Therefore, a creative and non-conventional strategy is required with respect to the process of law and human rights, in line with UN Resolution on Counter Terrorism. Indonesia views that comprehensive measures comprised of law enforcement, diplomacy, intelligence and military operations are needed.

Indonesia's success story in diminishing terrorist acts includes programs that involve the community in counter-radicalization projects. Indonesia also supports counter-

radicalization as one of the ARF priority programmes in Counter-Terrorism and Transnational Crime (CTTC) Work Plan. In this light, the need to extend coverage of the programme to include de-radicalization and re-education of the inmates and ex-terrorists must also be considered.

### *(2) Promotion of Inter-Civilization Dialogue*

In order to strengthen counter-radicalism measures, the promotion of inter-faith dialogue has provided an avenue for further promoting tolerance and mutual understanding within pluralistic communities. This effort has been in tandem with empowering moderates in support of counter-radicalism actions.

Indonesia is actively promoting dialogue or exchange of views between different religious and ethnic groups at the international level. Among those dialogues, is the cooperation between the Indonesian Ministry of Foreign Affairs and Nahdatul Ulama, the largest Islamic group in Indonesia, in hosting the international workshop titled "Raising Awareness of the UN Global Counterterrorism Strategy among Civil Society in South East Asia", in 2009. The Ministry has not only worked with local organizations but also the UN Counter-Terrorism Implementation Task Force (UNCTITF) in hosting the "Regional Implementation of the United Nations Global Counterterrorism Strategy in South East Asia Workshop" in 2010.

### *(3) Information Sharing and Intelligence Exchange and Document Integrity and Security in Enhancing Cooperation to Combat Terrorism and Transnational Crimes*

Indonesia's participation in counter-terrorism cooperation within the multilateral framework is extensive. Indonesia is party to seven of

international legal frameworks for counter terrorism in order to implement the United Nations Security Council Resolution (UNSCR) 1373. Indonesia sees the importance of multilateral cooperation and the merit of the initiative to develop a comprehensive convention on international terrorism to fortify current international law instruments under the UN framework. Indonesia is part of various mechanisms and strategy in counter-terrorism, which consist of information and intelligence sharing as well as combating terrorism financing actions, such as UN Global Counter Terrorism Strategy (UN-GCTS), UN Counter Terrorism Implementation Task Force (UN-CTITF), Terrorism Prevention Branch-United Nations Office on Drugs and Crime (UNODC) as well as Financial Action Task Force (FATF). Indonesia also the founding members of Global Counter Terrorism Forum (GCTF), officially launched on 22 September 2011, and Indonesia co-chairs the Southeast Asia Regional Capacity Building Working Group of the forum with Australia and has convened two productive meetings during this past year. To complement those efforts above, Indonesia also initiated Bali Regional Ministerial Meeting on Counter Terrorism consist of Australia, Indonesia, Malaysia, the Philippines, Thailand and Singapore that works on the regional efforts to enhance practical cooperation in law enforcement, counter-radicalization, combating illegal arms trafficking and mass casualty emergency response.

One of pivotal measures taken by Indonesia is the ratification of ASEAN Convention on Counter Terrorism (ACCT) on April 2012 through the Law No 5 year 2012. Further to affirm its commitment, Indonesia has played an important role in strengthening ASEAN cooperation to counter terrorism, through its various mechanisms. Under the framework of ASEAN Ministerial Meeting on Transnational

Crime (AMMTC)/Senior Officials' Meeting on Transnational Crime (SOMTC), Indonesia has served as the lead shepherd of the counter terrorism issue and chairman of the Working Group on Counter Terrorism.

Under the mechanism of ASEAN Defense Ministerial Meeting (ADMM) Plus, together with the United States, Indonesia serves as the co-chairs of the ADMM Plus Expert Working Group on Counter Terrorism. This year, Indonesia is hosting the Counter Terrorism Table Top Exercise on 9-13 September 2013 in Bogor, West Java Province. The Exercise is aimed at gaining insight into regional counter terrorism challenges, priorities, and capabilities, developing opportunities for regional cooperation, showing the need and benefit of close cooperation among ASEAN Plus members in counter terrorism domain, as well as providing pertinent information on emerging regional and global threats.

At the national level, the National Counter Terrorism Agency (NCTA) was established in 2010 through the Presidential Regulation No. 46/2010. The Agency collaborates with Indonesian counter-terrorism stakeholders and synergizes national counter-terrorism efforts. Indonesia has passed a number of regulations related to counterterrorism, money laundering and terrorist financing, and has undertaken a number of measures in combating terrorism, such as the Law No. 15 year 2003 on Counter Terrorism.

The above-mentioned efforts, including the ones under Jakarta Centre for Law Enforcement Cooperation (JCLEC), which was established in 2004, underpin Indonesia's contribution towards regional strategy in enhancing the region's capacity in combating terrorism. The efforts, however, emphasize that terrorism are not necessarily associated

with religion, civilization, nationality or races. Instead, the efforts are focused on political, operational and legal cooperation to cope with the root causes of terrorism.

#### *(4) Cooperative Counter-Terror Action on Border Security*

The institution responsible for maritime security issues in Indonesia is the Indonesia Maritime Security Coordinating Board (IMSCB). At the operational level, IMSCB conducts exchange of information to combat maritime security threats, particularly concerning counter terrorism, with several immediate neighbors, such as Malaysia, the Philippines, and Australia.

#### *(5) Measures against Terrorist Financing*

Indonesia is committed to preventing and combating terrorism financing including the cooperation with Financial Action Task Force (FATF) in implementing the FATF standards regarding the financing of terrorism, especially 40+9 Recommendations. Cooperation with the Financial Intelligence Units (FIUs) is also fostered.

As a commitment to the international agreement, Indonesia has ratified seven of international legal frameworks for counter terrorism, including the International Convention for the Suppression of Financing of Terrorism.

At the national level, Indonesia issued a new law No 8 of 2010 on the Prevention and Eradication of Money Laundering to implement its commitment. Through National Law number 6 Year 2006, Indonesia has successfully prevented the use of the financial/banking system as a means to channel funds for terrorism-related activities. Therefore, the

existing mechanism will be maintained and further developed in the future.

Despite the success of preventing transnational terrorism financing with the current monitoring mechanism, it is also necessary to monitor the financial transactions conducted by certain social/humanitarian non-governmental organizations identified as holding radical and violent ideas, as the money may lead to terrorism-related activities. Monitoring is also necessary for smaller transactions related to individuals and organizations identified as having a relationship with terrorism activities. It is therefore important that information and intelligence-sharing be enhanced in the future.

#### **b. Non-proliferation, Counter-proliferation, Arms Control and Disarmament**

Indonesia's commitment to address nuclear disarmament, non-proliferation and the peaceful uses of nuclear energy is clear. Indonesia emphasizes the importance of multilateralism as "the core principle" in meetings on non-proliferation and disarmament and underlines that the objectives of non-proliferation and disarmament should be achieved by lawful methods pursuant to the prevailing international law and within the framework of the United Nations.

Indonesia expects that the universality of the Non-Proliferation Treaty (NPT) be made a priority and urges states which are not yet a party to immediately accede to the NPT as non-nuclear states. Indonesia would also like to reaffirm the inalienable right of non-nuclear-weapon States Parties to the Treaty to pursue their national choices in the area of peaceful uses of nuclear energy. It is our

strong belief that the use of nuclear energy for peaceful purposes will ensure the survival of humankind that comes as a result of sustainable development.

Entering the new cycle of the NPT Review process, it is important for all States Parties to the NPT to genuinely review all progress of the previous outcome documents. All parties should refrain from introducing new ideas or creating new commitments that will not directly link to the implementation of those commitments. Creating a series of commitments without any implementation will only jeopardize the integrity of the Treaty.

Indonesia believes that the pillars of the NPT must be implemented in a balanced, transparent and comprehensive manner. Indonesia considers that the NPT has been able to prevent horizontal proliferation of nuclear weapons although it has not been fully successful in preventing vertical proliferation. Hence, Indonesia calls for all states-parties to the NPT, including the nuclear states, to commit not to develop nuclear weapons vertically or horizontally (non-proliferation in all of its aspects).

On the disarmament issue, Indonesia consistently calls on the nuclear states to fulfill their commitment to disarm their nuclear weapons as part of the implementation of Article VI of the NPT, with a clear time limit. In addition, Indonesia desires that the process of nuclear disarmament be carried out in a verifiable, irreversible and transparent manner.

Indonesia, as Annex II country, has ratified CTBT through the Law No. 1 year 2012 and been developing a Plan of Action in order to globalize the CTBT. The ratification is very timely as it came right after ASEAN

Member States concluded negotiations with the Nuclear Weapon States (NWSs) to enable them to accede to the Protocol of the SEANWFZ at the 19th ASEAN Summit in Bali, in November 2011. These developments are breakthroughs for ASEAN and beyond, particularly in creating a positive momentum that could encourage the commencement of the ratification of the CTBT by the remaining Annex II countries of the CTBT.

Indonesia sees it imperative to explore relevant national legislation that can uphold ASEAN in maintaining its region free from nuclear weapons. In this regard, at the 2012 Nuclear Security Summit in Seoul, Indonesia has proposed the crafting of a National Legislation Implementation Kit on Nuclear Security, as a useful reference for countries striving to enhance safety and security in accordance with their respective national processes and legal systems. It is aimed at promoting the complementarities and reinforcement of national legal regimes between countries that can pursue a viable and robust disarmament agenda.

With these developments, at the regional context, there is a need to create a systematic and strategic approach through cooperation among ASEAN-led mechanisms with CTBT Organization. The synergy between global and regional mechanisms is needed to ensuring the realization of nuclear weapons-free zones.

In line with the entry into force of the ASEAN Charter as well as the implementation of the ASEAN Political-Security Community Blueprint, Indonesia is strongly committed to preserve Southeast Asia as a Nuclear Weapon-Free Zone and free of all other weapons of mass destruction. During Indonesia's Chairmanship of ASEAN in 2011,

three Consultations between the States Parties and the NWSs were held on 8-11 August 2011 in Geneva, 4-7 October 2011 in New York and 14 November 2011 in Bali. This ended a decade-long lull and represented significant progress to comprehensively conclude the negotiations with the NWSs in a package deal, existing outstanding issues on a number of provisions of the Protocol of SEANWFZ with a view to ensuring the early signing of the Protocol of the Treaty by the NWS. Indonesia believes that continue to encourage the accession of the NWSs to the Protocol of the SEANWFZ Treaty is fundamental to ASEAN's endeavors in ensuring that Southeast Asia region is free of nuclear weapons.

Within the ARF framework, Indonesia supports the deliberation of non-proliferation and disarmament of biological and chemical weapons through its active participation in the ARF Inter-Sessional Meeting on Non-Proliferation and Disarmament. While committed to support the implementation of the ARF Work Plan on Non-Proliferation and Disarmament, Indonesia also encourages all ARF participants to be part of global efforts in creating a world free of Weapons of Mass Destruction through the ratification of CTBT as well as Biological and Chemical Weapons Convention.

### **c. Transnational Crimes**

Indonesia deems it important to forge closer cooperation to address the threats of transnational crime at all levels. Regionally, Indonesia actively takes part to the AMMTC. In this forum of cooperation, Indonesia encourages the AMMTC to strengthen the implementation of the ASEAN Work Programme which covers eight areas of cooperation.



### *(1) Cooperation in Combating Illegal Drug Trafficking*

Indonesia realizes that there is an urgent need for all parties concerned to joint commitment for the realization of a Drug Free Indonesia. As the guidelines, the Government of Indonesia established the National Policy and Strategy on the Prevention and Eradication of Drug Abuse and Illicit Trafficking in Drugs for the period of 2011 – 2015.

The implementation of this policy and strategy was instructed through Presidential Instruction No. 12 of 2011, issued in Jakarta, 27 June 2011, for all the government officials to take the necessary steps according to the task, function, and their respective authorities, within the framework of the implementation of national policy and strategy. Based on common and shared principles, the strategy is implemented by various agencies through coordination and cooperation in which the results will be evaluated every 6 (six) months under the coordination of the National Narcotics Board.

The vision of this strategy is to create together a “Drug Free Indonesia 2015”, with mission to implement Comprehensive and synergic measures in the prevention and eradication of drug abuse and Illicit Drug Trafficking. The target of the strategy is to increase the number of immune communities, decrease the prevalence of drug abuse below 2.8% and improve disclosures of illicit drug trafficking by the end of 2015, with 4 (four) strategies: Prevention, Community Empowerment, Rehabilitation and Eradication.

The Plan of Action of this strategy has been made by 19 ministries, 24 institutions, and 15 province government, 16 cities administration, and 33 regency administrations. The

strategy is implemented by coordination and cooperation among ministries and institutions. Authorities of ministries/ institutions shall implement the principles of coordination, integration, synchronization and simplification to prevent overlapping activities, and responsible for the targets of the National Action Plan in accordance with their respective task, function and authority.

Since 2009 through the law No.35/2009, Indonesia has comprehensively regulating a decree on illegal drug abuse and illegal drug trafficking. To strengthen legal frameworks in dealing with illegal drugs, the House has also included the Bill on Seizure of the Assets and Bill on Revision of the Law on Psychotropic in National Legislation Program of 2009-2014 periods.

In view of the transnational nature of drug problems, Indonesia has actively engaged in ASEAN initiatives to participate in various regional, interregional and international counter drug activities, including the Commission on Narcotic Drugs (CND) annual sessions, UNODC training, seminars, annual ASEAN Senior Officials on Drugs (ASOD) meetings with the vision of ASEAN Drugs Free by 2015, and the ASEAN Work Plan on combating illicit drugs, manufacturing, trafficking and abuse. As a UN member state, Indonesia has also ratified 3 conventions related to drug control, namely Single Convention on Narcotic Drugs 1961, Convention on Psychotropic Substances 1971 and Convention against the illicit Traffic in Narcotic Drugs and Psychotropic Substances.

Indonesia in particular has concluded bilateral treaties on mutual legal assistance with some countries, such as:

1. Extradition treaties with Australia, Thailand, Malaysia, the Philippines,

Singapore, Hongkong SAR and Republic of Korea (Treaty with Singapore has not been ratified yet);

2. Treaties on Mutual Legal Assistance with ASEAN, Australia, China, Hongkong SAR and Republic of Korea;

3. Law enforcement cooperation with USA, Australia, New Zealand, Japan, China, France, Hongkong SAR, and Belgium; Cooperation MoUs on countering drugs with Lao PDR, Islamic Republic of Pakistan and Islamic Republic of Iran.

In 2010, the Indonesian National Narcotics Board and the Indonesian National Police made efforts towards preventing the diversion of precursors into illicit drugs. In preventing such a diversion, these two institutions undertook measures such as the use of techno intelligence, human intelligence, data collection, and analysis to determine operational targets prior to the raid planning or execution. Indonesia is also working together with its counterparts from various ARF participants in order to prevent the diversion of precursors into illicit drugs with the signing of various Memoranda of Understanding and conducting intensive joint operations.

## *(2) Cooperation in Counter-Measuring Trafficking in Persons*

Indonesia is generally categorized as an origin country of trafficking in persons (TIP) victims; although in some cases Indonesia is also considered as a transit and destination country. Indonesia considers TIPs as a transnational organized crime which is complicated and requires multidimensional and comprehensive measures.

At national level, Indonesia has passed the Law No 21 year 2007 on Elimination of Human Trafficking and Law No 23 year 2004 on Elimination of Violence in Household as a mean to strengthen the legislation efforts against trafficking in persons. In 2011, Indonesia has also enacted the Law No 6 year 2011 on Immigration to strengthen government authority in dealing with human trafficking and people smuggling in terms of preventive and repressive measures and strengthen the penal sanctions in immigration crime.

At regional level, during its chairmanship to ASEAN, Indonesia promoted the follow-up of the ASEAN Leaders' Joint Statement in Enhancing Cooperation against Trafficking in Persons in Southeast Asia and request relevant agencies to accelerate the development and expedite the finalization of an ASEAN Convention on Trafficking in Persons (ACTIP), a legally binding instrument to strengthen cooperation against trafficking in persons, and look forward to its early adoption. Indonesia is of the view that a regional convention on trafficking in person is important, as it is necessary for ASEAN to have a legal and comprehensive framework for cooperation in tackling the TIP in the region.

Indonesia also actively takes part in the AMMTC. In this forum of cooperation, Indonesia encourages the AMMTC to strengthen the implementation of the ASEAN Work Programme which covers eight areas of cooperation, including trafficking in persons.

At the larger scope, Indonesia has also played an active role in nurturing cooperation to deal with trafficking in persons and people smuggling through the framework of the Bali Process on People Smuggling, Trafficking in

Persons and Related Transnational Crime (Bali Process). Its activities include information-sharing, capacity building and knowledge gained through conferences and workshops as well as model legislation on criminalizing people smuggling and trafficking in persons, a checklist of issues to be addressed in the return of illegal immigrants and best practice guidelines for the initial establishment of identity of illegal immigrants. Indonesia shares the view that Bali Process has provided a positive contribution in the efforts to combat irregular migration issues in the region, either in the form of human smuggling or trafficking in persons.

At global level, Indonesia has ratified several international instruments, such as UN Convention against Transnational Organized Crimes through the Law No 5 year 2009 and the Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children through the Law No 14 year 2009. In 2012, Indonesia ratified International Convention on the Protection of the Rights of Migrant Workers and Members of their Families which covers policies of migrant workers in origin countries, transit countries and sending countries.

#### **d. Humanitarian Assistance and Disaster Relief**

Indonesia, with its strategic and yet unique geographical position, is unfortunately prone to natural disasters. Within the last decade, more than 21 million people all over the archipelago were affected by 321 substantial disasters with a total economic loss reaching around US\$ 23 billion. For Indonesia, it is therefore imperative to strengthen disaster management. In this light, Indonesia underscores the importance of multi-sectors

and multi-disciplinary approaches in disaster management.

Since its inception in 2008, the National Agency for Disaster Management in cooperation with other relevant agencies has developed approaches and measures in pre-disaster, emergency, post-disaster and evaluation of disaster management implementation. As a result, Indonesia has managed to adopt and implement the Five Year National Action Plan for Disaster Risk Reduction (DDR) and the National Plan on Disaster Management (2010-2014.).

Considering the critical need to enhance preparedness and disaster management, strengthen the interoperability among stakeholders in region to deal with natural disasters as well as refine the Master Plan for Disaster Risk Reduction on Tsunami, Indonesia will convene series of exercises, called Mentawai Megathrust Disaster Relief Exercise 2013-2014. The series of Exercises consist of the International Table Top Exercise (TTX) which was held on 22-25 April 2013 and International Command Post Exercise (CPX), Field Training Exercise (FTX) as well as Humanitarian Civic Action (HCA) which will be held on 16-22 March 2014. The series of Exercise will take place in Padang, West Sumatra Province.

Indonesia has strengthened the national disaster management by promulgating several additional regulations, including on the Role of International Institutions and Non-Government Foreign Institutions in Disaster Management. Those regulations outline the role of governments, community, private sectors and international partners in disaster management. To enhance national capacity in dealing with the disaster management and promoting disaster risk reduction, Indonesia has been actively

engaged in many forums, regionally and internationally with special focus on ASEAN mechanisms and ASEAN-based forums.

While giving significance to strengthen synergy and coordination between various forums and mechanisms in the region, Indonesia has given importance to the ASEAN Agreement on Disaster Management and Emergency Response (AADMER) and its implementation projects, including the establishment of the ASEAN Coordinating Centre for Humanitarian Assistance on disaster management (AHA Centre). ASEAN has a legally binding instrument that binds its Member States together to promote regional coordination and collaboration in reducing disaster losses and intensify joint emergency response to disasters in the region. The EAS paper on practical approach to enhance regional cooperation on disaster rapid response should be an integral part of regional approach to HADR.

Indonesia also acknowledges the achievement made so-far by ASEAN-led mechanisms on disaster management cooperation such as ASEAN Committee on Disaster Management (ACDM), ARF, ADMM Plus, and East Asia Summit (EAS). In that regard, Indonesia encourages these various mechanisms related to disaster management in ASEAN to synchronize their activities and policies using the AADMER as the main regional policy backbone and coordinating platform in disaster management.

Regionally, in the framework of the ARF, in co-chairmanship with Australia, Indonesia hosted the ARF Inter-Sessional Meeting on Disaster Relief (ARF ISM on DR) on 12-13 March 2013 which took place in Padang, West Sumatra Province. The Meeting has greatly contributed to the deliberation of

synergy and coordination among ASEAN-led mechanisms on disaster relief and agreed to promote AADMER as the platform to formulate a common strategy on civil-military cooperation in disaster management. The meeting constitutes Indonesia's commitment for strengthening the response preparedness at the regional level.

At global level, Indonesia welcomes closer cooperation with international parties, such as the United Nations bodies, NGOs and private sectors to promote the Disaster Risk Reduction. All measures taken by Indonesia have gained international recognition when Indonesia was awarded the first "Global Champion on Disaster Risk Reduction" during the 3rd Global Platform on Disaster Risk Reduction in Geneva, May 2011. Indonesia believes that the ASEAN-UN Strategic Plan on Disaster Management will help the region in promoting activities related to preparedness and response.

Indonesia is of the opinion that concrete activities and practical approaches under the framework of international and regional cooperation are crucial to better prepare for and to rapidly and effectively respond in the immediate aftermath of a natural disaster. There is, therefore, a need to ensure greater synergy and coordination among existing arrangements and mechanisms. Harmonization of regulations and approaches will help us to overcome the bottlenecks in the international assistance in the aftermath of disasters.

## **e. Maritime Security**

In the Southeast Asian region, there are multi-faceted threats to maritime security such as military threats and state sovereignty

issues and non-traditional security issues, such as people smuggling, Illegal Unreported and Unregulated (IUU) fishing, illegal logging, trafficking in persons, illicit trafficking of narcotic drugs, piracy and armed robbery against ships at sea and maritime terrorism.

Due to its strategic geographical position and being the largest archipelagic state in the world, Indonesia attaches great importance to the issue of maritime security and maritime cooperation. The efforts to address maritime security face a distinctive challenge as it covers both traditional and non-traditional security threats. Indonesia considers that the region including through the ARF should pay more attention and promote efforts in advancing regional cooperation and activities addressing the inevitable nexus between regional maritime security and regional efforts combating transnational maritime crimes.

At the same time maritime security related issues also represent potentially useful areas of cooperation in the Asia Pacific region. Therefore, maritime cooperation is essential for ASEAN since most of its member countries share maritime borders, and almost 80% of the region consists of marine domain. It is imperative to address maritime security and cooperation regionally in a holistic, integrated and comprehensive manner. There is a pressing need to shift the paradigm in addressing maritime issues by recognizing that the potentials and areas of partnership are abundant and wide open to accommodate maritime cooperation.

The issue of maritime security will remain one of Indonesia's main security concerns. Bearing in mind the recent developments of and challenges to maritime security, Indonesia will continue to address these problems accordingly. Indonesia notes with concern the

increasing incidents of illegal fishing activities in the region and in particular in Indonesia's maritime areas. To protect and maintain security and safety at sea, Indonesia has developed an integrated approach including strengthening law enforcement measures and coastal community development and empowerment.

One particular milestone is the establishment of the ASEAN Maritime Forum (AMF) in 2010. The AMF and the Expanded AMF are therefore important in promoting better understanding and dialogue on maritime issues in the region including the protection of marine resources and combating maritime criminal activities. Indonesia is of the view that maritime connectivity that facilitates the regional economic development of ASEAN Member States needs to be enhanced with the focus on the safety of navigation for persons and vessels at sea. As the region is prone to disasters, the AMF is also an ideal forum to discuss cooperative activities and arrangements in search and rescue, humanitarian assistance and disaster relief in maritime.

Indonesia is pleased to note the 1st Expanded AMF which was held in Manila on 5 October 2012. The Expanded AMF was conducted in response to the statement of the ASEAN Leaders and the Leaders of the East Asia Summit (EAS), in Bali, Indonesia, November 2011. The Forum has offered an opportunity among EAS participating countries to address common challenges on maritime security, among others, the relevance of the 1982 UNCLOS in today's context, maritime connectivity and capacity-building, as well as promotion of marine environment and maritime tourism. Indonesia sees the importance to engage countries in the wider East Asia region in order to promote better

understanding and dialogue on maritime issues in the region.

Indonesia is also pleased to note the 5th ARF Inter-Sessional Meeting on Maritime Security (ARF ISM-MS) which was held in Seoul, Republic of Korea, on 18-19 April 2013, and to be co-chaired by Indonesia, the United States and Republic of Korea. After the adoption of the Maritime Security Work Plan and the decision to move on to Preventive Diplomacy phase, the ARF ISM-MS in Seoul has deeply discussed and outlined the activities and actions that can be implemented in enhancing regional approaches on maritime security and issues.

As piracy has not shown any signs of decrease off the coast of Somalia and the Horn of Africa, Indonesia will work closely with the international community to address and combat the criminal activities in a comprehensive manner and the same time preventing it from expanding to other regions. As safety and security of navigation is critical, Indonesia has established surveillance posts in the Strait of Malacca and closer cooperation through Malacca Straits Patrol with Malaysia, Singapore and Thailand.

Indonesia views capacity building as an important aspect of maritime security cooperation. All countries in the region should share best practices and resources to ensure effective handling of maritime security issues throughout the region. Indonesia has initiated and been part of bilateral and regional arrangements such as coordinated patrol and with almost all countries sharing maritime boundaries with Indonesia.

Capacity building cooperation has also been conducted with countries and mechanisms such as through active role in the Heads of Asian Coast Guards Meeting (HACGAM),

ASEAN Fisheries Consultative Forum (AFCF), South East Asian Fisheries Development Centre (SEAFDEC), Maritime Law Enforcement Training sponsored by Japan International Cooperation Agency (JICA), the Indonesia – US Coastguard Joint Training, and Indonesian – Korean Water Police Bilateral Annual Meeting. Furthermore, Indonesia, in cooperation with the Australian Customs and Border Protection Service, also conducted the Maritime Security Desktop Exercise and Law of the Sea Course in Jakarta, 28 February – 2 March 2012. This initiative was meant for fostering greater collaboration between maritime security agencies in Indonesia, Australia, Bangladesh, Brunei, Cambodia, China, Hong Kong, Laos, Malaysia, the Maldives, Myanmar, Pakistan, Papua New Guinea, the Philippines, Singapore, South Korea, Sri Lanka, Thailand, Timor Leste, and Viet Nam. The seminar discussed practical steps to prevent transnational organized crimes, including robbery at sea.

#### **IV. ROLE OF ARF**

Since its inception almost twenty years ago, the ARF has been the prime security forum in the Asia Pacific. The encouraging peace and stability of the region should also be attributed to the ARF. The contribution of the ARF in forging dialogue and at the same time maintaining and increasing climate conducive in the region should not be underestimated. It is a unique forum where there is regular communication and dialogue between its participants, military and civil, that is critically and fundamentally needed to build mutual trust and confidence.

After its existence for almost two decades, it is inevitable that there is more expectation from the forum especially after the adoption of the Preventive Diplomacy Work Plan in

2011 under the chairmanship of Indonesia. There have been calls for the ARF to be more proactive. It is no secret however that the ARF has a limited role in dealing with traditional security issues but it has achieved its intended purpose and objective as forum for dialogue, consultations and exchange of views.

That said, it should not limit what we can do and achieve within ARF especially on non-traditional security challenges and the nexus between the four main areas of cooperation of the forum. In Indonesia's view, the ARF can do more on areas where there is clear convergence of interests. Cooperation on non-traditional security issues and peacekeeping operations, for instance, have great potentials to be further promoted and strengthened.

As an inclusive forum, the ARF depends entirely on its participants. It is therefore in our interest to see a more robust, substantive, proactive and action-oriented ARF. For that purpose, all participants have to renew their individual and collective commitment. For its part, Indonesia will continue to make its contribution to the ARF through active participation, ideas and initiatives, and co-chairmanship of various ARF activities.

At present, Indonesia is committed to co-chairing ARF meetings including the ISM on Disaster Relief with Australia and the ISM on Maritime Security with the US and the Republic of Korea. The enormously successful ARF DiREx undertaking in 2011 in Manado, Indonesia, is one of the best lessons learned and achievements of the ARF thus far.

When it was established, the ARF was the 'sole' political and security architecture in the region. Since then, this ASEAN-driven forum

has to adapt to new political and security dynamics and environment of the Asia Pacific region.

Indonesia takes note of the views on where and what the role of the ARF is in evolving regional security architecture. As the main political and security forum in the region, the ARF should continue to strengthen its role and contribution in a complementary manner with other nascent mechanisms such as the ADMM Plus and the East Asia Summit. Apart from strengthening complementarities and respective comparative advantages, each process can promote better synergy and coordination. One important ingredient that should remain in each process and mechanism is that ASEAN centrality has to be maintained.

Part and parcel of strengthening the ARF is the need to improve its institutional capacity building including the ARF Unit at the ASEAN Secretariat. More substantive interaction and linkages between Track I and Track II should be promoted in particular in complementary activities of the two tracks. Track I will benefit from Track II mechanisms on new ideas, perspectives and initiatives.





# **JAPAN**

## **I. JAPAN'S ASSESSMENT OF THE REGIONAL SECURITY ENVIRONMENT**

As interdependence increases and deepens in the Asia-Pacific region, countries are enhancing multilateral cooperation and engaging in specific collaborative efforts, especially in the non-traditional security fields. At the same time, shifts in the global balance of power are clearly seen in the region. Large-scale military forces, including nuclear forces, are still concentrated in areas surrounding Japan, and many countries are modernizing their military forces and intensifying their military activities. In addition, elements of uncertainty remain, including the issues on the Korean peninsula and territorial and maritime disputes. Moreover, there are global issues that cannot be addressed by a single state, such as international terrorism, piracy, large-scale disasters, and cyber attacks.

Among others, North Korea's nuclear and missile development is totally unacceptable, as it poses a grave threat to the peace and stability of the entire international community. North Korea launched missiles in April and December 2012 and conducted a nuclear test in February 2013, both of which have seriously destabilized the region including Japan. Also, North Korea's repeated provocative rhetoric thereafter, including its claim of "total nullification" of the Korean Armistice Agreement, is extremely regrettable.

North Korea's nuclear and missile development, including its uranium enrichment activities, violates the relevant UN Security Council resolutions (UNSCRs) as well as the 2005 Six-Party Talks Joint Statement. It is necessary for the international community in union to continue to strongly urge North Korea to fully comply with the relevant UNSCRs and to

refrain from any further provocation. To this end, it is necessary for countries to steadily implement measures against North Korea based on the relevant UNSCRs. In addition to them, Japan will also continue to steadily implement its own measures.

It is important for the international community to remain unswayed by North Korea's provocative rhetoric and to make North Korea understand that such behaviors will never be of its benefit. Through close coordination with the U.S., the Republic of Korea (ROK), China, Russia and other countries concerned, Japan will continue to urge North Korea to take concrete actions towards denuclearization and other goals.

Regarding Japan-North Korea relations, in accordance with the Japan-DPRK Pyongyang Declaration, Japan will make utmost efforts, maintaining the policy of "dialogue and pressure" toward the comprehensive resolution of outstanding issues of concern, including the abductions, nuclear, and missile issues. In particular, the abductions issue is a matter of vital importance concerning Japan's sovereignty as well as the life and safety of the Japanese citizens. Japan will continue to urge North Korea to take concrete actions to realize the return of all the victims at the earliest time.

## **II. JAPAN'S SECURITY AND DEFENSE POLICIES**

### **a. Japan's Security Policy**

Japan will strive to build appropriate defense capability to deal with various security issues, and further deepen and develop the Japan-U.S. Alliance, taking into account the current international environment. At the same time,

Japan will strengthen its cooperation with the ROK and Australia, strengthen relationships with partners that share common interests on maritime security and other agenda items, and endeavor to build stable relationships with China and Russia, which have major influence on regional security. Furthermore, Japan will promote partnership and cooperation in regional frameworks such as the ASEAN Regional Forum (ARF).

## **b. Japan's Defense Policy**

### *(1) National Defense Program Guidelines*

The National Defense Program Guidelines (NDPG) formulated in 2010 are the most fundamental document in Japan's defense policy, and also set out the force posture and future capability development of the Self-Defense Forces (SDF). Owing to deterioration in Japan's security environment since the guidelines were drawn up, in January 2013 the Japanese government decided that they would be reviewed.

The cabinet resolution setting out this decision states that based on changes in the security environment Japan will further strengthen the Japan-U.S. Alliance, review the NDPG from the perspective of enhancing Japan's defense readiness, and efficiently develop effective defense capabilities that will enable the SDF to fulfill the role required of it. The review will be completed by the end of 2013.

### *(2) Defense-Related Expenditure*

In addition to the cost of maintaining and operating the SDF, defense-related expenditure in Japan includes improving living environments near defense facilities and support for US forces stationed in Japan.

Excluding costs related to the Special Action Committee on Okinawa (SACO) and some expenses connected with the realignment of the U.S. forces (the portion allocated to reducing the burden on local communities), defense-related expenditure for FY 2013 amounts to ¥4,680.4 billion, an increase of ¥35.1 billion or 0.8% from the previous fiscal year, constituting the first rise in actual defense expenditure in 11 years.

Including ¥8.8 billion of SACO-related budget and ¥64.6 billion connected with the realignment of US forces (the portion allocated to reducing the burden on local communities), Japan's total defense-related expenditure for FY 2013 amounts to ¥4,753.8 billion, an increase of ¥40 billion or 0.8% from the previous fiscal year.

### *(3) Japan-US Security Alliance*

Amid an increasingly severe security environment in the region around Japan, forward deployment of the U.S. forces in Japan and elsewhere based on the Japan-U.S. Security Treaty and enhancement of the deterrence of the Japan-U.S. security alliance are essential not only for the safety of Japan, but also for peace and stability in the Asia-Pacific region. Recognizing these realities, the Japan-U.S. Summit Meeting held in February 2013 confirmed that Japan's efforts to strengthen its own defense capabilities by such measures as increasing its defense budget and reviewing the NDPG would contribute to the strengthening of the Japan-U.S. Alliance. To enhance the deterrence of Japan-U.S. security alliance, Japan and the U.S. will cooperate in wide-ranging areas including extended deterrence, ballistic missile defense, maritime issues, space, and cyberspace. In response to the changing security environment, Japan will

consider reviewing the Guidelines for Japan-US Defense Cooperation through discussions on the two countries' views of the roles, missions, and capabilities.

In light of the recent security environment, the US has been making efforts to realize a U.S. force posture in the Asia Pacific region that is more geographically distributed, operationally resilient and politically sustainable. Japan welcomes U.S. rebalancing policy placing greater priority on the Asia-Pacific region, and will cooperate closely in its implementation.

### **III. JAPAN'S CONTRIBUTION TO REGIONAL SECURITY**

#### **a. Japan's Disaster Relief Initiatives**

Japan has actively provided support when major disasters occurred in the Asia-Pacific region. In FY 2012 Japan provided ARF member countries with a total of four emergency relief goods packages and three emergency grants to assist victims of major disasters including typhoons, floods, and earthquakes in the Philippines, Indonesia, Myanmar and elsewhere.

As part of multilateral initiatives, since 2009 Japan has conducted disaster management training for East Asia Summit (EAS) member countries and collaborated to share experiences within the Japan-China-ROK, Japan-ASEAN and ARF frameworks. As well as supplying communication equipment and dispatching an ICT expert to the ASEAN Coordinating Center for Humanitarian Assistance on Disaster Management (AHA Center), Japan assists the AHA Center with development of emergency stockpiles and provision of relief items when disasters occur.

As well as providing equipment to ASEAN countries, Japan plans to offer support linking the AHA Center with disaster management agencies in each country. Under the framework of the Disaster Management Network for the ASEAN Region, Japan will support initiatives to reinforce the capabilities of the AHA Center as the network hub, promote bilateral cooperation, and strengthen the network so that it stretches "From Space to Rural Community", while also exploring possibilities for further cooperation.

In 2015 Japan will host the 3rd UN World Conference on Disaster Risk Reduction. The conference is expected to formulate an international disaster risk reduction framework to follow on from the Hyogo Framework for Action 2005-2015, and these discussions will help to make disaster risk reduction a mainstream topic.

#### **b. Countering Terrorism and Transnational Crimes**

Japan has continuously held multilateral and bilateral counter-terrorism consultations with the Asia-Pacific countries, etc, primarily targeting Southeast Asian countries, to enhance international counter-terrorism cooperation.

Since 2011, Japan has, together with Malaysia, co-led "counter-radicalization" priority area, one of four ARF Inter-Sessional Meeting on Counter-Terrorism and Transnational Crime (ISM-CTTC) priority areas, and with considering the importance, co-hosted the Workshop on Countering Radicalization in Tokyo in February 2013. While Japan has supported specific projects under the frameworks such

as the ASEAN-Japan Counter-Terrorism Dialogue(AJCTD), the ASEAN Ministerial Meeting on Transnational Crime (AMMTC), and the ASEAN Senior Officials Meeting on Transnational Crime (SOMTC), it has contributed to enhance measures to counter terrorism and organized crime in Southeast Asia.

In support of building counter-terrorism capacity in Southeast Asia, Japan has provided technical assistance and necessary equipments for various counter-terrorism capacity building, such as immigration control, aviation security, maritime and port security, and law enforcement.

In response to the major terrorist incident in Algeria in January 2013, the Minister of Foreign Affairs announced the following “3 pillars” of Japan’s foreign policy:

- 1) strengthening measures against international terrorism,
- 2) support for stabilization of the Sahel, North Africa, and Middle East regions, and
- 3) promotion of dialogue and exchange with Islamic and Arab countries. Japan will continue to promote further specific counter-terrorism initiatives in cooperation with relevant countries, regional institutions, and international organizations.

Japan has also reinforced its efforts to combat transnational crimes in the Asia-Pacific countries, first by strengthening international legal frameworks. For example, in cooperation with ARF partners, Japan has been implementing anti-drug measures based on the United Nations Convention against Illicit Traffic in Narcotic Drugs and

Psychotropic Substances and other drug-related treaties. Japan concluded the Convention on Cybercrime of the Council of Europe in July 2012, immediately after the relevant domestic laws were in place, and brought it into effect in Japan in November 2012. Second, Japan provides various types of support to developing countries including capacity-building assistance.

Japan supports projects to combat illicit drugs, trafficking in persons, corruption, and terrorism through the Crime Prevention and Criminal Justice Fund (CPCJF) and the Fund of the United Nations International Drug Control Programme (UNDCP), both managed by the UN Office on Drugs and Crime (UNODC). Third, Japan is promoting policy coordination with various countries and international organizations, and is actively participating in regional frameworks such as the Asia/Pacific Group on Money Laundering (APG), the aforementioned AMMTC, and the Bali Process.

### **c. Disarmament and Non-Proliferation**

Japan is committed to maintaining and enhancing the international disarmament and non-proliferation regime based on the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and has been engaging in various diplomatic efforts to achieve a peaceful and safe world free of nuclear weapons. Prime examples include submitting to the UN General Assembly each year a resolution on nuclear disarmament (entitled “United action towards the total elimination of nuclear weapons”) and contributing to the adoption at the NPT Review Conference in May 2010 of a final document containing specific, forward-looking action plans for each of the key pillars of the NPT, namely, nuclear

disarmament, nuclear non-proliferation, and peaceful uses of nuclear energy.

With the aim of making a substantial contribution to steadily reducing nuclear risk, in September 2010 Japan and Australia jointly established a cross-regional group of ten countries known as the Non-Proliferation and Disarmament Initiative (NPDI), which has so far held six foreign ministers' meetings. The NPDI also submitted six working papers to the second session of the Preparatory Committee for the 2015 Nuclear Non-Proliferation Treaty Review Conference held at the United Nations Office at Geneva from April 22 to May 3, 2013. The papers dealt with the Comprehensive Nuclear Test Ban Treaty (CTBT), reducing the role of nuclear weapons, non-strategic nuclear weapons, export controls, wider application of safeguards in nuclear-weapon states, and nuclear-weapon-free zones. Through such initiatives, Japan will steadily make realistic progress toward a world without nuclear weapons.

Japan is engaging in outreach activities in the Asia-Pacific region aimed at achieving three key objectives:

- promoting the conclusion of disarmament and non-proliferation treaties and reinforcing their implementation at the national level;
- establishing and strengthening export control systems;
- raising awareness of the Proliferation Security Initiative (PSI) and enhancing related efforts. As part of these activities, Japan has been hosting a range of meetings each year, including the Asian Senior-Level Talks on Non-Proliferation

(ASTOP) and Asian Export Control Seminars.

#### **d. Maritime Security Initiatives**

Securing safety of navigation is a vital issue not only for Japan as a trading country, but also for the international community as a whole. International cooperation is essential in achieving such an objective. In this regard, Japan has been implementing multi-layered counter-piracy measures off the coast of Somalia, by deploying MSDF vessels and patrol aircraft in the Gulf of Aden and by supporting enhancement of maritime law enforcement capacities in Somalia and its neighboring countries.

As part of Japan's efforts to secure safety of navigation in the Asian region, Japan took the initiative in establishing the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP), and actively contributes to the operation of ReCAAP through provision of both funding and personnel, including assignment of the Executive Director of the ReCAAP Information Sharing Center (ISC) from Japan. In combating the piracy off the coast of Somalia, Japan is currently making efforts to utilize the knowledge and experience which ReCAAP has gained from its counter-piracy activities. Using funds contributed by Japan, the ReCAAP ISC gathered counter-piracy personnel from countries neighboring Somalia for a Joint ReCCAP/Djibouti Code of Conduct Counter Piracy Seminar and Workshop in Japan in December 2012.

Japan serves with Malaysia as one of the lead countries for "confidence-building measures based on international and regional legal frameworks, arrangements, and cooperation,"

a priority area for the ARF Inter-Sessional Meeting (ISM) on Maritime Security, and intends to promote further cooperation to support the development of ASEAN-region legal systems in the counter-piracy field.

### **e. Cyberspace and Space**

In response to increasingly diverse and sophisticated cyber attacks, the development of systems and capabilities to protect states and the lives and assets of its citizens is a major challenge from both national security and economic perspectives. To this end, Japan is cooperating with countries that share its awareness of the need for efforts to address issues in applying existing international laws to activity in cyberspace, create rules such as norms of behavior, and promote capacity-building and confidence-building measures.

In the Asian region, cyberspace initiatives are discussed within frameworks including ARF and ASEAN+3, and Japan actively participates in relevant meetings in an effort to enhance cyber security in the region. Japan will strengthen its support for capacity-building in ASEAN countries.

Bilateral efforts include cyber crime discussions and dialogue with the US, UK, and India, as well as exchanges of views with other countries, NATO, and the Council of Europe. In addition to continuing such initiatives, Japan will encourage ties with ASEAN and public/private-sector collaboration and reinforce its efforts to address cyber security issues.

In January this year, Japan formulated a new Basic Plan on Space Policy covering the five years from FY2013 and looking ahead over the next decade. One of the three priority areas

set out in the plan is “security and disaster management”.

To ensure space security, the international community needs to deal with issues related to increasing congestion and a lack of transparency in some countries’ space programs, and Japan is playing an active part in developing international norms to address these points. For example, Japan actively participated in discussions on the draft Code of Conduct for outer space activities proposed by the EU in 2008, which addressed issues including mitigation of satellite collision and space debris risk and restriction of anti-satellite (ASAT) tests and activities. Japan is also urging ASEAN countries and other countries to take part in discussions on the Code of Conduct and, as part of these activities, in December 2012 Japan co-sponsored an ARF space security workshop in Vietnam. In the same month, Japan conducted Workshop on the Protection of Space Environment and a regional seminar on the Code of Conduct for outer space activities in Kuala Lumpur to enhance awareness among Asia-Pacific countries of the importance of space environment preservation and rule making.

### **f. Preventive Diplomacy**

Japan believes it important that the ARF make steady progress from the first stage of “promotion of confidence building” to the second stage of “development of preventive diplomacy,” and further to the third stage of “approaches to dispute settlement”. However, although countries’ cumulative efforts in ARF have produced results in promotion of confidence-building, progress toward development of preventive diplomacy has only just begun. In this

context, the dispatch of election monitors to Timor-Leste in July 2012, following the adoption of the Preventive Diplomacy Work Plan in 2011, was significant as the first concrete effort to advance preventive diplomacy. Given the importance of this mission, Japan played a central role in the observation team together with the US and Australia, dispatching Dr. Masashi Nishihara, President of the Research Institute for Peace and Security and one of Japan's experts and eminent persons (EEP) for ARF, as well as contributing US\$60,000 towards operational costs.

#### **g. ADMM-Plus Initiatives**


The ADMM-Plus process provides a framework for addressing a wide range of security issues common to the region. Japan is firmly committed to this process in the aim of developing the forum into a key pillar of regional security cooperation. Within the ADMM-Plus framework, five Experts' Working Groups (EWGs) have been established to address security issues common to member countries: humanitarian assistance and disaster relief (HA/DR), maritime security, counter-terrorism, military medicine, and peacekeeping operations. Japan is participating in each EWG to further enhance regional security cooperation by actively participating and exchanging views with other countries. Japan currently co-chairs the EWG on military medicine with Singapore. This EWG held its first meeting in July 2011, where participants shared experiences and issues relating to military medicine in the field of HA/DR.

The second meeting of the EWG was held in Tokyo in July 2012, and featured a table-top exercise (TTX) based on an earthquake scenario. A practical field exercise relating to HA/DR and military medicine is scheduled to take place in Brunei in June 2013. The EWG will continue working to strengthen practical cooperation among member countries in the military medicine field.

As the ADMM-Plus is a vital framework in addressing regional security matters, Japan believes it is important for this forum to remain open to any issues of mutual concern and allow frank exchanges of views among the participants.

#### **IV. JAPAN'S FUTURE CONTRIBUTION TO IMPROVING ARF FUNCTIONS**

The ARF, as a security framework for the entire Asia-Pacific region, has evolved beyond its role as a forum for the frank exchange of information on security issues to become an action-oriented framework encompassing large-scale exercises such as the ARF Disaster Relief Exercise (DiREx). It has steadily enhanced cooperation and specific initiatives in non-traditional security fields including counter-terrorism, disaster relief, non-proliferation and disarmament, maritime security, and peacekeeping operations. However, some new issues have arisen as ARF has developed, such as overlap with disaster relief exercises conducted under other frameworks. Japan will implement specific initiatives in relevant fields and continue actively contributing to the enhancement of ARF capabilities.



The East Asia Summit is another important multilateral regional framework, and is developing a more established role as a forum for leaders' discussion of a wide range of topics including regional political and security issues. Since there is room for further cooperation that makes the most of the respective characteristics of ARF and EAS, Japan intends to lead discussion in both these forums.



# **MALAYSIA**

## **I. OVERVIEW OF THE REGIONAL SECURITY ENVIRONMENT**

In the 21st Century, there seems to be wider attention to asymmetrical threats as a new dimension in strategic defence in this region. The nature of threats and security discourses are changing and this expanding security issue has gone beyond state and military security. Against this new security environment, threats such as terrorism and trans-boundary crime have received greater focus especially in the national strategic perspective. While traditional security issues remain the principal threat to Malaysia, non-traditional threats have become a major concern to Malaysia as they have the ability to challenge government and have the potential to undermine regional security and stability.

Terrorism has emerged as a long term threat to regional and international security, especially after the 11 September 2001 terrorist attacks on the United States of America (US). Malaysia's current main concerns are the two actively organised militant and terrorist groups, which are the Abu Syyaf Group (ASG) and Jamaah Islamiah (JI). Apart from terrorism, armed robbery, piracy, drug trafficking, human trafficking and migrant smuggling are also challenging the survival and well-being of the people and the state.

Piracy has been significantly reduced as a result of increased bilateral and multilateral cooperation and coordinated efforts by regional navies and enforcement agencies. The advent of the MALSINDO coordinated patrol cooperation and the Eyes in the Sky (EiS) programme in the Straits of Malacca involving Malaysia, Singapore and Indonesia in 2005 has contributed to improved security in the Straits of Malacca.

Drug trafficking involving the cultivation, manufacture, distribution and sale of substance is another non-military challenge faced by the region. The Golden Triangle which is one of the world's largest narcotics producers is located in this region. The drugs menace is worsening as a result of the increase of amphetamine-type stimulants, the second most widely used drugs worldwide.

Of increasing importance as a threat to the states and the people is the cyber threats which are also asymmetric. Cyber threats are growing and will impact everyone due to the increasing global dependence on technology. It is paramount to develop an effective and comprehensive national/regional cybersecurity strategy to counter these threats.

## **II. NATIONAL SECURITY AND DEFENCE POLICY**

The National Defence Policy is the manifestation of Malaysia's aim to defend itself and protect areas of national interests. Malaysia's Fundamental Principles of Defence are as follows:

### **a. Self-Reliance**

Malaysia must depend on its own resources and capabilities to safeguard its sovereignty, independence and territorial integrity. Hence, the Malaysian Armed Forces (MAF) must possess the ability to respond to any enemy military hostility. This ability also encompasses logistics support, human resources and defence industry. Therefore the development of a viable defence industry and the presence of defence science and research institution are critical.

## **b. Total Defence (HANRUH)**

Total and integrated defence involves many government agencies, the private sector, NGOs and the citizenry in all circumstances. National defence is not the sole responsibility of the MAF but the responsibility of all levels of society. All parties should know the role and contribution that they could play in times of disaster and conflict.

National defence has to be based on self-confidence and not depending on external parties. Within this context patriotism and nationalism among Malaysians always need to be nurtured and with the realisation that national prosperity and peace override individual needs and political ideology.

## **c. Commitment towards the Five Power Defence Arrangement (FPDA)**

Malaysia views the FPDA as a "safety net" should events outside the capability of the MAF occur. Besides Malaysia, the other FPDA members are Australia, New Zealand, Singapore and United Kingdom. The FPDA is the only multilateral defence cooperation which Malaysia has been a member of since 1971. Although it remains untested at war or conflict, the FPDA is an effective conflict management tool and has contributed towards MAF's development and enhancement of its professionalism.

## **d. Supporting The United Nations' Efforts Towards Global Peace**

Malaysia fully supports the effort of the UN and the international community to preserve universal peace and security. Malaysia has adopted a proactive approach

in addressing global issues in line with its foreign policy. Malaysia's involvement under the UN's banners started in 1960 in Congo. Now Malaysia is actively involved in UN Peacekeeping operations as Military Observers, Battalion Group, Headquarters Staff Group and UN Technical. MAF's involvement in UN missions is not restricted to peacekeeping only but also peace enforcement and humanitarian assistance duties. Malaysia is a party to the UN Standby Arrangements 1996 and as stipulated in the arrangement, party shall have an infantry battalion on standby for deployment under the UN if necessary. Up to now more than 25,000 MAF members have been involved in UN operations.

Malaysia is fully supportive of the various treaties and conventions on global arms control and disarmament regime. As a party to the NPT and CTBT Malaysia observes the ban on all forms explosions and testing with a view for a total ban of such activities.

Malaysia's commitment is in line with the spirit of the Southeast Asia Nuclear Weapons Free Zone (SEANWFZ) which came into force in March 1997.

Malaysia also supports the ban on the manufacture, development and stockpiling of biological and chemical weapons in line with the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction 1972 and the Convention on the Prohibition of the Development, Production and Stockpiling, and Use of Chemical Weapons and on their Destruction 1993. Additionally Malaysia has taken the steps to ban the use, production, stockpiling and transfer of anti-personnel mines upon ratifying the Convention on the

Prohibition of Use, Stockpiling and transfer of Anti-personnel Mines and on the their Destruction (Ottawa Convention) in April 1999. Subsequently this was followed by the gazettment of the Anti-Personnel Mines Convention Implementation Act 2000 and the total destruction of anti-personnel mines stock in 2001.

#### **e. Counter Measures against Terrorism**

Terrorism remains a critical security issue for Malaysia. The trans-boundary activities of terrorist groups involve a variety of ethnic groups and nationalities. Therefore any country could potentially be the centre for terrorist activities. Malaysia is confident that comprehensive actions at all levels are important to address and counter terrorism in its infancy.

#### **f. Defence Diplomacy**

Malaysia recognizes defence diplomacy as an important effort towards conflict prevention and escalation which could undermine peace and stability. Among the steps towards this are confidence building measures, transparency, construction of positive norms and establishment of channels of communication.

These efforts are implemented through joint exercises, information sharing, senior officers' visits, exchange of officers and the provision of military education and training facilities.

Malaysia employs the defence diplomacy approach through bilateral and multilateral defence cooperation.

### **III. EXTERNAL DEFENCE RELATIONS**

As a member of ASEAN, Malaysia gives high priority to the effort to ensure regional peace and development and maintains strong defence cooperation with other ASEAN members. Malaysia recognises the significance of establishing defence cooperation with countries outside of ASEAN especially in Asia-Pacific and Europe. The defence cooperation between Malaysia and these countries is based on the interest of Malaysia's economy which is developing fast. Hence stability and prosperity in ASEAN and the Asia Pacific is beneficial to Malaysia.

### **IV. DEVELOPING DEFENCE CAPABILITY AND STRATEGY**

The main objective of developing the nation's defence capability is to build a MAF that is integrated and balanced with the combination of assets and other resources for the purpose of national defence. Fundamentally, MAF's development has taken into consideration all the dimensions of modern warfare capabilities i.e. land, sea, air and electromagnetic spectrum as current warfare involves all four spectrums.

MAF's human resource development objective is to create personnel that is trained in basic military skills and equipped with excellent equipment to fight under any operational situation. The human resources are MAF's most important and valuable asset.

The professional development of human resources through a combination of education and training programme is in line with the concept of a K-Force. Continuous education and training is the key to the

creation of a K-Force. A variety of theoretical, practical, full and part-time as well as short and long term courses are offered to MAF personnel. To this end the National Defence University of Malaysia (NDU) was established in 2006. Improvements to the human resource management system that focuses on enhancing the quality of life of MAF personnel by providing better health and accommodation facilities is to ensure that the living environment of military personnel is holistic and integrated.

There is a need to improve management skills especially in Research and Development (R&D) and acquisition system. Hence the MAF needs to be equipped with the best affordable defence system. The acquired systems must meet the operational standards of all services and suited to operational and doctrinal concepts. The defence system will also be introduced into service following intensive tests and evaluation.

The military infrastructure is the basic platform to support military operations. Even though most infrastructure development is implemented by the public sector, the MAF still needs to improve its construction and engineering capability and skills. In addition to infrastructure specifically built for defence purposes of strategic national installations, assets and other infrastructure have to have the capability and capacity to meet future defence needs in line with the HANRUH concept.

An important consideration in national defence planning is to ensure that the MAF has access to national public resources as a way of enhancing any particular operation or mitigating a crisis. Modern warfare no longer restricted to the military but is all-encompassing in nature. The enemy could

be expected to use all possible means to achieve its objective. To address the situation Malaysia needs to aspire to and be able to strengthen its defence capability using all available public resources and policies particularly HANRUH.

The development of a highly capable force is needed for rapid deployment to any trouble spots to conduct military operations. To strengthen both defence strategies information technology capabilities need to be created, updated and applied for gathering, dominating and accurately providing information within the electronic spectrum. The operational "jointness" among the three MAF services is the key to its operational success.

#### **a. Air Superiority**

Airspace command is the prerequisite for the success of land, sea and air operations. The MAF requires defensive and offensive capabilities to ensure complete air superiority at all times within all three areas of national interests.

#### **b. Maritime Operations**

MAF has to be able to maintain superiority over Malaysia's maritime territory in order to defend the nation's maritime sovereignty. Maritime superiority also includes the Royal Malaysian Air Force's (RMAF) and the Royal Malaysian Navy's (RMN) ability to repel any encroachment into Malaysian maritime realm. This includes the control of port entry points and critical choke points such as the Straits of Malacca and Straits of Singapore as well as the sea lanes of communication between Peninsular Malaysia and Singapore.

### **c. Land Operations**

The strength of land operations depends on the Malaysian Army to operate jointly with RMAF and RMN. The completion of the mission requires capable weapons systems, firepower, mobility, protection and logistics support. Malaysia's long borders require the MAF to possess rapid reaction capabilities as a combined force to face any threats.

## **V. DEFENCE FUNDING**

A defence allocation based on the country's financial capability is needed to ensure that the MAF continues to be able to meet any challenges against national interests. In order to achieve the desired effectiveness, decisions on defence allocation are made based on the following principles:

### **a. Affordability**

The Government recognises defence as an important function of governance. Notwithstanding this the defence sector is capital-intensive and meeting its requirements depends on national funding ability. The principle of affordability is the basic consideration for deciding on the types of assets to be acquired and projects to be implemented.

### **b. Allocation not based on GDP**

The allocation for the defence sector is not based on certain fixed percentages in the national budget but on priorities and national funding availability. In the interest of transparency all details of the defence sector allocation is debated in Parliament during the tabling of the Supply Bill. Both the House of

Representatives and the Senate debate the defence allocation prior to its approval.

## **VI. NATIONAL CONTRIBUTIONS TO REGIONAL SECURITY**

### **a. Counter-Terrorism**

#### *(1) Promoting a People-centred Approach to Counter-Terrorism*

Malaysia believes that terrorism needs to be addressed in a more comprehensive manner and not through military means alone. Apart from strict legislative and enforcement measures, Malaysia adopts a multifaceted approach by addressing the underlying contributing factors that breeds terrorism, principally the social and economic problems of the society.

Terrorism can be dealt effectively by addressing the conditions that breed it such as ignorance, backwardness and illiteracy. Malaysia places greater emphasis on education as a means to provide opportunity to escape poverty and develop greater understanding between different cultures to ensure peace and stability. Hence, the Government provides the biggest allocation of its national budget for education programmes.

The Ministry of Education is ensuring fair and equal educational opportunities regardless of ethnicity and religious background. The Ministry will ensure a stable plan on Education for the period from 2011 to 2020 by implementing changes to achieve Vision 2020. Malaysia implemented specific programmes such as the Pupil's Programme for Unity (RIMUP), Vision Schools and Transformation in Curriculum to encourage acceptance of diverse cultures of the society.

Malaysia also believes that in order to fight terrorism, there is a need to promote mutual understanding and cooperation through inter-cultural, inter-civilisation and inter-religious programmes.

Under the purview of the Ministry of Foreign Affairs, the Southeast Asia Regional Centre for Counter-Terrorism (SEARCCT) was established on 1 July 2003 to conduct research, capacity-building and public awareness programmes in countering terrorism. Since its establishment, SEARCCT has held various types of training courses, in collaboration with numerous countries, in 7 core areas, which are:

- Investigation and Legal Aspects;
- Chemical, Biological, Radiological, Nuclear and Explosive (CBRNE) and Crisis Management;
- Aviation, Maritime and Transportation Security;
- Cyber Terrorism;
- Prevention and Rehabilitation;
- Terrorism Financing; and,
- Youth and Terrorism.

SEARCCT has conducted various capacity-building courses for local and foreign participants. SEARCCT is also developing its own database and a web-portal to foster networking and information/knowledge sharing among related agencies and institutions. SEARCCT has also published articles and monographs and is involved in delivering papers and lectures at the local, regional and international level.

### *(2) Promoting of Inter-Civilization Dialogue*

The Prime Minister of Malaysia has introduced the Global Movement of the Moderates (GMM) which calls for countries to censure and reject extremism and support moderation.

Malaysia believes that the acceptance of the concept of moderation in international politics would impose to all parties, state and non-state actors, a responsibility to conduct relations and interactions in the manner that helps to diffuse possible tension and conflict. It is a multifaceted approach and measures to guard against terrorism by promoting tolerance among diverse communities and religions, emphasizing moderation and propagating true teachings of religions.

Malaysia has always encouraged and welcomed initiatives on interfaith dialogue by participating in the Alliance of Civilisations, ASEM Inter-faith Dialogue, and Asia-Pacific Regional Interfaith Dialogue on annual basis. Those initiatives are important dimensions towards the promotion of mutual understanding and cooperation through inter-cultural, inter-civilizational and inter-religious programmes to achieve global peace. Malaysia supports such initiatives and believes that the positive interaction among peoples of diverse cultures and values will help to achieve the aim of having continuing global peace and stability, which are necessary prerequisites for the promotion of sustainable economic and social development.

At the national level, Malaysia promotes various measures among others, inter-religious dialogues, educational and community programmes to promote mutual understanding and tolerance among the multiracial and multi-religious society.

### *(3) Information Sharing and Intelligence Exchange and Document Integrity and Security Exchanging Cooperation to Combat Terrorism and Transnational Crimes*

Malaysia has actively participated in the ASEAN Ministers Meeting on Transnational

Crime (AMMTC) and the Senior Officials Meeting on Transnational Crime (SOMTC). These meetings serve as important platform to exchange ideas and information on best practices in combating terrorism-related crimes among the ASEAN officials.

Besides AMMTC, Malaysia has been an active participant in the ASEAN Regional Forum (ARF) cooperation on Counter-Terrorism and Transnational Crime (CTTC) which takes place at the working level within the context of the Inter-Sessional Meetings (ISM) on CTTC.

Malaysia signed the Treaty on Mutual Legal Assistance in Criminal Matters among like-minded ASEAN Member States (Malaysia, Singapore, Viet Nam, Brunei, Lao, Indonesia, Philippines and Myanmar) as the basis for mutual assistance in criminal matters under the ASEAN Convention on Counter-Terrorism (ACCT).

ACCT signed in Manila on 13 January 2007 is the primary framework for ASEAN cooperation in combating terrorism. The ACCT provides a general overall framework on information and intelligence exchange, as well as defining the relationship of the ACCT to International Conventions and Protocols on Terrorism.

Malaysia has provided capacity building programmes through the SEARCCT. Focused training courses and workshops on counter-terrorism are also organized in collaboration with partners such as United States, United Kingdom, European Union and Russia.

#### *(4) Cooperative Counter Terror Action on Border Security*

Malaysia, Indonesia and the Philippines signed an Agreement on Information Exchange and Establishment of

Communication Procedures in Putrajaya on 7 May 2002. Cambodia (30 July 2002), Thailand (5 November 2002) and Brunei (5 October 2003) have also acceded to the Agreement. This Agreement provides a framework for cooperation among participating countries in addressing border and security issues including terrorism, transnational crime and other illegal activities occurring within their respective territories.

#### *(5) Measures against Terrorist Financing*

In recognizing the need for consolidated and concerted efforts in anti-money laundering and the counter-financing of terrorism (AML/CFT), Malaysia has taken various AML/CFT measures, through implementing relevant laws under the Anti-money Laundering Act (AMLA) in 2001 and extended the scope of its reporting requirements, as well as the development of counter-measures. For instance, Malaysia promotes sharing of financial intelligence as well as enhancing knowledge and upgrading skills required in financial investigations at the regional and international level. This is further enhanced with the establishment of the Financial Intelligence Unit (FIU) under the Central Bank of Malaysia.

There are also procedures for freezing assets related to terrorist. Some laws in line with AML/CFT provides for the freezing of terrorist funds and for the implementation of the United Nations Security Council Resolution 1267 and 1373.

Over the years, the Central Bank of Malaysia has conducted extensive AML/CFT briefings, training and awareness programs throughout the country for the law enforcement personnel and respective regulatory authorities in the public sector as

well as various categories of new reporting institutions in the private sector.

In May 2000, Malaysia became a member of the Asia Pacific Group (APG) on Money Laundering, a Financial Action Task Force (FATF) regional-style organisation and has since strived to comply with the implementation of the 40 + 9 recommendations of the FATF. These recommendations represent the international standards and recommended actions which countries need to undertake to ensure that they are taking adequate AML/CFT measures.

Malaysia also became a member of the Egmont Group of Financial Intelligence Units on 23 July 2003. This has paved the way for further international cooperation in the sharing of financial intelligence among FIUs of the Egmont Group. To date, Malaysia has signed Memorandums of Understanding for the sharing of financial intelligence with 32 other countries.

Through its various pro-active efforts, Malaysia is now regarded one of the leaders in the Asia-Pacific region on AML/CFT issues. Malaysia has provided technical assistance in drafting AML/CFT guidelines for Cambodia in October 2004, as well as participating as assessors in the APG Mutual Evaluation exercise of Pakistan and Brunei in 2005.

Malaysia received a team of APG assessors on 29 January 2007. Malaysia attained 67 per cent of compliant of the 40+9 FATF recommendations in the mutual evaluation exercise. This APG Mutual Evaluation Report strongly affirmed Malaysia's sound and comprehensive AML/CFT programme and considered as exemplary in comparison with other countries in the Asia Pacific region. Malaysia currently is taking a lead role in the

region in the AML/CFT by providing training, technical assistance and mentoring to other APG members, in particular ASEAN countries. In 2013, the Asia Pacific Group Mutual Evaluation Exercise (APG MEE) would be carried out on Malaysia to assess Malaysia's AML/CTF programme and its compliance with the international standards.

#### *(6) Bilateral Cooperation*

Malaysia has signed three bilateral agreements which lay down areas of cooperation in the prevention, disruption and combating of international terrorism, as well as in the exchange of information and intelligence, which are as follows:

- **Malaysia-United States of America**  
Declaration on Cooperation to Combat International Terrorism signed on 14 May 2002;
- **Malaysia-Australia**  
Memorandum of Understanding (MOU) on Cooperation to Combat International Terrorism signed on 2 August 2002; and
- **Malaysia-Sri Lanka**  
MOU on Anti-Money Laundering and Counter-Financing of Terrorism signed on 7 February 2008.

#### *(6.1) Malaysia and the United States of America*

On 17 July 2012, Malaysia further enhances its security cooperation with the United States of America (US) through the signing of a MoU on Assistance in the Field of Transnational Crime. The areas of cooperation to be covered by the MoU would among others include terrorism, money laundering and terrorism financing, trafficking in persons and smuggling of



migrants, cybercrime, corruption, smuggling of wildlife and proliferation of weapon of mass destruction and trade strategic items.

#### *(6.2) Malaysia and the People's Republic of China*

Malaysia and the People's Republic of China had signed a MoU on Transnational Crime in August 2012. Malaysia and China had met for the 1st Working Group Meeting on Transnational Organized Crime held on 22 October 2012 in Kuala Lumpur which addressed the area of cooperation that includes drugs and human trafficking, terrorism, money laundering, bank frauds, transnational prostitution and cybercrime.

#### *(6.3) Malaysia and the Philippines*

During the 7th Joint Commission Meeting (JCM) on 14-15 April 2011, Malaysia expressed interest to formalise cooperation between both countries through the signing of a Memorandum of Agreement (MOA) on Immigration Cooperation. There was a proposal to establish a Technical Working Group at the Senior Officials Level to consider the proposal for an MOA on Immigration Cooperation and to discuss specific areas of immigration cooperation, including information exchange, data collection and best practices.

The Philippines has shown continuous interest to participate in the programmes offered by SEARCCT. In this connection, SEARCCT had also expressed its wish to pursue cooperation with relevant institutions in the Philippines on capacity-building and research programmes on counter-terrorism.

#### *(6.4) Malaysia and Thailand*

The 20th High Level Meeting on the Malaysia-Thailand Joint Departmental Review on Criminal Activities between the Royal Malaysia Police (RMP), Office of the Narcotics Control Board of Thailand and the Royal Thai Police was held on 6-9 April 2010 in Shah Alam, Malaysia. The High-Level meeting discussed various types of cooperation at the operational level and reaffirmed their commitment in combating transnational crime, namely in the areas of narcotics suppression, recovery of stolen vehicles from Thailand to Malaysia and vice-versa, arms smuggling/trafficking, and combating human trafficking.

#### *(6.5) Malaysia and Indonesia*

Over the years, Malaysia and Indonesia have established close defence cooperation. The cooperation covers military training, bilateral meetings, joint activities and exchange of visits. In general, the defence cooperation is under the supervision of the General Border Committee (GBC). In addition, joint military activities are monitored through the High Level Committee (HLC) of the GBC.

#### *(7) Domestic and International Commitment*

At national front, Malaysia introduced comprehensive laws such as the Anti-Money Laundering/Counter Financing of Terrorism (AML/CFT). The AML/CFT also provides procedures for freezing assets related to terrorism. The new legislation comprehensively provides for the freezing of terrorist funds and for the implementation of UNSCR 1267 and to a larger extent, UNSCR 1373. Malaysia has an obligation to gazette the list of terrorists under UNSCR 1267 for those belonging to the Al-Qaeda

and Taliban groups, and under UNSCR 1373 for terrorists belonging to other groups.

Malaysia has enacted the Security Offences (Special Measures) Act 2012 (SOSMA 2012) which constitutes provisions to protect democratic rights (full judicial oversight to increase police accountability and the rights of anyone arrested under it to consult a lawyer). The new Act is a replacement to the Internal Security Act (ISA) 1960. It provides for special measures in dealing with security offences as scheduled in the Act and recognises the grave risks to internal security and public order presented by the threat of terrorism, sabotage and espionage.

Out of the 13 international conventions and protocols on combating terrorism, Malaysia is a State Party to nine (9). The Government has agreed that Malaysia accedes to the four (4) remaining conventions and protocols, only after certain legislative and administrative adjustments/amendments are completed.

Malaysia has amended the Penal Code as well as the Criminal Procedure Code to further strengthen Malaysia's domestic counter terrorism legal framework. In addition, the Government is in the process of amending the Malaysia Maritime Enforcement Agency Act 2004 to give effect to the requirements of the 1988 Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation and 1988 Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platform Located on the Continental Shelf.

## **b. Non-Proliferation, Counter Proliferation, Arms Control And Disarmament**

### *(1) National Implementation of UNSC Resolution 1540*

On 6 May 2010, the Malaysian Parliament approved the new comprehensive law on export control, known as the Strategic Trade Act (STA) 2010. The new law was published in the Government gazette on 10 June 2010. The Act enables Malaysia to effectively supervise and control the export, trans-shipment, transit and brokering of all strategic items, including arms and related material as well as other activities that will or may facilitate the design, development and production of nuclear weapons and other weapons of mass destruction and their delivery systems. To underline its seriousness, the punishments for transgressions under the Act are very severe. Malaysia is ready to share its experience in establishing this comprehensive regulatory framework on export control with other States.

Malaysia does not possess chemical weapons. It has, however, a growing chemical industry. Malaysia therefore has been continuously working closely with the Organisation for the Prohibition of Chemical Weapons (OPCW) in ensuring that its chemical industry is for peaceful purpose and its development benefits the nation.

Malaysia's National Authority to the CWC (NACWC), which was officially established in September 2006 in conjunction with the promulgation of the CWC Act 2005, has been coordinating Malaysia's participation at various international training courses organised by the OPCW.

Throughout the year 2012, Malaysia hosted three OPCW programmes, including the "Seminar on the Chemical Weapons Convention and Chemical-Safety-and-Security Management for Member States of the OPCW in the Region of Southeast and South Asia" in Kuala Lumpur, from 8 to 11 May 2012. This seminar was organized by the NACWC in collaboration with the OPCW, Department of Occupational Safety and Health (DOSH), and Pharmaceutical Services Division (PSD).

Malaysia is a member of the Executive Council (EC) of the OPCW for the term 2011-2013, which came into effect on 12 May 2011 until 11 May 2013. This is the third time that Malaysia is serving as a member of the EC since the establishment of the OPCW in 1997. Previously, Malaysia was member of the Council for the term 2004-2006 and 2007-2009, and Malaysia has put forward its candidature to seek re-election in the EC, representing the Asian Group, for the term 2014-2016.

As a party to the Biological Weapons Convention (BWC), Malaysia continues to fully adhere to its obligations to the Convention. Malaysia recognizes the importance for States Parties to undertake necessary measures, including constitutional process to implement the provisions of the Convention as stipulated under Article IV of the BWC. In demonstrating Malaysia's commitment to the BWC, Malaysia is in the process of formulating a comprehensive Biological Weapons Convention Bill, which would reinforce the existing STA 2010.

Given that the tremendous progress in the bio-sciences is increasingly more reachable through the medium of modern information technology, Malaysia strongly believes that there is a need to enhance scientific

and technological cooperation between State Parties both for the social-economic progress of developing countries that are people centred and socially responsible, and for the fight against infectious diseases and the threats of bio-terrorism. Malaysia, through its Science and Technology Research Institute for Defence (STRIDE), an Agency under the Ministry of Defence, has formed a technical cooperation programme in 2012 with the Cooperative Biological Engagement Programme (CBEP), Defence Threat Reduction Agency (DTRA) of the United States in the field of biosecurity. This new initiative would enhance Malaysia's capacity to protect the country against the biological threats and aims to prevent bio-crime through cooperation on safety working practices, accurate techniques and procedures for assessing risks of biological misuse.

## *(2) Non-Proliferation*

Malaysia continues to pursue for a nuclear-weapon-free world. Achieving this rests on the fulfilment of the basic bargain embodied in the three pillars of the Treaty on the Non-Proliferation of Nuclear Weapons (NPT), namely disarmament, non-proliferation and the peaceful uses of nuclear technology. Despite some progress, concerns still remain on the slow progress in the reduction of strategic and non-strategic nuclear weapons by the Nuclear Weapons States, lack of transparency, the high alert status of nuclear weapons, the continuing pursuit of nuclear programmes by a few countries and the insistence of some others to remain outside the NPT. The ongoing 2015 NPT Review Conference cycle serves as a good foundation for all the Treaty's nuclear-weapon States to substantiate their unequivocal commitment to eliminate their nuclear arsenals.

Malaysia views that all States must adhere to the fundamental principles related to the peaceful uses of nuclear energy. In order to ensure that these principles are not abused, States must exercise full transparency in their nuclear programmes, subject those programmes to the full scope of the IAEA safeguards, adhere to the provisions of the NPT, and gain the confidence and trust of the international community over the peaceful nature of their nuclear programmes.

Malaysia calls upon all Member States to abide by the IAEA safeguards. As a signatory to the NPT and a Member State of the IAEA, Malaysia reaffirms its commitment to non-proliferation. Malaysia also reaffirms the centrality of the IAEA in nuclear safeguards and verifications.

Malaysia is of the view that all States must adhere to the cardinal principles underlying the activities related to the peaceful uses of nuclear energy. In ensuring that the right to peaceful uses of nuclear energy is not abused, States must exercise full transparency in nuclear programmes, subject those programmes to the full scope of the IAEA's safeguards and verification, including the Additional Protocol, and adhere to the provisions of the NPT. Only then, the trust and confidence of the international community over the peaceful nature of nuclear programmes could be gained.

Malaysia fully subscribes to these principles as it consider them as the necessary foundation for the development and peaceful uses of nuclear energy, which would ensure safe and secure environment for all. Malaysia encourages all States to also subscribe to those principles.

Malaysia continues to play a constructive role in promoting international peace and security.

Malaysia is of the view that the continued existence of nuclear weapons represents a significant threat to humanity and the full and effective implementation of the NPT obligations, in particular by Nuclear-Weapon States, plays a crucial role in achieving a nuclear weapon-free world.

Malaysia has been a strong advocate for the realisation of the Nuclear Weapons Free Zone (NWFZ) in the Middle East. The realisation of the Nuclear Weapons Free Zone in the Middle East is of utmost urgency. The recent Plan of Action adopted by the 2010 NPT Review Conference on the implementation of the 1995 Resolution on the Middle East, provides hope for possible movement towards the realisation of the NWFZ in the Middle East.

Malaysia considers the Comprehensive Nuclear Test Ban Treaty (CTBT) as a primary disarmament instrument. Malaysia joins the CTBTO in calling upon the remaining Member States, especially those in the Annex 2, to immediately sign the CTBT. Malaysia looks forward to the early entry into force of the Treaty. Malaysia has ratified the CTBT on 17 January 2008.

Malaysia participates actively in the Nuclear Security Summit (NSS) process. Malaysia welcomes the NSS process as it has proved useful in paving the way for countries to work closely and effectively in strengthening global efforts on nuclear security, in particular the security of nuclear material and the prevention of these materials from falling into the hands of terrorists. As preparations proceed towards the 3rd, and expected to be final, Nuclear Security Summit in the Netherlands in 2014, it would be necessary for all participating countries to take stock and assess what concrete results has the NSS process achieved, and what impact this will

have on the prevention of nuclear terrorism, and how this assessment would affect the future of the process post-2014.

With regard to arms control, Malaysia had been supportive and constructive throughout the process of the Arms Trade Treaty (ATT). Malaysia had voted in favour of all the resolutions related to the ATT and was seen by other member states, as well as the Presidents of the July 2012 ATT Conference and March 2013 ATT Final Conference, as being a country that can bridge divides. During the July 2012 ATT Conference, Malaysia worked with a number of Asia-Pacific countries regarding the language on transshipment, and a broader cross-regional coalition on language relating to the scope of items, and the goals and objectives of the Treaty.

In addition, Malaysia had hosted, together with the UN Regional Centre for Peace and Disarmament in Asia and the Pacific (UNRCPPD), a regional disarmament meeting entitled "Asia Regional Meeting to Facilitate Dialogue on the Arms Trade Treaty," held in Kuala Lumpur on 26 - 27 February 2013. Malaysia was also the facilitator on the issue of transit or trans-shipment as well as a member of the Drafting Committee during the Final ATT Conference.

### **c. Transnational Crime**

Under the context of ARF, Malaysia hosted with Japan the 9th ARF Inter-Sessional Meeting on Counter Terrorism and Transnational Crime (ARF ISM-CTTC) in Kuala Lumpur on 29-31 May 2011. The 9th ARF ISM-CTTC assessed the current situation pertaining to terrorism and transnational crime in the region, reviewed the progress

of cooperation between ARF Participating Countries under the framework of the ARF ISM-CTTC as well as discussed the future of the ARF ISM-CTTC. The Meeting also discussed possible projects/activities under the ARF ISM-CTTC framework as proposed by several ARF Participating Countries.

Among the highlights of the 9th ARF ISM-CTTC is the discussion on the development of the ARF Work Plan on Counter Terrorism and Transnational Crime for 2011-2012, following the expiry of the Work Plan 2009-2010. During the Meeting, there were proposals on the inclusion of new priority areas in the new ARF CTTC Work Plan as follows:

- counter radicalization;
- trafficking in persons;
- terrorism financing; and
- transport security and border security

In addition to the inclusion of proposals for new priority areas in the Work Plan, there was also a proposal to expand the scope of the biosecurity and bioterrorism priority area to also cover the chemical, biological, radioactive and nuclear (CBRN) aspects. Efforts are being taken to finalize the Work Plan for adoption at the 18th ARF in July 2011.

#### *(1) Information Sharing and Intelligence Exchange and Document Integrity and Security in Enhancing Cooperation to Combat Terrorism and Transnational Crimes*

Malaysia has enacted the Mutual Assistance in Criminal Matters Act 2002 (MACMA) which came into force on 1 May 2003. MACMA establishes and facilitates the mechanism for the recovery of assets through international co-operation in confiscation. Under MACMA, Malaysia is able to execute a request for

assistance in enforcing a Foreign Forfeiture Order. The Act also provides for Asset Sharing Agreements between Malaysia and a country of origin, which is made bilaterally and on a case-to-case basis.

Bilateral meetings between the Royal Malaysia Police and their counterparts from Indonesia, Singapore and Thailand are held annually to discuss matters concerning transnational crime.

Malaysia acceded to the international conventions such as the United Nations Convention against Transnational Organised Crime (UNTOC), United Nations Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially Women and Children, the United Nations Convention against Corruption (UNCAC), as well as establishing bilateral cooperation with other countries.

Malaysia is committed to all international conventions, regional and bilateral agreements which it has become a party to and reaffirms its support to the various UN General Assembly Resolutions in combating transnational organised crime.

#### *(2) Promoting Collaboration on the Prevention of Diversion of Precursors into Illicit Drug Manufacture*

Malaysia participated actively in the UN Commission on Crime Prevention and Criminal Justice (CCPCJ), which is held annually in Vienna, Austria. The Commission is a subsidiary body of the Economic and Social Council (ECOSOC) and its role is to formulate international policies and recommend activities in the field of crime control. The CCPCJ provides a forum for UN Member States to exchange information and find solutions to fight crime at the global

level. The mandates of the Commission are carried out by the Centre for International Crime Prevention (CICP) of the UN Office on Drugs Control and Crime Prevention (UNODC).

Malaysia also cooperates closely with enforcement agencies from the United States, Australia, New Zealand, Netherlands and Germany to eradicate drug trafficking as well as people smuggling and trafficking in persons.

Malaysia and Singapore signed a Memorandum of Understanding (MoU) to Fight against the Illicit Trafficking of Narcotic Drugs, Psychotropic Substances, their Analogues and Precursor Chemicals on 26th June 2012. The main areas of cooperation are information exchange on trend and techniques used in illicit trafficking of drugs, capacity building and knowledge development as well as coordinated activities and exercises for the purpose of prevention and control of illicit trafficking drugs.

On 17 July 2012, Malaysia further enhances its security cooperation with the US through the signing of a MoU on Assistance in the Field of Transnational Crime. The areas of cooperation covered by the MoU include terrorism, money laundering and terrorism financing, trafficking in persons and smuggling of migrants, cybercrime, corruption, smuggling of wildlife and proliferation of weapon of mass destruction and trade strategic items.

Malaysia and the People's Republic of China signed a MoU on Transnational Crime in August 2012. Recently, Malaysia and China had met for the 1st Working Group Meeting on Transnational Organized Crime held on 22 October 2012 in Kuala Lumpur. During the meeting, the group addressed the area of

cooperation that includes drugs and human trafficking, terrorism, money laundering, bank frauds, transnational prostitution and cybercrime.

### *(3) Strengthening Transport Security against International Terrorism*

Malaysia welcomes the continued engagement of ARF participants to discuss the issue of terrorism within the ARF framework. This includes regional efforts in strengthening transportation security against international terrorism. In addition, Malaysia participates actively in several fora related to transportation security under APEC and ASEM frameworks.

## **d. Humanitarian Assistance And Disaster Relief**

The National Security Council Directive No. 20 (NSC No. 20): The Policy and Mechanism for National Disaster and Relief Management is the main guideline for disaster management in Malaysia. The directive prescribes the mechanism for the management of disasters including the responsibilities and functions of related agencies under an integrated emergency management system. Due to the high intensity, complexity and occurrences of disasters, Malaysia took the initiative to review and improve the National Security Council Directive No. 20 in 2012. The revision was done to harmonise the Directive with ASEAN Agreement on Disaster Management and Emergency Response (AADMER), incorporating elements such as prevention and preparedness in facing disasters.

### *(1) Disaster Prevention and Mitigation*

Flood mitigation activities are given serious attention as floods are the most significant

natural hazard in Malaysia. Flood Mitigation Projects were incorporated in the "Five Year Malaysia Plan" and a total of RM1.79 billion (USD 56.2 million) was spent for structural flood mitigation measures for the Ninth Malaysia Plan (2001 to 2005). For structural flood control works, RM5.81 billion (USD 18.2 million) was allocated in the Ninth Malaysia Plan (2006-2010). The Government of Malaysia has also allocated funding for the implementation of Flood Mitigation Plan in the flood-prone states in Malaysia in its 2012 annual budget.

### *(1.1) SMART Tunnel*

Apart from conventional Flood Mitigation Projects, the SMART Tunnel was constructed as an innovative solution to alleviate the problem of flash flood in the Kuala Lumpur city centre. SMART is an acronym for Storm water Management and Road Tunnel, a project under the Federal Government to alleviate the flooding problem in the city centre by diverting large volumes of flood water from entering this critical stretch of traffic via a holding pond, bypass tunnel and storage reservoir, preventing spill over during heavy downpours. Although it was mooted primarily to mitigate recurring floods in the city, the dual purpose concept was born from the ingenuity of the project proponents; thus the 3km motorway tunnel was integrated into the system to relieve traffic congestion at the main southern gateway to the city centre.

The SMART project has been documented in the World Bank Publication entitled Natural Hazards, Unnatural Disasters – the Economics of Effective prevention which was launched during the 3rd Global Platform for Disaster Risk Reduction as an example of best practices for return of investment in disaster prevention. The widely acclaimed

project was also selected as a recipient of the UN Habitat Scroll of Honour Award in conjunction with the World Habitat Day 2011 on 12 September 2011 in Nairobi.

## *(2) Disaster Preparedness*

### *(2.1) Early Warning Systems*

The Government of Malaysia has put in place flood forecasting and early warning systems in order to warn the public of disasters in a timely manner. This integrated system comprised hundreds of rainfall and water level stations, manual sticks gauges, boards and sirens installed at strategic locations all over Malaysia.

A National Tsunami Early Warning System has been developed by the Meteorological Department after the December 2004 tsunami to forewarn the public of the possible occurrence of tsunami over the Indian Ocean, South China Sea or the Pacific Ocean.

The Fixed-Line Disaster Alert System (FLAS) is also being utilised to promote awareness and disseminate early warnings on disasters to the public. A separate system known as the Government Integrated Radio Network (GIRN) is put in place to provide radio communication between responders during emergency or disaster. Disaster reporting is centralised through the Malaysia Emergency Response System (MERS) emergency hotline: "999". The mass media is an effective platform to disaster preparedness among the public. To fully realise this potential, the Ministry of Information, Communication and Culture has established a Disaster Unit in the Department of Broadcasting Malaysia. This is coordinated at the regional level by the Asia-Pacific Broadcasting Union (ABU).

Related Government agencies in Malaysia utilise the internet as a medium to disseminate early warning and disaster situation information such as the Air Pollution Index, near real-time river level, air visibility, weather situation and forecast, alternative roads, and hotspots. Beginning from the monsoon season of 2011, the National Security Council started using social media to disseminate information on disasters, in addition to the postings on the Council's web portal.

### *(2.2) Public Awareness*

The National Security Council (NSC) of Malaysia has been organising Community-Based Disaster Management (CBDM) programmes in collaboration with other agencies such as the Malaysian Meteorological Department (MMD), the Department of Town and Country Planning Peninsular Malaysia, the Ministry of Health and the Department of Irrigation and Drainage throughout the country. The program is aligned with the slogan: "Community Resilience through Disaster Awareness". In 2012, the Community-Based Disaster Management programme was organized in 8 locations.

Other related awareness programs on landslides, tsunami, and floods have also been organized by the Public Works Department, the Malaysian Meteorological Department, the Ministry of Education and the Southeast Asia Disaster Prevention Institute of the National University of Malaysia (UKM).

Drill exercises involving the local communities in tsunami prone areas are also organized by the Government of Malaysia as part of its disaster preparedness programme. Exercises were carried out involving communities living in the coastal areas of the West Coast of Peninsular Malaysia and Sabah.



Malaysia declared 26 December as the disaster awareness day since 2005. The 2011 National Disaster Awareness Day was held in Melaka from 18-19 February 2011. The main objective for the 2011 event is to integrate the strength and effort of Government agencies at the national, state, and district levels as well as the local authorities to come together and be seriously involved in disaster management especially in preparing for and mitigating the impacts of disaster.

In addition to identifying Malaysia's own national priorities and strategies to ensure the timely implementation of Hyogo Framework of Action (HFA), the action plan will act as a general guideline to establishing a National Platform for Disaster Risk Reduction in Malaysia. The Declaration will also pave the way for enhanced partnership with the private sector and civil society for disaster risk reduction through public-private-partnership initiatives such as corporate social responsibility (CSR), philanthropy and voluntarism in the different phases of disaster management.

The 2011 National Disaster Awareness Day also saw the national launching of the UNISDR World Disaster Reduction Campaigns namely the "1 Million Safe Schools and Hospitals" and "Making Cities Resilient – My City is Getting Ready".

Safety Guidelines in Disaster and Crisis Situation has also been developed and distributed to schools and community leaders to enable the public to respond accordingly to disasters and crises.

### *(3) Arrangements for Disaster Relief and Emergency Response*

#### *(3.1) Special Malaysia Disaster Assistance and Rescue Team (SMART)*

Malaysia formed its disaster assistance and rescue team in August 1995. The Special Malaysia Disaster Assistance and Rescue Team or SMART, specializes in search and rescue of victims in catastrophic incidences on land. The team is also deployed to assist in disaster incidences that require specialized tools and equipments that are beyond the capability of existing rescue teams. Malaysia's SMART team was deployed for overseas search and rescue missions in Indonesia, Turkey, Pakistan and the Philippines. Its membership consists of 85 officers and members from the Malaysian Armed Forces, Royal Malaysia Police and the Fire and Rescue Department.

Malaysia is currently seeking to have the SMART Team classified under the INSARAG External Classification (IEC). Being classified under the IEC will generate a new paradigm of a more integrated team of professionals that is able to speak a common global search and rescue language and to render assistance to disaster ridden countries in a more professional manner.

#### *(3.2) United Nations Humanitarian Response Depot (UNHRD), Subang, Malaysia*

Malaysia is presently hosting the 5th United Nations Humanitarian Response Depot (UNHRD) at the Subang Military Airbase. The construction of the Depot was completed on 9 April 2012. The Malaysian Government covered the cost of construction of the Depot – USD5.34 million (RM17 million), and has agreed to contribute USD1million yearly for

its operations. The Depot is run by The World Food Programme (WFP).

In September 2012, 27 WFP participants from various Asian countries attended a three-day simulation and training programme held at the UNHRD in Subang. The programme was also joined by the local police, army, the Malaysia Red Crescent, St. John Ambulance Malaysia, MERCY Malaysia, the Special Malaysia Disaster Assistance and Rescue Team (SMART), and the National Security Council of Malaysia.

#### *(4) ASEAN Context*

##### *(4.1) ASEAN Coordinating Centre for Humanitarian Assistance*

The ASEAN Agreement on Disaster Management and Emergency Response (AADMER), in Malaysia's view, is proof of ASEAN's commitment towards reducing losses and improving the region's joint emergency response to disasters. It is the first of its kind agreement that binds Southeast Asian states together to address disaster risk reduction and improve their preparedness for disaster response and is the only Hyogo Framework for Action-related legally binding instrument in the world. The ASEAN Coordinating Centre for Humanitarian Assistance on Disaster Management (AHA Centre), being the operational engine to implement the AADMER is part of this commitment to having a disaster resilient community by the year 2015. Malaysia had submitted its Instrument of Notification on the Agreement to Establish the AHA Centre on 14 February 2012. ASEAN is currently waiting for the rest of the ASEAN countries to do so before the agreement can enter into force.

The Government of Malaysia will demonstrate its full commitment to the implementation of AADMER by contributing to the AHA Centre Fund and the AADMER Fund.

#### *(5) Humanitarian Assistance*

Malaysia has always been very forthcoming in helping out countries in need. Malaysia's commitments in this regard have always been on a bilateral level rather than through United Nations' channels.

On 7 December 2012, Malaysia sent RM350,000 worth of emergency aid to victims of Typhoon Bhopa in the Southern Philippines. The humanitarian assistance aimed to ease the suffering faced by the victims affected by the Typhoon Bhopa. Another humanitarian assistance worth RM250,000 was also sent on 14 December 2012 to the Philippines.

Malaysia has contributed more than USD2 million to the Palestinian National Authority in 2012 as part of Malaysia's continued assistance to the Palestinians. The contribution by the Government of Malaysia to the Palestinian National Authority is a testament and reaffirmation of Malaysia's full support to the Palestinian cause and its solidarity with the people of Palestine.

Malaysia's involvement in the humanitarian and disaster relief assistance is based on a three-pronged approach i.e. Government to Government, involvement through NGOs and people-to-people participation.

Since most of Malaysia's humanitarian assistance at the international level was done in the context of bilateral relations, the assistance has been disbursed either through direct financial contribution or in kind contribution. From the year 2004 to the end

of 2012, Malaysia's bilateral humanitarian assistance to other countries amounted to USD 21.78 million.

Malaysia had also dispatched medical relief missions spearheaded by the Malaysian Army to various places such as Afghanistan, Myanmar and Pakistan. The Special Malaysian Rapid Action Team (SMART) had also taken part in various relief missions, i.e. in Indonesia, Taiwan and Turkey.

At the multilateral level, Malaysia's contributions were also channelled through the Central Emergency Response Fund (CERF), established during the 60th United Nations General Assembly (UNGA) on 15 December 2005. In 2006, Malaysia gave a financial contribution of USD50,000 to CERF. Malaysia further contributed USD100,000 to CERF from 2007 to 2011. In 2012, Malaysia contributed another USD50,000 to CERF.

Malaysia's NGOs have further strengthened the country's presence internationally. MERCY Malaysia, Global Peace Mission of Malaysia, AMAN Malaysia, Viva Palestine and the Malaysian Red Crescent Society are among local NGOs which are actively involved in international humanitarian efforts.

The involvement from the Malaysian public also attests to the Malaysia's commitment in humanitarian assistance globally. A special fund "Tabung Bencana" has been established to manage and supervise contributions from the public. Since its establishment in 2006, the fund has disbursed more than USD2.2 million worth of assistance in direct financial aid or through reconstruction projects for victims of natural disasters in Afghanistan, China, Indonesia, Myanmar, Pakistan and Sri Lanka, Thailand and Somalia.

## **e. Maritime Security**

Malaysia is fully aware of its responsibilities to ensure that its maritime zones, which include the Straits of Malacca, are safe and secure for navigation. Malaysia constantly undertakes enforcement, direct protection and surveillance of its maritime zones. Regular patrols by enforcement agencies are conducted throughout Malaysia's maritime areas.

Malaysia established the Maritime Enforcement Agency of Malaysia (MMEA) by virtue of the Malaysia's Maritime Enforcement Agency Act 2004. MMEA began its operation on 30 November 2005 and is empowered to enforce Malaysia's maritime acts and laws such as the Continental Shelf Act 1966 the Exclusive Economic Zone Act 1984, Fisheries Act 1985, Environmental Quality Act 1974, and the Merchant Shipping Ordinance 1952 (amended 2005).

In addition to physical presence, Malaysia has also incorporated electronic monitoring capabilities to enable better surveillance of maritime activities in its maritime zones, particularly in the Straits of Malacca. Two systems are currently in place. These are the Sea Surveillance System (SWASLA) manned by the MMEA and the Automatic Identification System (AIS) operated by the Marine Department Malaysia.

Malaysia and the littoral States constantly undertake coordinated patrols in the Straits of Malacca. Malaysia, Indonesia and Singapore launched the Malacca Straits Coordinated Patrols (MSP) in 2004. The MSP consists of two components, the Malacca Straits Sea Patrol (MSSP) and the Eyes-in-the-Sky (EiS) air patrols. With the implementation of the MSP, comprehensive arrangement for maritime

security in the Straits of Malacca has been achieved.

All the efforts by Malaysia, either unilaterally or in cooperation with the other littoral States, contribute to the overall improvement of maritime security in the Straits of Malacca. The successes of the efforts have been acknowledged by reports worldwide, among others the International Maritime Bureau (IMB) weekly and annual reports. The de-classification of the Straits as a high-risk zone by the Joint War Committee of Lloyd's Market Association in August 2006 was another example of the fruitful outcome of the efforts by Malaysia and the other littoral States in ensuring the security of maritime navigation in the Straits of Malacca. The de-classification should be maintained.

The figures below show the number of incidents of armed robbery reported in the Malaysian waters of the Straits of Malacca and off the coast of Sabah.

Year	Straits of Malacca	Off Coast of Sabah	Total No. of Cases
2012	1	1	2
2011	9	9	18
2010	4	13	17
2009	6	16	22
2008	2	4	6
2007	4	6	10
2006	4	8	12
2005	8	16	24

Malaysia recognises the importance of ensuring that the Straits of Malacca is well-maintained and protected. The Aids to Navigation Fund was established to facilitate

voluntary contributions in the maintenance of aids to navigation in the Straits. This is in line with Article 43 of UNCLOS 1982 which stipulates that States bordering a strait should cooperate with user States in the establishment and maintenance in the strait of necessary aids to navigation, and for the prevention, reduction and control of pollution from ships. User States which have actively contributed in projects on safety of navigation are Japan, China and the United States. In addition, Saudi Arabia has also made a contribution to the Aids to Navigation Fund. In this regard, contributions from all User States are most welcomed.

#### *(1) Littoral States – User States Cooperation*

134. User States are States that rely heavily on the Straits of Malacca for their global trade and shipping services. In this context, user States are always concerned about the safety and security of the Straits since any hindrance would result in the distortion of global trade and shipping services. As such, it is important for the littoral States to engage these user States to avoid any unilateral undertaking by these States. Similarly, littoral States should convince user States of the importance of burden-sharing mechanisms since the well-being of the Straits would benefit all parties.

#### *(2) Piracy off the Coast of Somalia and in the Gulf of Aden*

Since 2005, there have been a growing number of attacks against merchant ships off the coast of Somalia. The international shipping community has expressed their concerns over the issue, and at its 25th General Assembly, the IMO adopted

Resolution 1002 (25) entitled Piracy and Armed Robbery against Ships in Waters off the Coast of Somalia on 29 November 2007. The Resolution requests the Transitional Federal Government of Somalia (TFG) to take any action it deems necessary to prevent and suppress acts of piracy and armed robbery against ships originating from within Somalia. The TFG is to ensure that its coastline cannot be used as a safe haven from which attacks can be launched, and that ships seized and brought into waters within its territory are released promptly. Furthermore, the resolution requires the TFG is to advise the United Nations Security Council (UNSC) that it consents warships and military aircraft entering its territorial sea when engaging in operations against pirates or suspected pirates or armed robbers.

Malaysia has to look after its own interests when two of its ships belonging to the Malaysian International Shipping Corporation (MISC), and one Malaysian-flagged ship were captured by pirates off the coast of Somalia and in the Gulf of Aden.

Malaysia has been involved in the global effort to combat piracy off the coast of Somalia. RMN has sent, in stages, 5 war ships to the Gulf of Aden since 3 September 2008 until now with the mission of providing escort to Malaysian ships while traversing the Gulf of Aden. In the course of escorting Malaysian ships, RMN has been receiving requests from foreign flagged ships to join in the convoy or to deter piratical attacks.

The UNSC adopted Resolutions 1816, 1838, 1846, 1851, 1918, 1950, 1976, 2015 and 2020 which authorise a series of measures to combat piracy and armed robbery against ships off the coast of Somalia. The

Resolutions encourage States that use the commercial routes off the coast of Somalia to increase and coordinate their efforts with the TFG to deter attacks upon vessels, and to cooperate with each other and with regional organisations and to render assistance to vessels threatened or under attacks.

In view of the high risk of piracy in the area off the coast of Somalia and in the Gulf of Aden, the IMO has made explicitly clear in MSC.1/Circ.1333 that it is for each flag State, individually, to decide whether or not armed security personnel should be authorized for use on board ships flying their flag in high risk areas such as around the Gulf of Aden. If a flag State decides to permit this practice, it is up to that State to determine the conditions under which authorization will be granted. Malaysia however, does not permit the use of private armed security team on vessels flying its flag.

Continued incidents of piracy and armed robbery against ships off the coast of Somalia, in particular in the Gulf of Aden, is widely attributed to the inability of the coastal States to organise effective control over their maritime areas, lack of resources to combat piracy and armed robbery against ships, as well as lack of cooperation amongst the coastal States.

It is clear that cooperation amongst the littoral States, as well as cooperation between the coastal States and other States (such as user States and other interested States), have to be forged to effectively address the issue of piracy and armed robbery against ships off the coast of Somalia. Perhaps, one way of doing this, is to emulate efforts that have been undertaken to ensure the safety and security of the Straits of Malacca.

## VII. ROLE OF ARF

Since the establishment of the ARF, it has always been our aspiration to move forward from confidence building measures to preventive diplomacy and eventually developing conflict resolution mechanisms. After twenty years, the role of ARF as an avenue for discussing regional peace and security issues, and in some ways as a moderator of regional peace and security situations, is seen to have grown in importance.

Despite the progress made thus far, the ARF cannot be complacent with what it has achieved. The ARF has to adapt itself to the new security challenges facing us especially in light of the evolving global and regional environment. This would be a daunting task as these challenges are multi-faceted and cross-dimensional in nature. However this scenario should present the ARF Participants with an opportunity to renew their individual and collective commitment in strengthening existing dialogues and practical cooperation. There is also a need for ARF to collectively decide to move forward in order to achieve its ultimate goal.

Malaysia believes that in moving towards preventive diplomacy, the progress should be at the pace comfortable to all on the basis of consensus. It goes without saying that preventive diplomacy can be carried out successfully when there is a strong foundation of trust and confidence among us. Malaysia is of the view that through years of our collective effort on confidence building measures, this has generated enough momentum for us to graduate to the next stage as envisaged in the founding document of the ARF.

In moving towards the next stage of Preventive Diplomacy, Malaysia also believes that a phased approach could be adopted while maintaining core principles, namely;

1. Adherence to the principles of sovereignty, territorial integrity and non-interference on the internal affairs of members.
2. While PD is preventive in nature, rather than curative, its implementation should only be on voluntary basis, based on consultation and consensus, with clear consent of the parties involved.
3. The conduct of preventive diplomacy should be in accordance with recognized international law, the UN Charter, as well as the Treaty of Amity and Cooperation (TAC).

# NEW ZEALAND

## I. PERCEPTIONS OF AND APPROACHES TOWARDS THE REGIONAL AND GLOBAL SECURITY ENVIRONMENT

The Asia Pacific region is central to New Zealand's security and future wellbeing. New Zealand values its engagement with regional processes, including the East Asia Summit (EAS), ASEAN Regional Forum (ARF) and ASEAN Defence Ministers' Meeting-Plus (ADMM-Plus), which promote the common goal of a stable, prosperous and peaceful neighbourhood. New Zealand plays an active part in helping these individual forums realise their objectives. Sustained commitment to bilateral and regional relationships underlines the importance that New Zealand places on partnerships within the region and the wider global security environment.

New Zealand is strongly committed to an open trading regime and considers that enhanced economic integration is one of the most effective means of ensuring longer term regional security and prosperity. We are committed to working toward a Free Trade Area of the Asia-Pacific.

New Zealand attaches considerable importance to the ASEAN/Australia/New Zealand FTA, which was concluded in 2009. New Zealand was the first developed country to establish a Free Trade Agreement with China and has other bilateral FTAs/Closer Economic Partnerships with Australia, Malaysia, Thailand, Singapore and Hong Kong. New Zealand is currently negotiating bilateral FTAs with Russia and its Customs Union partners, as well as with India and the Republic of Korea. New Zealand actively participated in the preparatory process for the Regional Comprehensive Economic Partnership (RCEP) negotiations, which got underway in May. New Zealand is a party to the

Trans Pacific Strategic Economic Partnership (P4), with Singapore, Brunei Darussalam and Chile, and is taking part in the negotiation of a Trans-Pacific Partnership (TPP) agreement with other Asia Pacific countries, which flows from P4.

The recent heightened tensions on the Korean Peninsula highlight the need for strengthened commitment to regional security cooperation. The DPRK's ballistic missile and nuclear programmes remain an on-going threat to regional peace and stability. New Zealand has consistently urged the DPRK to abide by its obligations under UNSC resolutions, cease provocations including further ballistic missile launches and nuclear tests, and take steps to end its nuclear programmes in a complete, verifiable and irreversible manner.

Maritime security remains a regional concern. We all have an interest in developments in the South China Sea being managed in a peaceful manner, consistent with international law. It is important that parties exercise self-restraint and actively look for ways to manage difficult issues effectively, including through the implementation of the Declaration of Conduct of Parties, and moving to negotiate a Code of Conduct.

The security threats that countries face in the region continue to evolve as a result of both internal and external factors. One consistent external catalyst for change is the growth of technology, particularly its use by criminal groups. Transnational criminal entities are quick to adapt to new technology and use it to increase their operational ability. In this new environment it is important for law enforcement to understand how criminal groups (including terrorists) are using new online capacity. States must adapt their own systems to counter the emergence of

cyber offending. ARF Counter-Terrorism and Transnational Crime (ARF CTTC) processes have focused a number of inter-sessional meetings on this emerging threat. New Zealand also supports the work currently under way to develop an ARF work plan on cyber security.

Security has long been recognised as a vital prerequisite for the sustainable development of the Pacific Islands region. Security has accordingly become a significant area of the Pacific Islands Forum's work in recent years. New Zealand has been closely involved in responding to regional security issues, through bilateral aid programmes to build capacity, the Forum's Regional Security Committee and through working with regional law enforcement agencies. New Zealand chaired the Pacific Forum in 2011.

## **II. VIEWS ON THE ROLE OF THE ARF IN REGIONAL SECURITY**

For New Zealand, the ARF is the principal security forum within the Asia Pacific region. It contributes to building an environment in our region of dialogue and cooperation on a wide range of regional security issues. The ARF is also contributing in an important way to the development of international norms and principles on security, which are directly relevant to this region.

The large number and diversity of practical ARF projects under implementation reflects the ARF's increasing ability to respond to contemporary security challenges facing this part of the world. New Zealand also attaches considerable importance to working with its ARF partners to move steadily towards a preventive diplomacy agenda, in line with ARF's three-stage evolution.

New Zealand recognises ASEAN's central role in ARF as an anchor of stability and peace in the region. It welcomes ASEAN's adoption in 2009 of a Blueprint to establish an ASEAN Political-Security Community (APSC) embracing universal values of good governance and a determination to create a more secure, stable and peaceful future for the region.

New Zealand is committed to working with its ASEAN partners to realise enhanced synergies between the ARF and other pieces of the regional architecture, in particular the EAS and ADMM-Plus. While the ARF and ADMM-Plus have their distinct mandates and different memberships, greater functional coordination between them on issues that straddle both forums, such as disaster relief/management, would help to achieve streamlining and eliminate any unnecessary duplication of activities. It is also desirable that the ARF and ADMM-Plus activities are consistent with priority security issues identified in the EAS.

## **III. CONTRIBUTIONS TO PEACE, SECURITY AND STABILITY IN THE AREA COVERED BY THE ARF GEOGRAPHICAL FOOTPRINT**

### **a. Policies and Approaches**

As a founding member of the UN, respect for the rule of international law is fundamental to New Zealand's approach to promoting security, stability and peace. Despite the distance of New Zealand's borders from direct conflict, there are fragile states within our region. The threats of terrorism, arms proliferation, transnational crime and economic and environmental degradation show no respect for international borders. Recognising this, New Zealand is highly



committed to multilateral, transboundary solutions to security threats and the promotion of effective international rules. New Zealand takes a multi-layered approach to security that includes strong bilateral relationships and regional partnerships.

Key relationships and partnerships are:

- New Zealand's bilateral alliance with Australia;
- the Five Power Defence Arrangements (New Zealand, Australia, Malaysia, Singapore and the United Kingdom);
- close bilateral ties with Pacific Island neighbours, including those for which New Zealand has constitutional responsibilities; close and growing bilateral ties with Asia-Pacific partners;
- Pacific and Asia-Pacific regional mechanisms such as the ARF and the ADMM-Plus processes.

## **b. Activities**

### *(1) Counter-Terrorism, Trans-national Organised Crime, and Cyber threats*

New Zealand is firmly committed to the international campaigns against terrorism and transnational organised crime. To counter the threat of terrorism effectively, New Zealand sees a need to take a comprehensive, multi-layered and long-term approach. New Zealand continues to undertake a range of activities in the Asia-Pacific to improve counter-terrorism capability in the region and at the same time address underlying factors that contribute to radicalisation and terrorist recruitment.

New Zealand also works actively in regional fora to enhance cooperation to counter trans-national crime and to meet emerging

threats in cyberspace, including in the ARF Intersessional Meeting on CTTC and the ADMM-Plus Counter-Terrorism Experts Working Group (CT EWG). New Zealand has co-sponsored (with Australia) a UNODC-produced assessment of the threat posed by trans-national organised crime in the Asia-Pacific region. This important resource is scheduled for publication in April 2013.

The ASEAN-New Zealand Joint Declaration for Co-operation to Combat International Terrorism 2005 and its associated Work Plan form an important framework for New Zealand's counter-terrorism efforts in the region. There is a dedicated Asia Security Fund to support activities under the five key pillars of New Zealand's Work Plan with ASEAN: border control; legislation; law enforcement; policy; and prevention/counter-radicalisation.

For activities involving the Pacific Islands, New Zealand has a Pacific Security Fund that supports activities such as provision of x-ray equipment for baggage screening at Pacific airports and training for airport security staff; capacity building for immigration, customs and police personnel involved in border security; drafting of counter-terrorism legislation and ratification of international counter-terrorism instruments, training for criminal justice officials; and research on the prevalence of small arms in the Pacific.

New Zealand undertakes both regional and bilateral counter-terrorism initiatives in Southeast Asia and has partnered with all three regional counter-terrorism training centres, i.e. the South East Asian Regional Centre for Counter-Terrorism (SEARCCT) in Malaysia, the Jakarta Centre for Law Enforcement Cooperation (JCLEC) in Indonesia, and the International Law Enforcement Academy (ILEA) in Thailand. New Zealand has funded

and organised a number of regional capacity building workshops for ASEAN countries on key issues such as anti-money laundering/counter-terrorist financing standards, cyber-crime, terrorist prosecutions, and maritime and aviation security. These efforts are complemented by significant bilateral work to build individual national capability, especially within law enforcement agencies.

New Zealand also works with Pacific island countries to help strengthen their resilience to terrorism and transnational organised crime. In conjunction with partners including Australia, the UN Office on Drugs and Crime (UNODC) and the Pacific Islands Forum Secretariat, New Zealand has helped deliver capacity building and legislative drafting assistance to a number of Pacific island countries. Initiatives have included enhancing airport and maritime security standards, drafting and implementing national counter-terrorism legislation and ratifying international counter-terrorism instruments, and training for police and immigration officials.

Activities at the other end of the counter-terrorism spectrum that prevent recruitment into terrorism by countering key drivers of violent extremism and promoting voices of moderation are also important to maintaining regional security. New Zealand's work in countering violent extremism focuses on three areas identified by regional inter-cultural and inter-faith fora – youth, corrections, media and education. New Zealand has worked bilaterally with partners in the region to fund activities that promote critical thinking amongst youth on inter-faith/inter-cultural issues, as well as journalistic integrity and programmes on counter-radicalisation. A related New Zealand effort in promotion of tolerance has been the co-sponsorship – with the Philippines, Indonesia and Australia – of

the Asia-Pacific Regional Interfaith Dialogue. The sixth Dialogue was held in March 2012 in Indonesia. This process has led to increased understanding and trust amongst different faith leaders from across the region, and has helped foster a range of inter-faith activities at the grassroots level. The seventh Dialogue is set to be held in 2014.

Over the past 18 months, New Zealand has also welcomed the development of the Global Counter Terrorism Forum (GCTF), and in particular its work streams focusing on: criminal justice and the rule of law; South East Asia; and countering violent extremism. New Zealand is an active member of the GCTF and welcomes the steps that the South East Asia working group co-chairs (Indonesia and Australia) are taking to coordinate counter terrorism capacity building in the region, especially on the management of terrorist detainees. New Zealand will look to build on its existing CT programmes in South East Asia.

The ARF CTTC meetings are a useful opportunity to discuss key security issues with regional partners. New Zealand is also an active participant in the ADMM-Plus CT EWG, which will hold a counter terrorism exercise later this year.

## *(2) Counter-proliferation*

New Zealand is an active supporter of initiatives aimed at countering the proliferation of weapons of mass destruction (WMD) to both state and non-state actors, in particular the Proliferation Security Initiative (PSI), the Global Initiative to Combat Nuclear Terrorism (GICNT), the G8 Global Partnership (G8GP), the International Atomic Energy Agency and the Nuclear Security Summit.

The PSI has developed into an effective international counter-proliferation network of 102 countries around the globe. New Zealand's participation in PSI, including its membership of the Operational Experts Group (the PSI steering committee) and participation in exercises and capacity building initiatives, has enhanced New Zealand's capabilities to prevent proliferation activity both nationally and in collaboration with partners. New Zealand has developed and shared with PSI partners in the Asia-Pacific and beyond a Model National Response Plan, which provides clear, easy-to-follow guidance on the range of issues that need to be considered in developing a framework for responding to PSI/proliferation situations. New Zealand also hosted a major PSI exercise – Exercise Maru – in Auckland in September 2008, a key element of which was outreach to Asia-Pacific partners. New Zealand would welcome further expansion of the PSI in the Asia-Pacific as part of a coordinated effort to reduce the threat of WMD proliferation.

New Zealand joined the GICNT in 2007, and is strongly committed alongside over 80 GICNT partners to preventing nuclear or radiological material falling into the hands of terrorists. New Zealand has contributed to the GICNT in the Asia-Pacific by: developing a table-top exercise kit for use by other GICNT partners in testing their own national response systems; supporting radioactive source security projects in Southeast Asia; increasing its funding for the work of the International Atomic Energy Agency to improve nuclear security in Southeast Asia; and helping its Pacific island neighbours address the risk of nuclear/radiological security. New Zealand is also considering the possibility of developing a table-top exercise on responding to radiological incidents as a

future ARF project, modelled on the exercise mentioned above.

Alongside a number of other countries from the Asia Pacific region New Zealand has been an active participant in the Nuclear Security Summit process, launched in Washington in 2010. Through its engagement in this process, and in the nuclear security activities of the International Atomic Energy Agency and the G8 Global Partnership Against the Spread of Weapons and Materials of Mass Destruction, New Zealand has provided significant financial and practical support to efforts to strengthen nuclear security at the national, regional and global level.

### *(3) Disarmament*

New Zealand has a long-standing commitment to international disarmament and arms control.

As regards recent developments in this area, New Zealand warmly welcomed Indonesia's ratification of the Comprehensive Nuclear-Test-Ban Treaty in 2010. As an Annex 2 state, Indonesia's ratification is important to bringing the Treaty closer to entry into force. New Zealand further welcomes Brunei Darussalam's ratification of the CTBT in January 2013 and note that further CTBT ratifications by ARF states, both Annex 1 and Annex 2, would be an important signal of the importance of the Treaty to regional and global security.

As a party to the South Pacific Nuclear-Free Zone Treaty, New Zealand looks forward to the Nuclear Weapons States (NWS) signing the Protocol to the South East Asia Nuclear Weapons Free Zone (SEANWFZ). This would be a welcome step in the development of nuclear non-proliferation mechanisms in this part of the world.

New Zealand, as a key player in the negotiation of the Cluster Munitions Convention, was pleased that the Convention on Cluster Munitions (CCM) entered into force on 1 August 2010. New Zealand is currently the coordinator for national implementation measures in the CCM and has produced model legislation for use by small states with no history of use or contamination. It is looking forward to the next CCM Meeting of States Parties, which will take place in Lusaka, Zambia on 10-13 September 2013. New Zealand encourages other ARF members who have not yet done so to ratify or accede to the Convention.

New Zealand strongly supported an Arms Trade Treaty (ATT) that was comprehensive and would have a meaningful impact on the international trade in conventional arms. During the process New Zealand worked closely with its neighbours in the Pacific to ensure a strong regional voice at the negotiations. While there was no consensus at the final ATT negotiating session in March 2013, the treaty that was agreed at the UN General Assembly in New York in April 2013 sets global standards for the trading in conventional arms and ammunition and establishes globally applicable standards to govern international arms transfers. While not all that New Zealand, as a supporter of a robust ATT, might have hoped, the treaty will contribute meaningfully to international and regional peace, security and stability. New Zealand strongly supports the ATT and calls on all ARF members to sign and ratify or accede to the Treaty as soon as possible.

#### *(4) Peace Support*

After over a decade operating at a high tempo, New Zealand has, over the past 12 months, drawn down its principal overseas

commitments in Afghanistan, Timor-Leste and the Solomon Islands.

The Regional Assistance Mission to the Solomon Islands (RAMSI) is currently transitioning from a military led mission to a mission focused on policing support and building the capacity of the Royal Solomon Islands Police Force (RSIPF). New Zealand currently has 17 New Zealand Police personnel working in the Participating Police Force (PPF) providing support to the RSIPF when necessary. The PPF will stay on after the military component of RAMSI, the Combined Task Force (CTF), completely withdraws later this year (2013). In addition to the New Zealand Police personnel there are currently eight New Zealand Defence Force (NZDF) personnel and five civilians in RAMSI.

New Zealand has been the second largest contributor to RAMSI after Australia. Over the period 2003-2013 New Zealand has spent almost NZ\$400 million on assistance to the Solomon Islands.

The NZDF and New Zealand Police redeployed in significant numbers to Timor-Leste following a resurgence in violence there in 2006. At the end of 2012, at the request of the Government of Timor, both the United Nations Mission in Timor-Leste (UNMIT) and the International Stabilisation Force (ISF), of which New Zealand was a large contributor, ended their involvement in Timor. With this drawdown, the majority of New Zealand's military and police presence was withdrawn from Timor.

New Zealand supports the continued development of the Timor-Leste National Police through its Timor-Leste Community Policing Programme, to which New Zealand provides eight short-term police mentors in-country as well as two long-term police advisors.

The NZDF also provides five technical advisors to the Timor-Leste Defence Force who work alongside FFDLT (Falintil-Forca de Defesa de Timor Leste) key appointments as part of an on-going multi-year Mutual Assistance Programme (MAP) scheme. These advisors are augmented by short term training teams when specific requirements are identified.

The closure of the New Zealand Provincial Reconstruction Team (PRT) in Bamyan province in Afghanistan in April 2013 marked the end of New Zealand's primary military contribution to Afghanistan. After a decade of commitment New Zealand has left a lasting legacy in the province. New Zealand will continue to support development projects in Bamyan, focusing on energy, agriculture, health and education.

New Zealand will also continue to directly support the International Security and Assistance Force (ISAF) mission in Afghanistan, with contributions of eight NZDF personnel to the Afghan National Army Officer Academy, 12 personnel to the ISAF special operations forces headquarters in intelligence and planning roles, and a small number of officers within ISAF headquarters. In addition, New Zealand will contribute US\$2 million per annum in funding Afghanistan's National Security Forces from 2015.

With the drawdown from these three deployments, New Zealand is reviewing its international peace support operations footprint to ensure New Zealand remains a valuable contributor to collective international security and a responsible international citizen.

In the meantime, New Zealand continues with its long-standing commitment of military observers to the United Nations Command

Military Armistice Commission (UNCMAC) in Korea, the United Nations Truce Supervision Organisation (UNTSO) in Israel, Syria and Lebanon, and the Multinational Force and Observers (MFO) in Egypt. In addition New Zealand contributes military observers to the United Nations Mission in the Republic of South Sudan (UNMISS) and liaison officers to the United Nations Assistance Mission for Iraq (UNAMI) and the United Nations Assistance Mission for Afghanistan (UNAMA).

NZDF operates a number of Mutual Assistance Programmes (MAP) with Pacific nations, including the Cooks Islands, Papua New Guinea, Timor-Leste, Tonga and Vanuatu. These programmes complement efforts in the political, economic and development fields to encourage friendly and cooperative bilateral relationships with our near neighbours.

New Zealand is currently (until end of 2013) Co-Chair with the Philippines of the ADMM-Plus Peace Keeping Operations Experts Working Group (PKO EWG), which will be holding an exercise scheduled for late 2013,

#### *(5) Confidence Building and Preventive Diplomacy*

At the ARF's outset it was envisaged that the Forum would move as part of its evolution from a confidence building phase to preventive diplomacy, and finally to conflict resolution. While many confidence building measures have been undertaken, the ARF has yet to reach its potential in the field of "preventive diplomacy". New Zealand supports and has contributed to the conclusion of the ARF's Work Plan on Preventive Diplomacy agreed by Ministers in July 2011. It contributed a number of parliamentarians to the ARF Electoral Observer Mission to Timor Leste in July 2012, which provided a practical example

of ARF's preventive diplomacy in action. New Zealand, with the support of a number of ARF partners, is proposing to take forward ARF work on preventive diplomacy training, which would also explore ways to strengthen regional preventive diplomacy training.

New Zealand co-chaired the ARF Intersessional Support Group Meeting on Confidence Building Measures and Preventive Diplomacy in the 2011/12 intersessional year.

#### *(6) Maritime Security*

In 2008, ARF Ministers identified maritime security as one of the ARF's four key areas. In 2009-2011 New Zealand co-chaired with Indonesia and Japan a series of ARF Intersessional Meetings on the topic. Over this period, participants developed a work plan which was approved by Ministers in 2011. The Plan commits the ARF to launch projects over the next two years, focusing on three priority areas mentioned in the Plan. New Zealand intends to be actively involved in the implementation of the work plan. With support from Brunei and Malaysia, New Zealand organised an ARF workshop on ship profiling in April 2013.

New Zealand looks forward to co-chairing, with Brunei Darussalam, the ADMM-Plus Experts' Working Group on Maritime Security from 2014.

#### *(7) Disaster Relief*

Catastrophic natural disasters that affected the region over 2010-2011 underline the need to continue deepening practical and effective cooperation over disaster preparedness and relief. New Zealand has been an active participant in ARF exercises to prepare and respond to regional disasters, including the

March 2011 DiREx in Manado. New Zealand will co-lead a consular element in the May 2013 DiREx in Thailand. New Zealand is continuing to play its part in deepening regional capacity to prepare and respond to disasters, and is committed to further cooperation and implementation of work plans in ARF, ADMM-Plus and EAS contexts. New Zealand has contributed technical expertise to the ASEAN Humanitarian Assistance (AHA) Centre, for example.

## **IV. DEFENCE POLICIES AND INFORMATION**

### **a. Defence Policies and Doctrine**

A range of foreign and security policy, management and resourcing challenges were addressed in the New Zealand Government's defence review and the subsequent Defence White Paper ([www.defence.govt.nz/defence-review.html](http://www.defence.govt.nz/defence-review.html)) released in 2010. The White Paper sets out a framework for the defence of New Zealand through addressing New Zealand's vital strategic interests including the security of its sovereign territory and exclusive economic zone, its special relationship with Australia, the need to build security in the South Pacific, its relationships in the wider Asia-Pacific region and its contribution to the global community. It is anticipated that New Zealand's next Defence White Paper will be completed in 2015.

The total appropriation for the New Zealand Defence Force for the year ended 30 June 2012 was NZ\$2.911 billion, of which operating expenses were NZ\$2.308 billion and capital expenditure was NZ\$600 million.

# **THE PHILIPPINES**

## **I. OVERVIEW OF THE REGIONAL SECURITY ENVIRONMENT**

While emerging Asian economies, especially in ASEAN, are in a position to inject much-needed vitality to the ailing global economy, the region must also manage a number of security challenges.

Rising tensions due to acts which seek to alter the status quo in territorial and maritime domains in the South China Sea remain the most pressing challenge to peace, security and stability in the region and its prospects for continued economic growth and development.

In particular, there is an urgent need for all countries in the region to uphold the rules of international law and the peaceful settlement of disputes.

It is in this context that on 22 January 2013, the Philippines initiated arbitral proceedings under Article 287 and Annex VII of the 1982 United Nations Convention on the Law of the Sea (UNCLOS) in order to achieve a peaceful and durable solution to the dispute over the West Philippine Sea.

The Philippine arbitral initiative aims to clarify the maritime entitlements of the concerned parties and help promote peace, stability, maritime security and freedom of navigation in the region.

The Philippines joins all of ASEAN in promoting the full implementation of the Declaration on the Conduct of Parties in the South China Sea (DOC) and the early conclusion of a Code of Conduct (COC) between ASEAN and the People's Republic of China. The realization of a binding and credible COC will re-affirm ASEAN centrality and bring forward a regional architecture that operates based on the rule of law.

Like the South China Sea issue, the security situation in the Korean Peninsula is an international concern with major implications on regional stability.

The Philippines expressed grave concern in March 2013 over the announcement that the Democratic People's Republic of Korea is voiding all non-aggression pacts with the Republic of Korea. The Philippines continues to work closely with international partners in promoting peace, stability and nuclear disarmament and non-proliferation on the Korean Peninsula.

Given these and other security challenges, among which are maritime security, terrorism and other transnational crimes, climate change and disaster relief, and non-proliferation and disarmament, the ASEAN Regional Forum (ARF) must redouble its collective efforts to maintain peace, stability and security within the region.

## **II. NATIONAL SECURITY AND DEFENSE POLICY**

The Philippines, mid-way through its National Security Policy 2011-2016, is continuing to strengthen its internal socio-political stability, through measures such as the GPH-MILF Framework Agreement of October 2012, and to protect its strategic, including maritime, interests.

### **a. Major Policy Thrusts of the Department of National Defense of the Philippines**

As part of its mandate to "maximize its effectiveness for guarding against external and internal threats to national peace and security, promote the welfare of soldiers and veterans,

and provide support for social and economic development,” the Department of National Defense (DND) envisions itself as a strategic partner of the international community, capable and responsive in meeting external and internal challenges to national security and domestic stability as well as contributing to the social and economic development of the Philippines.

### DEFENSE EXPENDITURES

#### Defense expenditure (2013)

Operating Expenses	: Php 19,848,285,000
Capital Outlay	: Php 5,428,110,000
Total	: Php 25,276,395,000
Population	: 95,800,000
Defense Expenditure Per Capita	: Php 263.85

#### Defense Expenditure (2012)

Operating Expenses	: Php 19,126,784,000
Capital Outlay	: Php 5,858,878,000
Total	: Php 24,985,662,000
Population	: 95,800,000
Defense Expenditure Per Capita	: Php 260.81

In the last five years, the Philippines’ budget for national defense has more than doubled, rising from US\$1.24 billion in 2008 to US\$2.61 billion in 2012. The Philippine government under the current Aquino administration has spent over US\$683 million (PhP28 billion) to modernize the Armed Forces of the Philippines (AFP), in contrast with the US\$805 million (PhP33 billion) spent for modernization in the 15 years prior to President Aquino’s term.

In December 2012, President Aquino signed the new AFP Modernization Act (Republic Act No. 10349), extending it for another 15 years

and allocating US\$1.83 billion (PhP75 billion) for its first five years of implementation. As such, by the end of 2017, it is estimated that the Philippines could spend about US\$2.5 billion (PhP103 billion). From 2010-2017, then, defense spending would be more than three times the budget spent for modernization in the last fifteen (15) years before 2010.

Related to modernization, the DND aims to increase the production capacity of the government arsenal with a view to providing a sufficient supply of small arms and ammunitions. DND envisions the establishment of an industrial complex that would not only contribute to manufacturing material for the AFP, but also allow for partnerships with investors that could help spur economic growth and promote defense industry collaboration.

While the AFP has previously been focused on internal security, it aims to hand over the role of addressing insurgency and other internal security matters to law enforcement agencies as embodied in the Internal Peace and Security Plan (IPSP) Bayanihan. The IPSP uses a “Whole-of-Nation Approach” and the “People-Centered Security/ Human Security Approach” to cultivate support from multiple stakeholders and create an environment that is conducive to peace and development.

At the same time, the AFP remains committed to supporting the peace process, specifically the recently signed Framework Agreement on the Bangsamoro in October 2012. In order to sustain the gains of peace-building efforts, the AFP shall continue to support civilian agencies manage counter-insurgency programs even as it shifts its focus to territorial defense.

Given the increasing gravity of disasters and national calamities, DND also aims to enhance the capacity of the Office of Civil Defense



(OCD), which serves as the executive arm of the National Disaster Risk Reduction and Management Council (NDRRMC). As the first responder during disasters, and with military personnel being front-liners in search and rescue management, the AFP supports the training programs of the OCD for disaster preparedness. A capable civil defense would allow for better coordination with countries in the region on humanitarian assistance and disaster relief (HADR) cooperation.

#### **b. Regional Engagements to Complement National Security and Defense Policy**

In the interest of pursuing national, regional and global security as well as implementing the policy thrusts mentioned above, the Philippines maintains robust engagements with its partners and allies bilaterally and through regional security forums such as the ARF, ASEAN Defense Ministers' Meeting (ADMM) and ADMM-Plus. The Philippines also continues to conclude defense arrangements, such as Memoranda of Understanding or Agreements on Defense Cooperation with other countries. These arrangements provide the framework for cooperative efforts in undertaking joint endeavors on issues of mutual concern.

The Philippines is in the process of negotiating Status of Visiting Forces Agreements (SOVFA) with other Southeast Asian countries. Members of the Philippine Panel on the execution of SOVFAs between the Philippine Government and the Governments of Brunei Darussalam, Singapore, Malaysia and Indonesia have been appointed.

The Philippines is also strengthening defense relations with regional allies and partners such as the United States, Australia, Japan

and South Korea. The U.S., the Philippines' only defense treaty ally, has consistently supported the building of the Philippine Minimum Credible Defense Posture, including the development of the National Coast Watch System, which is integral to promote maritime security and to deter traditional and non-traditional threats in the maritime domain.

- In 2012, the Philippines and Australia convened the inaugural Philippines-Australia Strategic Dialogue, a joint meeting between foreign affairs and defense officials. The Status of Visiting Forces Agreement also entered into force in 2012. During the President's State Visit to Australia on 24-26 October 2012, both heads of state welcomed these milestones in bilateral defense cooperation.
- As strategic partners, the Philippines and Japan have an existing mechanism for defense cooperation that promotes multi-level exchanges as well as capacity building and exchanges on education, research and information. A key pillar of the Philippines-Japan Strategic Partnership is maritime security. The 2nd Philippines-Japan Dialogue on Maritime and Oceanic Affairs was held on 22 February 2013 in Manila. The Philippines also maintains close cooperation with Japan on disaster response.
- During the President's State Visit to New Zealand on 22-23 October 2012, a bilateral agreement providing a framework on defense cooperation was signed by the defense ministers. This covers consultations between defense officials, education and capacity building, training activities and information exchange.

- The Philippines and China have existing mechanisms for defense cooperation which are actively implemented. The 4th Philippines-China Defense and Security Dialogue was held at the end of April 2013.
- The Philippines and India are exploring ways to enhance bilateral defense cooperation. In January 2012, the Philippines and India held the inaugural bilateral Joint Defense Cooperation Commission in Manila on 18 January 2012.

Under the ADMM, Defense Ministers signed the Joint Declaration of the ADMM on enhancing Unity for a Harmonized and Secure Community during the 6th ADMM in May 2012 to reaffirm the commitment of the ASEAN Member states to fully and effectively implement the 2002 Declaration on the Conduct of Parties to the South China Sea (DOC) and work towards a regional Conduct of parties to the South China (COC), among others.

The Philippines continues to support the initiatives of fellow ADMM members, including the ASEAN Defense Establishments and Civil Society Organizations (CSOs) Cooperation on Non-Traditional Security by Thailand, the Establishment of ASEAN Peacekeeping Centre Network by Indonesia, and the ASEAN Defense Industry Collaboration (ADIC) by Malaysia.

The Philippines also supported the development of an ADMM Website and provided the ASEAN Secretariat financial contribution for developing the website, which is for promoting transparency.

### III. NATIONAL CONTRIBUTION TO REGIONAL SECURITY

#### a. Non-proliferation, Counter-proliferation, Arms Control and Disarmament

The Philippines continues to play an active role in the Treaty on the Non-Proliferation of Nuclear Weapons (NPT). During the Philippine presidency of the 2010 NPT Review Conference, a 64-point Action Plan on the treaty's three pillars of disarmament, non-proliferation, and peaceful uses of nuclear energy was adopted.

Together with other ASEAN countries, the Philippines looks forward to the accession of the Nuclear Weapon States to the Protocol of the Treaty on the Southeast Asia Nuclear Weapon-Free Zone (SEANWFZ).

#### *(1) The Global Initiative to Combat Nuclear Terrorism (GICNT)*

Following up on its active engagement in the GICNT since it became a full member in 2010, the Philippines continued to participate in and contribute to the Initiative's efforts in 2013. The country was represented in the February 2013 Mid-Year Meeting of the GICNT Implementation and Assessment Group (IAG) in Madrid, Spain, where progress on the previously agreed-upon work programs were discussed. Attended by over 200 experts from GICNT countries, the meeting provided another excellent avenue for sharing ideas and best practices, and for enhancing cooperation in combating nuclear terrorism. Preparations are underway for the country's participation in the GICNT IAG and Plenary Meeting to be held in May 2013 in Mexico City.

## *(2) G8 Global Partnership Initiative*

The Philippines is currently taking steps towards becoming the first ASEAN Member State to join the G8 Global Partnership Against the Spread of Weapons and Materials of Mass Destruction (GP). The partnership is currently composed of 26 members, including the U.S., Western and Eastern European countries and only two Asian countries.

The GP, formed in 2002 during the G8 Summit, aims to promote security by addressing the proliferation of Weapons of Mass Destruction (WMD) through work on nuclear and radiological security, biological security, engagement of scientists with WMD-relevant expertise, and facilitating the implementation of UN Security Council 1540.

Looking to expand its membership, the GP opened its ranks to the possible entry of the Philippines, considering the latter's leading role in disarmament. An initial expression of interest by the Philippines was met with support from GP Member States, and the country subsequently participated in its first meeting with the GP Working Group in London on February 2013.

## *(3) Hosting of Regional Events*

As current co-chair with Australia and Japan of the ARF Inter-Sessional Meeting on Non-Proliferation and Disarmament (ISM on NPD), the Philippines hosted the 5th ARF ISM-NPD on 4-5 June 2013, which focused on peaceful uses of nuclear energy and technology. Work on the peaceful uses of nuclear technology is one of three priorities under the ARF NPD Work Plan, along with non-proliferation and disarmament.

The Philippines, together with the International Atomic Energy Agency (IAEA), also hosted a Regional Workshop on Effective Border Coordination among Asia-Pacific and Middle East States held in Manila from 20-22 February 2013.

## **b. Counter-Terrorism and Transnational Crime**

The Philippine counter-terrorism strategy adopts a "whole-of-government" and "whole-of-nation" approach. The National Anti-Terrorism Strategy recognizes that the fight against terrorism requires a comprehensive approach, comprising political, economic, diplomatic, military and legal means; and collaboration of the entire government machinery with the private sector and local communities. It also recognizes that a terrorist threat is a common concern among nations and thus, cooperation with other governments and international organizations is beneficial to protecting the Philippines and its national interests.

The Philippines actively participates in multilateral, regional and bilateral efforts to counter terrorism. The Philippines strongly supports the United Nations Global Counter Terrorism Strategy and UN Security Council Resolutions.

With the entry into force of the ASEAN Convention on Counter-Terrorism in January 2013, having now been ratified by all ASEAN Member States, the Philippines looks forward to a more vigorous regional campaign against terrorism. The Philippines actively participates in discussions to implement the ASEAN Comprehensive Plan of Action on Counter-Terrorism.

The threat emanating from domestic terrorists has been significantly diminished as a result of the government's counter-terrorism program. Counter-terrorism operations have successfully neutralized key leaders of the Abu Sayyaf Group (ASG) as well as support for the group. In 2012, the Philippines neutralized Jemaah Islamiyah (JI) leaders known to have caused much destruction and suffering, not only in the Philippines, but in other parts of the region as well. Most noteworthy are the neutralization of Ibnu Gholib al-Jitli, Noor Fikrie Kahar, and Umbra Jumdail one of the founding members of ASG.

*(1) Work to Address Chemical, Biological, Radiological and Nuclear (CBRN) Threats*

The Philippines attaches importance to strengthening implementation of relevant international conventions and has been actively enhancing biosecurity and biosafety cooperation in the Asia-Pacific region.

The Philippines, in partnership with Australia and the United States, has hosted annual workshops within the ambit of the ASEAN Regional Forum (ARF) on the themes of Biological Threat Reduction, Bio-risk Management, Disease Surveillance and Detection, Preparedness and Response from 2009-2012. These workshops brought together vital stakeholders such as biosafety professionals, medical and veterinary practitioners and policymakers.

During the ARF Workshop on Preparedness and Response to a Biological Event held in Manila on 5-7 September 2012, participants shared their views on possible steps for advancing work on biological issues under the Work Plan for Counter-Terrorism and Transnational Crime and agreed to work on

the development of an ARF Best-Practices Document on Preparedness and Response to a Biological Event.

The Philippines likewise hosts the new CBRN Centre of Excellence (CoE) Regional Secretariat for Southeast Asia, launched on 06 March 2013 in Manila. The CoE is a joint initiative of the United Nations Interregional Crime and Justice Research Institute (UNICRI) and the European Union (EU) that aims for greater information sharing and coordinating activities on CBRN. The Philippines Anti-Terrorism Council (ATC) is the lead agency on matters regarding the initiative.

*(2) Efforts to Combat Trafficking in Persons (TIP)*

Combating trafficking in persons, especially women and children, remains a top priority of the Government. International partners have acknowledged national progress in terms of more effective prosecution of perpetrators and provision of assistance to victims of trafficking.

In February 2013, the Philippines adopted an expanded Anti-Trafficking in Persons Act, or Republic Act 10364, which provides for strengthened prosecution against those who engage or attempt to engage in human trafficking, as well as enhances the protection of victims of trafficking in persons.

At the level of the United Nations, the Philippines sponsors UN General Assembly and Human Rights Council resolutions on combating trafficking in persons, especially women and children.

As the lead agency representing the Philippines in the ASEAN Ministerial Meeting on Transnational Crime (AMMTC) and ASEAN Senior Officials' Meeting on Transnational

Crime (SOMTC), the Philippine Center on Transnational Crime (PCTC) hosted an Experts' Working Group Meeting to discuss and craft the ASEAN Convention on Trafficking in Persons and its Regional Plan of Action (EWG on ACTIP and RPA) in on 25-26 April 2013.

The Philippines strongly supports the development of an ASEAN Convention Against Trafficking in Persons, Especially Women and Children, as well as a Regional Plan of Action to Combat Trafficking in Persons.

### *(3) Measures Against Terrorist Financing*

To help curb the activities of terrorists and other major players involved in illegal finance activities, President Aquino signed into law bills aimed at suppressing terrorist funding in 2012. In February 2013, the Philippine Congress also approved amendments strengthening the country's Anti-Money Laundering Act (AMLA). That law, Republic Act 10365, was signed by President Aquino on 15 February 2013.

The fortified law expands the list of punishable predicate crimes of money laundering to include terrorism and conspiracy to commit terrorism, bribery, fraud, malversation of public funds, and violations of various social and environmental protection laws. The new law also requires real estate dealers and jewelry and dealers in precious stones and metals, among others to report any suspicious transactions.

### *(4) Mutual Legal Assistance Treaties and Other Agreements Supporting Cooperation in Combating Transnational Crime*

The Philippines has mutual legal assistance treaties with China and Australia. These support cooperative efforts in combating transnational crime.

The Philippines has existing bilateral agreements on combating transnational crime with Australia, China, Indonesia and New Zealand. Among the most recent agreements is the Memorandum of Understanding between the Philippine National Police and Australian Federal Police on Combating Transnational Crime and Developing Police Cooperation signed in Canberra on 2 October 2012.

The Philippines is currently negotiating agreements on combating transnational crimes with other Asia and Pacific countries.

### **c. Humanitarian Assistance and Disaster Relief**

The Philippines has ratified the agreement establishing the ASEAN Coordinating Centre for Humanitarian Assistance on Disaster Management (AHA Centre), the ASEAN Agreement on Disaster Management and Emergency Response (AADMER), and the ASEAN Plus Three Emergency Rice Reserve Agreement.

The Philippines, through DND and OCD, actively supports regional frameworks for humanitarian assistance and disaster relief cooperation, namely the flagship projects for Phase One (2010-2012) of the AADMER Work Program, including those on preparedness and response; risk assessment, early warning and monitoring; prevention and mitigation; recovery; outreach and mainstreaming; and training and knowledge management systems.

The Philippines also upholds the principles under the Hyogo Framework for Action 2005-2015 and fully commits itself to building the resilience of communities to disasters. The

Philippines works closely with ASEAN and the international community in building adaptive capacities and actions against climate change.

When Typhoon Bopha hit the Philippines in December 2012, causing widespread destruction and displacement, the Philippine Government took immediate steps to address the humanitarian situation, and developed the "Typhoon Bopha Action Plan for Recovery." With the support of international partners, the Philippines is continually enhancing its national capacity to respond effectively to natural disasters. The UN Office for Disaster Reduction (UNISDR) has praised the improved performance of early warning systems in the Philippines.

#### **d. Maritime Security**

As tensions and challenges in the South China Sea continue, cooperative platforms for confidence-building and enhancement of mutual trust in the region are very important, and the Philippines has sought to contribute constructively to these efforts.

##### *(1) Addressing Sea Piracy*

During the Track-1.5 3rd ASEAN Maritime Forum (AMF) in Manila on 3-4 October 2012, the ASEAN Member States discussed various cross-cutting maritime issues in ASEAN, including on maritime security and cooperation, maintaining freedom and safety of navigation and addressing sea piracy, and protecting the marine environment and promoting eco-tourism and fishery regimes in East Asia. Experts from different sectors dealing with cross-cutting maritime issues were invited to provide information and share their views on these issues.

Discussions on the 1982 United Nations Convention on the Law of the Sea (UNCLOS), infrastructure and equipment upgrading, seafarers' training and protecting the marine environment ensued with East Asia Summit countries during the 1st Expanded ASEAN Maritime Forum (EAMF) in Manila on 5 October 2012, convened back-to-back with the 3rd AMF.

A proposal for an Expanded ASEAN Seafarers' Training (EAST) program was tabled by the U.S. during the 1st EAMF. EAST envisions a series of training seminars, workshops and events to promote cooperation in the field of training and education of civilian maritime personnel, initially on counter-piracy training for civilian mariners. It is also intended to support the work of the International Maritime Organization and the Contact Group on Piracy off the Coast of Somalia (CGPCS).

To further support regional and global efforts in countering piracy, the Philippines has also deployed an AFP Liaison Officer (AFPLO) to the Combined Maritime Forces (CMF) in Manama, Bahrain. The AFPLO may soon be posted to the CMF Headquarters to serve as the Philippine Representative to the CMF, in order to fully participate in the organization's activities and contribute more meaningfully to counter-piracy initiatives in safeguarding shipping lanes and seafarers.

##### *(2) Border Security*

Recognizing the need for a comprehensive approach in addressing maritime security issues, the Philippines has instituted a National Coast Watch System (NCWS), which is envisioned to be a reliable system for information gathering and information sharing among Philippine maritime agencies.

In addition, the Philippines also engages neighboring countries such as Indonesia and Malaysia in undertaking joint border patrols to combat maritime crimes. The Philippines' Border Cooperation and Border Crossing Agreements with Indonesia and its Agreement on Anti-Smuggling Cooperation with Malaysia provide the frameworks for engagement in addressing illegal activities in the area, such as hijacking, smuggling, theft of maritime resources and trafficking in persons, among others.

In November 2012, the Philippines and Indonesia held boundary delimitation talks with the view that consensus on their respective boundaries will lead to more cooperative undertakings in border control and joint border patrolling. The Philippines also held consultations with Japan on 17 April 2013 on delimitation of projected overlapping exclusive economic zones (EEZ) in the northeastern quadrant of the Philippines. The meeting was a follow-up to the 2nd Philippine-Japan Dialogue on Maritime and Oceanic Affairs on 22 February 2013.

The Philippines hosted an Informal Meeting of Defense Ministers with Malaysia and Indonesia which exchanged views on promoting confidence building measures and identifying possible areas of cooperation.

### *(3) Contributions to UN Peacekeeping Operations*

#### **EWG on Peacekeeping Operations (PKO)**

The Philippines actively participates in UN Peacekeeping Missions. As of 31 March 2013, the Philippines has a total of 738 police, military and civilian personnel

on such missions. The Philippines ranks 3rd in Southeast Asia and 30th overall in terms of contribution of personnel to UN peacekeeping operations.

Representatives from the Philippines' AFP Peacekeeping Operations Center (AFP PKOC) attended the 5th ASEAN Regional Forum (ARF) Peacekeeping Experts' Meeting in Ulaanbaatar, Mongolia on 23-24 May 2012. Such an engagement was complementary to the efforts of the PKOC to develop its peacekeeping capabilities as the AFP is an active troop contributor to the United Nations Peacekeeping Efforts.

Under the ADMM-Plus, the Philippines co-chairs the Experts' Working Group (EWG) on Peacekeeping Operations with New Zealand. Since the establishment of the EWG in 2011, four (4) meetings have been convened and three (3) activities were conducted: a seminar on the legal and policy considerations in the conduct of PKO (Wellington, New Zealand, 21-23 November 2011), a Regional Capabilities Workshop on PKO (Manila, 26-28 June 2012), and a Regional Workshop on Operational Challenges Facing UN PKO (Bogor, Indonesia, 5-9 September 2012).

The next activity of the EWG will be a workshop on Force Generation that will be held in Wellington, New Zealand in April 2013. The workshop will focus on analyzing the mandates of UN PKOs and exchanging views on the protection of civilians, use of force, and training. In addition, the Philippines is currently preparing to host a Table Top Exercise on PKO in 2014.

#### **IV. ROLE OF THE ARF**

The Philippines continues to view the ARF as a vital venue for dialogue on the region's most pressing political and security concerns. At the same time, a practical synergy with other ASEAN-led mechanisms such as the ASEAN Plus Three (APT), ASEAN Defense Ministers' Meeting Plus (ADMM+), the ASEAN Regional Forum (ARF) and East Asia Summit (EAS) – all where security matters have come to the fore in discussions – must be cultivated to avoid duplication of efforts and ensure that ASEAN will remain the central driving force behind the evolving regional security architecture.



# REPUBLIC OF KOREA

## I. OVERVIEW OF THE REGIONAL SECURITY ENVIRONMENT

### a. North Korea's Nuclear Issue

North Korea's nuclear program is a matter of grave concern for the international community. It seriously threatens the peace and security of the Korean Peninsula and Northeast Asia and undermines the international non-proliferation regime.

In April 2012, North Korea newly stated in the preamble of its constitution that it has become a nuclear state. On August 31, the North Korean Foreign Ministry went on to release a memorandum claiming it will "modernize and expand its nuclear deterrent capability beyond the imagination of the U.S." Through a series of such actions, North Korea's pursuit of nuclear weapons has become even more explicit.

In April and December 2012, North Korea launched long-range missiles, defying the warnings of the international community. The launches were clear violations of the UN Security Council Resolutions 1718 and 1874, both of which prohibit the conducting of any launch using ballistic missile technology.

In response to North Korea's launch in December, the UN Security Council unanimously adopted Resolution 2087 in January 2013, which condemned the launch and reiterated North Korea's obligation to abandon all nuclear weapons and existing nuclear programs.

In spite of the newly adopted resolution, North Korea went further and conducted its third nuclear test on February 12, 2013. The nuclear test and missile launches were seen by many as North Korea's attempt to

consolidate its newly established leadership, upgrade its WMD capabilities, and seize control over the situation by aggravating tension on the Korean Peninsula, especially during the political transition period of neighboring countries.

Resolution 2094, passed by the UN Security Council in March 2013 in response to the nuclear test, imposed strong, additional sanctions on North Korea, demonstrating to the North that there will be consequences for its continued violation of international obligations.

The international community will under no circumstances acknowledge North Korea as a nuclear state. Also, North Korea will no longer be able to repeat its past pattern of gaining concessions from the international community with threats and provocations while evading its obligations. However, a different path remains open to North Korea if it refrains from taking provocative actions and complies with its international obligations and commitments under the 2005 Joint Statement of the Six-Party Talks and relevant UN Security Council Resolutions.

The ROK government will continue on with its two-track approach toward North Korea. It will respond resolutely against North Korea's provocations and wrongdoings, but remain open to genuine dialogue if the North chooses to take a different path. The ROK government will continue to make efforts to create a favorable atmosphere for the resumption of negotiations among the six parties, with the aim of resolving the North Korean nuclear issue in a fundamental and comprehensive manner.

## **b. The Korean Peninsula**

In addition to the development of WMD programs, North Korea's conventional provocations also pose a grave threat to peace and stability on the Korean Peninsula and Northeast Asia. For example, in 2010, North Korea committed an armed attack against the ROK naval ship Cheonan, and conducted artillery shelling on the ROK's Yeonpyeong Island. Faced with such serious threat to its national security, the ROK government called upon the North to take responsible measures for its military provocations and to make a commitment to refrain from further provocative acts. However, North Korea denied any responsibility for the attack against the ship Cheonan and rather blamed the ROK government for the shelling of Yeonpyeong Island.

Since the North Korean leader Kim Jong-il's sudden death on December 17, 2011, and the following succession of leadership by his son, Kim Jong-un, North Korea has continued to make verbal attacks against the ROK government, escalating tensions on the Peninsula. The ROK government has responded to these provocative threats by North Korea in a calm and resolute manner, through close consultations with the U.S., China, and other neighbors. In 2013, North Korea has repeatedly issued provocative threats to the ROK and even heightened the level of tension on the Peninsula, on the excuse of the adoption of UNSC resolutions 2087 and 2094, and the ROK-U.S. joint military exercise. North Korea announced the nullification of the 1953 Korean War Armistice Agreement and the abrogation of the Agreements on Non-aggression between the two Koreas on March 5 and 8, respectively. After declaring the entry into "state of war" on March 30, North Korea threatened diplomatic missions

and international organizations in Pyongyang on April 5 that it could not guarantee their safety in the event of armed conflict, and warned foreigners in the ROK to prepare for evacuation on April 9. North Korea even suspended the operation of the Gaeseong Industrial Complex, the symbol of inter-Korean reconciliation and cooperation, by prohibiting the entry of South Korean workers into the GIC on April 3, unilaterally withdrawing North Korean workers on April 8, and rejecting the ROK government's proposal to resolve the problem regarding the GIC through dialogue on April 26.

The ROK government placed top priority on the maintenance of peace and stability on the Peninsula, and is continuing its efforts to deter any further provocations from North Korea through collaboration with related countries. The ROK government will respond to any provocation by North Korea in a swift and resolute manner, and work closely with the international community to urge North Korea to make the right choice and become a responsible member of the international community.

## **II. NATIONAL SECURITY AND DEFENSE POLICY**

### **a. National Defense Objective**

The ROK's National Defense Objective is 'to protect the country from external military threats and invasions, to support peaceful reunification, and to contribute to regional stability and world peace.' The specific interpretation of the objective is as follows.

First, 'protecting the country from external military threats and invasions' means being prepared to meet North Korea's real military

threats while being poised to meet potential threats to peace and security at the same time. North Korea poses a serious threat to the ROK's national security by developing and increasing its large scale conventional military power, nuclear program, missiles, and other weapons of mass destruction, and by continuing acts of armed provocation such as the armed attack against the ROK naval ship Cheonan and the shelling of Yeonpyeong Island in 2010. As long as such threats persist, the North Korean regime and its armed forces are enemies to the ROK.

Second, 'supporting peaceful reunification' means contributing to a peaceful reunification by deterring war, alleviating military tensions, and establishing peace on the Korean Peninsula.

Third, 'contributing to regional stability and world peace' means contributing to the stability of Northeast Asia and world peace by advancing friendly and cooperative relationships with neighboring countries, and by actively participating in international peacekeeping efforts.

### **b. Tenets of the National Defense Policy**

The ROK military has adopted the 'Advanced Elite Military' as its vision to achieve the national security and defense objective. To this end, the ROK military has identified the following eight policy tenets: (1) establish a defense posture for comprehensive security, (2) strengthen the ROK-US military alliance and expanding defense diplomacy and cooperation, (3) provide military support for the improvement of inter-Korean relations, (4) bolster advanced military capabilities, (5) nurture highly qualified military personnel and improving military training and education, (6)

enhance efficiency in military management, (7) foster an attractive and rewarding military and (8) strive to become a defense force that serves the people.

### **c. Pursuing Three Priority Policies**

North Korea poses threats to our security with direct and reckless provocations such as the armed attack against the ROK naval ship Cheonan and the shelling of Yeonpyeong Island in 2010 as well as the launching of a long-range missile in 2012. Acknowledging the reality of the national security situation, the ROK military has identified the following three priority policies: maintain an immediate and resolute retaliation posture against an enemy's provocations, develop an elite and combat mission-oriented military, and improve the working conditions for service members.

#### *(1) Maintaining an Immediate and Resolute Retaliation Posture against an Enemy's Provocations*

The armed attack against the ROK naval ship Cheonan and the shelling of Yeonpyeong Island in 2010 were unequivocal reminders that the ROK military needs to retaliate immediately and resolutely against an enemy's provocations. In the future, the ROK military will decisively strike not only the origin of the provocations, but also the command and support forces behind the acts.

To this end, the ROK military is not only reinforcing its surveillance, target acquisition, and 'precision strike' capabilities in the Northwest Islands and the surrounding area, but is also significantly strengthening its 'immediate retaliation forces' including air

defense and anti-missile defense capabilities, as well as airborne and standby forces.

In June 2011, the ROK military established the Northwest Islands Defense Command and fortified its defense postures by constructing K-9 encampments, helicopter hangars and vehicle shelters. In addition, in order to guarantee and protect the safety and lives of civilians in the region, the ROK military is reinforcing evacuation centers and improving capacity to withstand provocations. Moreover, it continues to develop the 'Counter-Provocation Plan' so that the ROK and the United States can jointly respond to local provocations.

In response to the enemy's threat to the ROK's rear areas, the ROK military is strengthening the defense of key facilities in close cooperation with civil, government, and police authorities. Furthermore, in response to cyber threats and other forms of terrorism, the ROK military is sharing intelligence with relevant agencies as well as establishing a multi-layered defense system.

The ROK military is conducting field training exercises based on most likely provocation scenarios as well as realistic and intense exercises designed to increase the proficiency of immediate responses to all forms of provocations.

### *(2) Developing an Advanced, Combat Mission-Oriented Military*

The ROK military is developing into an advanced, combat and mission-oriented military, capable of conducting peacetime and wartime missions. To this end, the ROK military is laying the foundations for combat mission-oriented military as well as establishing a training and education system

to cultivate competent cadres and warrior-minded soldiers. Moreover, it is streamlining its military personnel operations and management system.

First, the ROK military is operating its units by focusing on combat missions in order to foster a combat mission-oriented military. By drastically reducing administrative duties of service members, they are provided sufficient training and education time which in turn creates an environment and culture where their way of life can be concentrated on combat missions.

Second, the ROK military is revising its education system in order to cultivate outstanding cadres who possess expertise and understanding of jointness which are the key characteristics of a combat-oriented military. In order to increase military occupational specialties, the military education system is being improved for better linkage between principles and field missions, and is being carried out in the form of realistic training and education corresponding to wartime scenarios. Furthermore, in order to strengthen the basis for jointness, the ROK military established the Joint Forces Military University and designed a joint education program for first-year cadets of the Army, Navy, and Air Force Academies.

Third, in order to develop a combat mission-oriented military, the ROK military is nurturing strong service members and units capable of immediately demonstrating their capabilities. To this end, the ROK military is improving training and education programs and introducing combat capability certification programs. Moreover, in order to promote unit exercises aimed at combat tactics, training curriculums place emphasis

on gaining key combat skills and proficiency through repetition.

Fourth, the ROK military is developing an effective recruitment system to enlist competent service members and making efforts to establish a cadres-led military to fully utilize their expertise. It is also streamlining its personnel management system to utilize appropriate human resources at the right place and time.

### *(3) Improving the Working Conditions for Service Members*

The Ministry of National Defense (MND) is improving the working conditions of service members so that they can fully concentrate on combat missions. To this end, the MND has selected the enhancement of military welfare conditions, modernization of military facilities, innovation in the military medical system, advancement of military culture, and the guarantee of productive military working conditions as key implementation tasks.

First, a comprehensive welfare policy is under implementation based on 'The Basic Plan for Military Personnel Welfare,' designed to enhance the welfare and morale of service members. The payroll system of military personnel has been revised to better reflect their rank, mission, and service environment while various allowances and benefits are either being provided or increased. Additionally, the Ministry is improving its post-military job training for cadres scheduled to leave active duty while developing and expanding future job opportunities for departing military personnel after the completion of military duty.

Second, the Ministry of National Defense is improving and modernizing its outdated or

inefficient facilities to guarantee a convenient environment for military service. The modernization of military barracks in particular aims to reduce the discrepancy between military barracks and the average conditions of civilians' living environments.

Third, the Ministry of National Defense is reforming the military medical system. To this end, disease prevention systems are being upgraded and medical support for division level units and below are being improved. Cooperation with civilian medical services is also being enhanced through a strategic cooperation network. Improving the quality of medical services for battalions, regiments, and divisions is an initiative on which the Ministry of National Defense places great emphasis. As part of this project, the Ministry has simplified the existing multi-layered medical treatment system into a two-step treatment system (battalion/regiment – division), thereby expediting the treatment time. Moreover, the Ministry has assigned additional medical specialists to divisional medical facilities, expanded the scope of medical examinations, and provided step-by-step, tailored medical services.

Fourth, the Ministry of National Defense is making efforts to cultivate an advanced military culture. To this end, the Ministry formulated the 'Code of Conduct for Military Life.' Based on this code, each service member makes an effort to create a 'wave' to eradicate ineffective customs by gathering opinions and ideas, and holding discussions in order to foster an environment conducive to communication at all unit levels. Moreover, the Ministry is revising relevant laws and regulations to establish a framework to further protect individual rights of service members while also improving education programs on individual rights.

Fifth, the Ministry of National Defense is implementing a variety of policies designed to ensure productive military working conditions. The Ministry is trying to provide a service environment where service members are able to prepare for post-military lives while remaining committed to their tasks. The MND is also providing educational opportunities that allow service members to continue earning academic credits they pursued prior to entering the military, prepare for the General Educational Development Test, and take advantage of e-contents and other learning opportunities. Furthermore, the Ministry is assisting service members in obtaining national skill certifications by providing education and practical training. It is also developing an 'Academic Credit Recognition system' designed to have the service members' education and training experience from the military recognized by academic institutions after they are discharged from the military.

#### **d. Data contribution to ARF Arms Register (as of 2012)**

##### **Total defense expenditure on annual basis**

1. Defense expenditure: 29.00 billion USD
2. Defense expenditure as a percentage of Gross Domestic Product (GDP): 2.52 %
3. Defense expenditure per capita: 593 USD

### **III. NATIONAL CONTRIBUTIONS TO REGIONAL SECURITY**

#### **a. Counter-terrorism**

The Republic of Korea (ROK) holds the position that any kind of terrorism will not be tolerated

or justified under any circumstances. The ROK is actively participating in the collective efforts of the international community to fight terrorism, while strengthening its own counter-terrorism capacity.

The ROK is a party to twelve out of sixteen conventions and protocols on counter-terrorism, and is currently in the process of ratifying the "International Convention for the Suppression of Acts of Nuclear Terrorism" and the "Amendments to the Convention on the Physical Protection of Nuclear Material." Moreover, the ROK has been fully implementing the UN resolutions on counter-terrorism by imposing sanctions against individuals and entities designated by the Al-Qaeda/Taliban Sanctions Committee.

And the ROK held bilateral or trilateral consultations on counter-terrorism with Japan, China, Russia, India, Brazil, Mexico, the United Arab Emirates (UAE) and the Netherlands in 2012.

#### **b. Non-proliferation, Counter-proliferation, Arms Control and Disarmament**

The proliferation of weapons of mass destruction (WMDs) and their means of delivery pose growing threats to international peace and security, which requires the concerted efforts of the international community. Faced with the DPRK nuclear issue, the Government of the Republic of Korea has been a strong supporter of global efforts to strengthen the international non-proliferation regime. Particularly, the ROK welcomes the success of the 8th NPT Review Conference in May 2010, where the country contributed to the efforts to adopt the final document as the Vice-President of the Conference. The Second

Preparatory Committee for the 2015 NPT Review Conference was held in Geneva from April 22 to May 3 in 2013. The ROK actively participated in the discussions to fully and effectively implement the outcomes of the 2010 NPT Review Conference and to further strengthen the NPT and the global non-proliferation regime. Through the NPT Review Process, the ROK will continue to urge the DPRK to abandon all its nuclear programs, while reaffirming in accordance with the NPT that the DPRK cannot achieve the status of a nuclear-weapon state in any case.

Since January 1, 2013, the ROK has chaired the UN Security Council 1540 Committee. The UN Security Council resolution 1540, which was unanimously adopted in April 2004 under Chapter VII of the UN Charter, obliges all states to prevent the proliferation of weapons of mass destruction to non-state actors such as terrorists. As the Chair of the 1540 Committee, the ROK will steer the efforts by the global community to strengthen the global nonproliferation regime and to prevent weapons of mass destruction and related materials from falling into the wrong hands.

The ROK hosted the 2012 Seoul Nuclear Security Summit from March 26 to 27, 2012. The Seoul Summit contributed to the global vision of 'a world without nuclear weapons' by presenting a set of comprehensive and concrete action measures to combat nuclear and radiological terrorism. At the Summit, 53 participating states have set forth over 100 individual pledges to strengthen nuclear security in their countries and worldwide. Based on the success of the Seoul Summit, the ROK will make meaningful contribution to the third Nuclear Security Summit to be held in the Netherlands in March 2014.

The ROK joined the Proliferation Security Initiative (PSI) in May 2009 and became a member of the Operational Experts Group (OEG) of the PSI in November 2010. In September 2012, Korea hosted the OEG meeting in Seoul along with the maritime exercise, code-named Eastern Endeavor 12, in the high seas near Busan. It was the second time for the country to host the PSI exercise after the first in 2010. As the year 2013 marks the tenth anniversary of the inception of the PSI, the Korean Government will continue to contribute to international efforts in strengthening the PSI.

The ROK hosted the Plenary Meeting of Global Initiative to Combat Nuclear Terrorism (GICNT) in Daejeon in June 2011. As the Coordinator of the Implementation Assessment Group of the GICNT for the 2013-14 period, the ROK will play its part to strengthen global capacity to prevent, detect, and respond to nuclear terrorism. Since 2004, the Korean Government has contributed more than 10 million USD to the Global Partnership against the Spread of Weapons and Materials of Mass Destructions. Korea's contributions include the dismantlement of Russian nuclear submarines, the installation of border radiation detection facilities in Ukraine and Kazakhstan, and the enhancement of security in Afghanistan's bioscience laboratories.

The ROK has been annually co-hosting the ROK-United Nations Joint Conference on Disarmament and Non-proliferation Issues since 2002. At the 11th Conference held on Jeju Island in December 2012, 45 disarmament and nonproliferation experts, including Ambassador Roberto Garcia Moritan, the then Chairman of the 2012 UN Conference on the Arms Trade Treaty, and Angela Kane, High Representative for Disarmament Affairs of the UN. There was a constructive exchange

of views under the topic of “Disarmament and Non-proliferation in Asia and Beyond: Conventional Weapons and Missiles.”

### **c. Transnational Crime**

The ROK attaches great importance to the further consolidation and strengthening of regional cooperation in combating transnational crime. Furthermore, the ROK has keen interest in appropriately addressing cyber security in the region as it has been the target of several major cyber attacks in recent years. The ROK hosted the ARF Seminar on ‘Confidence-Building Measures in Cyberspace’ in September 2012, where participants shared their concerns on cyber threats as potential sources of conflict.

This year, the ROK will host the Seoul Conference on Cyberspace on October 17-18. The Seoul Conference aims to seek common ground and understanding on cyberspace along with related, multi-faceted aspects in society, economy, security, and international politics. The conference is expected to bring together multi-stakeholders and resume discussions to set the agenda for the establishment of a secure, resilient, and trusted global digital environment.

### **d. Humanitarian Assistance and Disaster Relief**

According to the Asia-Pacific Disaster Report 2012 published by ESCAP and UNISDR, disaster risks in the Asia-Pacific region have increased, with the average number of people exposed to annual flooding in Asia doubling to 68 million over the last 40 years. Amid these growing risks, the Republic of Korea is actively contributing to regional and

international efforts. It is providing disaster relief by financially supporting disaster and conflict-stricken countries, and assisting emergency response efforts of the UN and capacity-building activities in disaster management.

With the goal of providing timely and effective assistance for overseas disaster relief efforts, the ROK contributed approximately 11.5 million USD to 31 disaster and conflict-stricken countries through bilateral and multilateral channels in 2012. In particular, the Korean government donated 1.85 million USD in total to ARF member states including Myanmar, the Philippines, China and Papua New Guinea.

As a proactive supporter of the region-wide disaster management arrangements, the ROK Government has been committed to disaster relief cooperation in the region by partaking in diverse approaches. In line with such efforts, the ROK and Thailand co-hosted the ASEAN Regional Forum Disaster Relief Exercise (ARF DiREx) 2013, the civil-military joint operation designed to boost regional capacity in dealing with disasters, in which 28 states\* and 8 international and regional organizations ASEAN, UNOCHA, AHA Centre, WHO, WFP, IFRC/ICRC, TCS (Trilateral Cooperation Secretariat), and Mercy Malaysia participated. \* 4 individual EU member states included.

The ROK has been actively engaging in humanitarian assistance at the international level. It has been donating to the Central Emergency Response Fund (CERF) since its inception in 2006. In 2012, it contributed 4 million USD to CERF and 2.7 million to the Consolidated Appeals Process (CAP). It is currently a member of the UNOCHA Donor Support Group (ODSG) and the Good



Humanitarian Donorship (GHD). The ROK will continue to join international efforts to help resolve urgent and chronic humanitarian crises.

### **e. Maritime Security**

With regard to combating piracy off the coast of Somalia, the ROK acted as one of the co-sponsors to the five relevant UNSC resolutions from 2008 to 2009. The ROK is also one of the 24 founding members of the Contact Group on Piracy off the Coast of Somalia (CGPCS), and chaired the 7th CGPCS meeting in November 2010. In 2012, the ROK took the lead in the common efforts to tackle Somali piracy by taking on the chairmanship of the CGPCS Working Group 3, which mainly discusses self-defense measures of vessels. As the chair state, the ROK has experience in holding the 6th CGPCS Working Group 3 meeting in London on September 25 and extended the discussions to include the promotion of BMP implementation, relevant use of PCASP and PMSC, and the improvement of welfare for seafarers victimized by Somali pirates. Moreover, the ROK is operating the official website of the CGPCS as a platform for communication among the CGPCS participants and raising public awareness on piracy issues. Also, the ROK pledged 500,000 USD to the CGPCS Trust Fund and provided 100,000 USD to the Fund in 2010. It provided 300,000 USD to the IMO Djibouti Code Trust Fund until 2009 in support of regional capacity-building.

The ROK also contributed 273,500 USD to the UNDP for the stabilizing of Somalia in 2011. In addition, the ROK has dispatched the Cheonghae Anti-Piracy Unit which is comprised of a sophisticated destroyer to the Gulf of Aden since March 2009. The

Cheonghae unit has been actively conducting convoy missions in the Combined Task Force (CTF) 151, a multinational naval task force to counter piracy under the command of the Combined Maritime Forces (CMF). It also served as a commander of the CTF-151 from April to August in 2012.

On the Straits of Malacca and Singapore, the ROK has been contributing its annual technical cooperation fund of 100 million Won (approximately 90,000 USD) to the ReCAAP Information-Sharing Center (ISC) since April 2008 and is planning to increase its donation in 2013.

The ROK is the co-chair of the ARF Inter-Sessional Meeting on Maritime Security (ISM on MS) with the US and Indonesia for the 2012-14 term. In April 2013, the ROK hosted the 5th ISM-MS, in which participants discussed the selection of lead countries in priority areas according to the Maritime Security Work Plan, and shared practices and efforts regarding civil maritime law enforcement, the implementation of the International Ship and Port Security (ISPS) code, and the protection of the maritime environment.

## **IV. ROLE OF THE ARF**

### **a. National contributions to enhancing the ARF and regional security**

The ROK participated in various ARF initiatives during the inter-sessional year of 2012-2013 including its participation in every Inter-Sessional meeting. The ROK is one of the Co-Chairs of the Inter-Sessional Meeting on Maritime Security (ISM on MS) with the United States and Indonesia for the 2012-14 term and hosted the 5th ISM on MS in Seoul in April 2013.

The ROK is committed to joining the ARF's efforts to foster confidence-building measures, and move towards preventive diplomacy and conflict resolution. Along with Thailand, the ROK co-hosted the 3rd ARF Disaster Relief Exercises held from May 7 to 11, 2013 in Cha-Am and Huahin, Thailand. The DiREx was an exemplary case of action-oriented cooperation within the ARF, bringing together over 1,600 participants from 28 countries and eight international organizations. The ROK also hosted the ARF Seminar on Confidence-building measures on cyberspace in September 2012, where participants shared their concerns on cyber threats as potential sources of conflict.

## **b. Future of the ARF**

As a unique inter-governmental forum for multilateral security in the Asia-Pacific region, the ARF continues to play an essential role in promoting peace and stability in the region. Since its establishment in 1994, the ARF has facilitated dialogues among many different countries by providing them with opportunities to freely exchange their views on various security issues. Such discussions have enabled ARF participants to enhance familiarity and reduce potential tension, and have thus led them to a higher level of trust and confidence on traditional security issues. In the meantime, the ARF has also been carrying out its own confidence-building measures over new security challenges of non-traditional and transnational nature including natural disasters, terrorism and transnational crime.

One of the strengths of the ARF is its relatively long history (20 years) and its significant level of institutionalization. During the 20 years, the ARF was able to promote cooperation

among member states in both traditional and non-traditional security issues (ex. disaster management).

In the evolving defense and security structure of the region, as witnessed by the establishment of the ADMM-Plus and the expansion of the EAS, the ARF must seek to make full use of its strong points and to share a complementary relationship with other regional operations and mechanisms. By doing so, the ARF will truly be able to foster confidence-building measures and move towards the phase of preventive diplomacy and conflict resolution.

# THE RUSSIAN FEDERATION

## I. OVERVIEW OF THE SITUATION IN THE ASIA-PACIFIC REGION

The significance of the Asia-Pacific region in global politics and economy is steadily growing. The major powers' interest in Asia-Pacific is deepening due to the accelerated regional political and economic integration, increasing interdependence and connectivity of nations.

Russia's President Vladimir Putin set out a course towards further engagement of our country in the Asia-Pacific integration. We intend to further enhance the role of Russia in the region, expand mutually beneficial cooperation with all the Asia-Pacific countries, in particular, within the regional organizations and fora. This strategy is being implemented on a consistent and sustainable basis with a view to establishing an optimum security architecture and to ensuring a steady economic growth in the region.

The situation in Asia-Pacific is seriously affected by contradictions and conflicts, both patent and latent, territorial disputes, hotbeds of ethnic and confessional tensions, new challenges and threats. These and other "hot" problems can result in a surge of military and political tension and confrontation between countries. In this context, a serious shortcoming is the lack of efficient regional system of international legal regulation in the field of security.

In the circumstances, our urgent task is to establish a solid system of interstate relationship, and its parameters are being actively discussed in various multilateral formats at the moment. It is to safeguard stability and secure environment, favourable conditions for sustainable growth of

economies, and to avert possible negative developments in Asia-Pacific.

Such a security and cooperation architecture should be built on a non-block basis, the supremacy of international law, equality, openness and inclusiveness. It should rest on the principle of indivisibility of security, inadmissibility of attempts to ensure one's own security at the expense of others, and due account of all parties' legitimate interests and concerns.

At the 7th East Asia Summit in Phnom Penh held last November, Russian Foreign Minister Sergey Lavrov put forth an idea of a multilateral dialogue on evolving a stable security and cooperation architecture in Asia-Pacific. First of all, it means to set "rules of conduct" that the countries of the region would follow in their relations. As a first practical step in this direction, Russia has offered to start consultations on the Framework Principles of Strengthening Security and Developing Cooperation in the Asia-Pacific Region.

## II. SECURITY THREATS AND CHALLENGES IN ASIA-PACIFIC

The situation on the Korean Peninsula, where lately bellicose rhetoric has been steadily building up, remains a matter of serious concern. Russia denounces any declarations or steps that could eventually lead to the escalation of tension. We urge all parties to exercise maximum restraint and responsibility. We believe it necessary to take any slight opportunity to resume the negotiations. We maintain permanent contact with our partners at Six-Party Talks in order not to let the situation extend beyond the scope of political and diplomatic efforts.

We support the settlement of the nuclear and any other problem on the Korean Peninsula on the basis of the relevant resolutions of the UN Security Council and other international instruments. At the same time, we continue working actively toward establishing mechanisms of security and mutual confidence in Northeast Asia as a regional element of the new security and cooperation architecture in Asia-Pacific.

We recognize the right of Iran as the NPT State Party to peaceful uses of nuclear energy under strict and comprehensive control of the IAEA. At the same time, we believe that Iran should make serious efforts to restore international confidence in the exclusively peaceful nature of its nuclear program. To this end, Tehran must fully comply with its obligations under the relevant resolutions of the UN Security Council and the IAEA Board of Governors and cooperate with the IAEA for expedited resolution of all remaining issues. We are convinced that there is no alternative to a comprehensive negotiated settlement based on the principles of mutual respect, step-by-step approach and reciprocity. We expect that the dialogue between the P5+1 and Iran will continue in a constructive manner.

The situation in Afghanistan continues to aggravate as the international troops are being withdrawn and the responsibility for ensuring security is being transferred to the Afghan security forces. In order that the situation does not collapse, the reduction in the number of foreign troops should be compensated for by raising the combat efficiency of the national law enforcement agencies, which, in the end, should be able to independently control the situation and effectively confront extremist groups and drug crime. For our part, we will continue

to provide assistance to the Afghans in strengthening the combat efficiency of their security forces.

We believe that the dialogue with the armed opposition can take place only if Kabul plays the leading role in this process and the militants fully comply with the main reconciliation principles: lay down arms, recognize the Constitution of the Islamic Republic of Afghanistan and completely break ties with al-Qaeda and other terrorist organizations. Combined efforts of the international community are also needed to fight the Afghan drug threat that constitutes a danger to the international peace and stability.

We closely follow the developments in the South China Sea. We are convinced that parties to the territorial disputes should observe the principle of non-use of force or threat of force and continue to look for peaceful ways to settle their problems on the basis of the existing law, primarily the UN Convention on the Law of the Sea of 1982, and in the spirit of the ASEAN-China Declaration on the Conduct of Parties in the South China Sea of 2002, as well as the Guidelines for Implementing the 2002 Declaration agreed in July 2011. Negotiations should be conducted only by the parties directly involved in a dispute and in the format decided upon by themselves.

### **III. DEFENSE POLICY OF THE RUSSIAN FEDERATION**

The main goals of Russia's defense policy are determined by the President of the Russian Federation in accordance with the federal law, the National Security Strategy of the Russian Federation up to the year 2020 adopted in

May 2009 and the Military Doctrine approved in February 2010. The Russian Federation ensures its national defense based on the principles of reasonable sufficiency and effectiveness, including the use of non-military means and methods of response.

Our defense and military-technical cooperation with the Asia-Pacific nations is based on the balance of interests and is carried out in order to establish a solid security system in the region. It also serves as a demonstration that solutions to security issues can be found collectively by regional partners alone. The Russian Federation gives priority to broadening military-diplomatic and military-educational contacts, as well as further enhancing international naval cooperation.

The key importance is attached to the activities of the ASEAN Defense Ministers' Meeting Plus (ADMM-Plus). We intend to continue our active work within the ARF Defense Officials' Dialogue and the ARF Security Policy Conference.

#### **IV. COMBATING INTERNATIONAL TERRORISM AND TRANSNATIONAL CRIME IN ASIA-PACIFIC**

Russia attaches great importance to further enhancement of wide-range cooperation with the Asia-Pacific countries in combating terrorism and other new threats and challenges both bilaterally and multilaterally.

We consider ARF to be an effective instrument of the multilateral dialogue on addressing non-traditional security challenges and threats in the Asia-Pacific region. Russia initiated the adoption of the ARF Statement by the Ministers of Foreign Affairs on Cooperation in Ensuring Cyber Security approved at the

19th ARF in Cambodia in July 2012. Together with Australia and Malaysia, we are actively involved in developing an ARF work plan on security in the use of ICTs to be adopted in 2014.

The significant contribution to strengthening of the counter-terrorism capacity in the region is being made through ASEAN-Russia Dialogue Partnership. In October-November 2012, training courses on countering terrorism and extremism for the law enforcement and special services experts of the ASEAN Member-States were held in Moscow. In February 2013, Ministry of Internal Affairs of the Russian Federation was granted a status of observer at the annual ASEANAPOL Conferences, which is supposed to facilitate full-scale cooperation in the law enforcement sphere. An important role in combating terrorism belongs to ADMM-Plus.

We see Asia-Pacific Economic Cooperation (APEC) as the promising forum for the promotion of concrete initiatives in counter-terrorism. Within the framework of the Russia's 2012 APEC Chairmanship an issue of countering money laundering and financing terrorism was included in the agenda of the APEC Counter-Terrorism Task Force (CTTF) since a significant number of the countries in the region, primarily in Southeast Asia, are on FATF "black" and "grey" lists. We regularly raise in CTTF such issues as the integrated transportation security and security at major public events, in particular, in the context of APEC Consolidated Counter-Terrorism Strategy. In 2014 Russia initiated a special CTTF meeting on container transport security.

We welcome the plans to establish a Drug-Free ASEAN by 2015. We seek to further

deepen cooperation within the Asia-Pacific institutions in countering trafficking in heroin, cocaine and synthetic drugs, production and abuse of which are constantly growing in Asia-Pacific. Russia continued to be actively engaged as an observer in the work of the Meeting of Heads of National Drug Law Enforcement Agencies (HONLEA), the subsidiary body of the UN Commission on Narcotic Drugs.

## **V. NUCLEAR DISARMAMENT, NON-PROLIFERATION AND NUCLEAR SECURITY IN ASIA-PACIFIC**

The Strategic Arms Reduction Treaty between the United States and the Russian Federation signed on 5 February 2011 plays an important stabilizing role in Asia-Pacific. At the same time, continued implementation of nuclear missile programs by some regional powers confirms the urgency of future multilateralization of the nuclear weapons reduction and limitation process involving each and all the countries possessing military nuclear capabilities.

Russia keeps working towards establishment of a modern architecture of international cooperation in the sphere of peaceful nuclear energy resistant to proliferation and based on strict verification mechanisms for non-proliferation obligations as well as on multilateral approaches to the nuclear fuel cycle (NFC) that may serve as a well-grounded alternative to development of sensitive NFC elements by the states in their territories.

We have been constantly voting in favour of UNGA resolutions on the Southeast Asia Nuclear Weapon-Free Zone (SEANWFZ). We are confident that signing of the Protocol to the Bangkok Treaty, its ratification by

the “Nuclear Five” and, consequently, the formalization of SEANWFZ status will play an important role in strengthening regional and international security and the overall nuclear non-proliferation regime.

We continue to believe that the task of implementing by the states of the UNSC Resolution 1540 as the key and the most detailed decision of the UNSC on non-proliferation remains relevant, specifically in Asia-Pacific. In this regard, we urge our partners in Asia-Pacific to actively cooperate with the UNSC 1540 Committee, which plays the central coordinating role in promoting implementation of the Resolution.

Intensified efforts by some Asia-Pacific countries to build up their Anti-Ballistic Missile (ABM) capacity against the backdrop of growing missile challenges and threats highlight the importance of developing and implementing political and diplomatic methods of solution to the ballistic missile proliferation related problems. We are sure that exclusively unilateral and block-based approaches to ABM deployment in Asia-Pacific is fraught with increasing military and political confrontation and a regional missile arms race.

## **VI. EMERGENCY RESPONSE IN ASIA-PACIFIC**

Managing numerous natural disasters that Asia-Pacific is exposed to requires building up national capacities for a prompt response to natural and man-made catastrophes. Close regional cooperation in preventing and mitigating consequences of emergencies is a key instrument for carrying out this task. Developing such cooperation could be facilitated by the implementation of the Russian initiative to

set up crisis management centers in Asia-Pacific and to bring them together into an integrated regional network. The initiative put forward by Russian Foreign Minister Sergey Lavrov at the 6th East Asia Summit (Bali, 19 November 2011) and furthered during Russia's 2012 APEC Chairmanship aimed at launching exchange of information and best practices both on a day-to-day basis and in case of emergency. The main goal is to increase efficiency of decision-making, in particular on providing and accepting international aid, and to upgrade at low expenses the level of national and regional crisis management systems.

Steps are being taken to promote cooperation in this area within the ASEAN-Russia Dialogue Partnership. In March 2013 the Russian Ministry for Elimination of Consequences of Natural Disasters (EMERCOM) hosted a seminar on "Methodological Support for the Development of the ASEAN Coordinating Center for Humanitarian Assistance on Disaster Management based on the experience of the National Center for Crisis Management".

A major role in strengthening multilateral cooperation in this area belongs to consistent implementation of the ARF Work Plan on Disaster Relief for 2012-2014. We are convinced that international assistance operations should be conducted mainly by the emergency civil agencies, while military units can be involved in disaster response strictly on a voluntary basis. Russia supports continued holding of ARF DiREx exercise on an annual basis.

Russia keeps providing assistance to the Asia-Pacific countries in case of emergency.

## **VII. MULTILATERAL DIPLOMACY TRENDS IN ASIA-PACIFIC**

The best way to ensure security in Asia-Pacific is the development of flexible, non-block mechanisms of multilateral cooperation and multi-vector network diplomacy based on equality and mutual respect for the interests of the participants that share the same goals. Life unites us against common problems that all countries are facing – lack of financial and economic stability, WMD proliferation threat, terrorism, transboundary crime, food shortage, and climate change.

There is a network of mutually complementary bilateral and multilateral partnerships between various fora and dialogue mechanisms in Asia-Pacific, such as ASEAN, EAS, ARF, ADMM-Plus, SCO, APEC, Asia-Europe Meetings (ASEM), Asia Cooperation Dialogue (ACD), Conference on Interaction and Confidence Building Measures in Asia (CICA), South Asian Association for Regional Cooperation (SAARC), Pacific Islands Forum (PIF), and others.

ASEAN, as a backbone of regional politics, plays a central role here. We consider East Asia Summits as a key dialogue platform for Leaders-led discussion on modalities of the future regional security architecture. The EAS could serve as a consolidating base for establishing partnership networks between various multilateral fora. In this context, ARF becomes the primary instrument of practical cooperation on maintaining peace and stability in the region, while ADMM-Plus is the main mechanism of military cooperation.

Engaging capacities and advantages of each regional structure, establishing their partnership ties by using methods of network diplomacy are the main drivers to enhance security and develop cooperation in the Asia-Pacific region.





# SINGAPORE

## I. OVERVIEW OF THE REGIONAL SECURITY ENVIRONMENT

In the coming years, the regional geopolitical situation will become increasingly complex. At the core of this evolving landscape is the Sino-US relationship which sets the tone for the entire region. The relationship is now largely heading in a positive direction, based on the mutual understanding that stable bilateral relations between the US and China are paramount to their shared interest in securing a prosperous and peaceful Asia-Pacific. While ASEAN has limited ability to affect the future direction of Sino-US relations, the key challenge for ASEAN is to maintain its centrality in a more complex environment and to ensure that it remains a neutral platform for partners to engage the region. This will ensure that ASEAN stays true to its *raison d'être* of maintaining peace and stability in the region.

In this regard, ASEAN has made concerted efforts over the years to deepen and broaden its relations with major partners through its network of Dialogue Partnerships and wider regional fora such as the ASEAN Regional Forum (ARF), the ASEAN Defence Ministers' Meeting-Plus (ADMM-Plus), the ASEAN Plus Three and the East Asia Summit. These steadfast efforts have helped to cultivate greater comfort levels, confidence-building and collective responsibility for regional peace, security and stability among countries in the region. Nonetheless, there remain several potential flashpoints in the region that if left unaddressed, will pose a threat to our individual and regional security.

Singapore remains concerned over the situation in the Korean Peninsula. Escalating tensions following the Democratic People's Republic of Korea's (DPRK's) satellite launch

on 13 December 2012 and nuclear test on 12 February 2013 have resulted in a highly volatile situation in the Korean Peninsula that could potentially destabilise the entire region. Singapore supports a stable Korean Peninsula, which is in the interest of all in East Asia, including Southeast Asia and ASEAN. In this regard, it is critical for all parties to exercise utmost restraint, ease tensions and resume dialogue. It is our hope that the DPRK will integrate itself into the region to share in our region's peace and prosperity.

We are also concerned about the maritime disputes in the region such as the South China Sea (SCS) and East China Sea (ECS). All countries in the region have an interest in ensuring the peace, stability and freedom and safety of navigation in the SCS. The SCS disputes should be settled peacefully in accordance with international law, including the United Nations Convention on the Law of the Sea (UNCLOS). As developments in the SCS will have an impact on regional peace and security, ASEAN continues to advocate the peaceful resolution of disputes, as espoused in the ASEAN Foreign Ministers' Statement on the Six Point Principles on the SCS, as well as the early start of official discussions on a Code of Conduct for the SCS between ASEAN and China. This position was endorsed by the Leaders at the 22nd ASEAN Summit in Brunei in April 2013. Similarly, the tensions between China and Japan in the ECS have been worrying. We hope that both sides will exercise restraint and engage in dialogue to overcome their differences.

The Middle East remains a region in flux. Several countries continue to experience heightened domestic political uncertainties. There are growing economic, political and people-to-people linkages between Southeast Asia and the Middle East. It is our hope that

the political transitions underway are managed peacefully by all stakeholders. We also hope for an early resumption of negotiations between Israel and the Palestinian Authority in order to achieve a just and sustainable two-state solution. Iran's nuclear programme and the potential for a military conflict remains a serious concern. As a small country, we take the issue of nuclear non-proliferation very seriously. This is an issue that has global ramifications, both in terms of security and the economy. This will inevitably affect East Asia and other ARF members and therefore requires a concerted global response.

## **II. NATIONAL SECURITY AND DEFENCE POLICY**

The Singapore Government is prepared to spend up to 6% of the country's GDP on defence. The Singapore Armed Forces (SAF) takes a steady and prudent long-term approach to defence spending. It develops its capabilities in a systematic, prudent and disciplined fashion – selectively adding new capabilities using the most cost-effective solutions; extending the lifespan of current equipment through careful maintenance and upgrading where possible; and investing in networks and technologies to serve as force multipliers. The SAF currently has a total manpower strength of approximately 359,000 personnel.

## **III. NATIONAL CONTRIBUTIONS TO REGIONAL SECURITY**

Singapore believes that regional security and stability are best served by an open and inclusive security architecture with a network of strong bilateral relationships as well as multilateral fora and arrangements.

As such, Singapore actively participates in ASEAN, the ARF, the Shangri-La Dialogue (SLD), the Five Power Defence Arrangements, the ADMM, and the ADMM-Plus.

Singapore strongly supports the ADMM-Plus which was inaugurated in Hanoi in October 2010. The ADMM-Plus comprises the ten ASEAN Member States and eight "Plus" countries, namely Australia, China, India, Japan, New Zealand, the Republic of Korea, Russia and the US. The ADMM-Plus offers a useful and valuable platform for ASEAN and the "Plus" countries to have open and constructive dialogue as well as to engender practical cooperation in common areas of security interest. To this end, Singapore strongly supports the decision by the 6th ADMM in Phnom Penh in May 2012 for the ADMM-Plus to be held biennially from 2013 onwards. This will strengthen the existing framework and mechanism of facilitating strategic discussion by Defence Ministers at the ADMM-Plus.

Practical cooperation is a strategic thrust of the ADMM-Plus, and Singapore strongly supports the ongoing work and good progress of the five ADMM-Plus Experts' Working Groups (EWGs) in the areas of maritime security, humanitarian assistance and disaster relief (HADR), peacekeeping operations, counter-terrorism and military medicine (MM). Singapore co-chairs the EWG on MM with Japan, and is committed to enhancing practical cooperation in this area as well as in the other EWGs. The ADMM-Plus also complements the ADMM and the ASEAN Chiefs of Defence Informal Meeting, and fosters closer practical collaboration amongst defence establishments to address non-traditional and transnational security challenges.

Brunei will host the ADMM-Plus HADR/MM exercise in June 2013 as the Chair of the ADMM-Plus. The exercise will be a significant milestone for the ADMM-Plus as the first live military exercise to be conducted under the ambit of the ADMM-Plus. The exercise involving some 2,000 troops, 18 helicopters and 7 naval ships will also be a good opportunity for all 18 ADMM-Plus militaries to work together to enhance interoperability in areas of disaster management with elements of military medicine in support.

The SLD, which is held annually in Singapore, has established itself as the foremost defence and security conference in the Asia-Pacific region since its inception in 2002. It provides a useful opportunity for Defence Ministers, senior officials and prominent security experts of the region to meet and discuss important security issues of the day. Indonesian President Dr H Susilo Bambang Yudhoyono delivered the keynote speech at the 11th SLD in June 2012. This marked the fourth successive year that a foreign Head of State or Government had done so. 29 Ministerial-level delegates and participants from 28 countries attended the 11th SLD. The Ministers affirmed the value of the SLD as an important opportunity for all to share thoughts on how to enhance defence cooperation to promote security and prosperity. Vietnamese Prime Minister Nguyen Tan Dung will deliver the Keynote Speech at the 12th SLD, held from 31 May to 2 June 2013.

The SLD Sherpa Meeting, which is organised by the International Institute for Strategic Studies, serves to supplement and enhance the SLD process by providing an intersessional platform for participants to engage in frank discussions in current

defence and security issues. The inaugural SLD Sherpa Meeting was held from 17 to 19 February 2013. About 60 delegates from States that are regularly represented at the SLD participated in the event.

#### **a. Counterterrorism**

The threat of terrorism remains a key concern for the region. While the death of Al Qaeda Leader Osama bin Laden on 1 May 2011 represented a significant milestone in the struggle against international terrorism, continued vigilance and cooperation by all countries will be needed to deal with the complex and long-term challenges posed by terrorism and the ideologies that perpetuate it.

Since the 1997 Declaration on Transnational Crime, ASEAN's counter-terrorism efforts have made much progress. The ASEAN Convention on Counter-Terrorism (ACCT), adopted at the 12th ASEAN Summit in Cebu in 2007, is the first region-wide and legally binding anti-terrorism pact. Singapore was one of the first ASEAN Member States to ratify the Convention. The ACCT entered into force on 27 May 2011, and has, since January 2013, been ratified by all 10 ASEAN Member States. Singapore welcomes these significant achievements on the Convention, which enhances regional cooperation against terrorism and affirms the region's commitment to the global strategy on counter terrorism.

In support of regional capacity building, Singapore has hosted a number of counter-terrorism workshops and initiatives in the areas of Border Security, Chemical, Biological, Radiological, Nuclear and Explosives, Anti-Money Laundering/Countering the Financing of Terrorism and Crisis Management in Post

Attack Scenarios, under the auspices of the ASEAN-Japan Counter-Terrorism Dialogue. Singapore hosted a one-week ASEAN Counter-Terrorism Executive Programme under these auspices in March 2012 where ASEAN senior practitioners shared experiences and best practices with one another and with other counter-terrorism experts.

### **b. Non-Proliferation, Counter-Proliferation, Arms Control and Disarmament**

Singapore has been a strong supporter of global efforts to combat nuclear-weapons proliferation and works actively with the International Atomic Energy Agency (IAEA) to this end. In 1976, Singapore ratified the Nuclear Non-Proliferation Treaty. A comprehensive safeguards agreement with a Small Quantities Protocol was adopted in the following year. The latter was modified in March 2008 in accordance with IAEA advice. Singapore also ratified the IAEA Additional Protocol (AP) in March 2008 and supports its universalisation. Singapore hosted two IAEA outreach seminars on the Agency's Safeguards Systems for states in Southeast and South Asia in March 2011. Singapore joined the IAEA Illicit Trafficking Database in March 2012 and served a two year term on the Agency's Board of Governors from September 2010 to September 2012. Singapore is also party to the Comprehensive Test Ban Treaty and supports efforts to promote the early entry into force of the Treaty.

Singapore has also been part of the Nuclear Security Summit (NSS) process. Prime Minister Lee Hsien Loong attended the inaugural NSS in Washington in 2010 and the second NSS in Seoul in March 2012.

In addition, Singapore joined the Global Initiative to Combat Nuclear Terrorism in May 2010 and subscribed to the Hague Code of Conduct against the Proliferation of Ballistic Missiles in August 2011.

Singapore supports the EU's initiative to establish an ASEAN-EU Chemical, Biological, Radiological, Nuclear Centre of Excellence (CBRN-CoE), to improve national policies and international cooperation to mitigate CBRN risks. Singapore welcomes the establishment of the Regional Secretariat of the CBRN-CoE in Manila in March 2013.

In the area of chemical weapons, Singapore participated in the third special session of the Conference of the States Parties to Review the Operation of the Chemical Weapons Convention (CWC) in April 2013. Singapore also fully supports the Organisation for the Prohibition of Chemical Weapons (OPCW)'s activities to develop capabilities and readiness against the threat of chemical weapons. Since March 2008, Singapore has offered the Emergency Response to Chemical Incidents training course, as a pledge of assistance under Article X. In May 2013, Singapore hosted the third run of the course, which to date has benefitted participants from more than 20 countries in Asia. It has also provided opportunities for the sharing of experiences on the management of hazards posed by chemical agents. In addition, Singapore values the opportunity to contribute to the work of the Scientific Advisory Board of the OPCW as a participant of the Temporary Working Groups on Sampling and Analysis, as well as on Verification.

In the area of biological weapons, Singapore participated in the 2012 Meeting of States Parties of the Biological Weapons Convention

(BWC). Singapore has also submitted returns on BWC Confidence Building Measures annually since 2012.

On counter-proliferation in general, Singapore has been an active participant in the Proliferation Security Initiative (PSI) since 2004. Singapore is a member of the PSI's Operational Experts Group (OEG) and has hosted PSI exercises. The PSI's first exercise in Southeast Asia, Exercise Deep Sabre I, was held in Singapore in 2005. In 2009, Singapore hosted Exercise Deep Sabre II which further enhanced the inter-operability and counter-proliferation capabilities of PSI partners in the region. Singapore participated in the PSI 10th Anniversary High Level Political Meeting in Warsaw, Poland in May 2013.

Together with China and the US, Singapore co-chaired the ARF Inter-Sessional Meeting on Non-Proliferation and Disarmament (ISM on NPD) from 2009 to 2011. This covered the three pillars of the Nuclear Non-Proliferation Treaty. Singapore hosted the 2nd ISM on NPD in July 2010 with the theme "Peaceful Uses of Nuclear Energy".

Singapore has implemented a robust and enhanced export control regime underpinned by the Strategic Goods (Control) Act since January 2003. The Act controls the transfer and brokering of strategic goods, and related software and technology, as well as those capable of being used to develop, produce, operate, stockpile or acquire Weapons of Mass Destruction (WMDs). In line with Singapore's commitment to prevent WMD proliferation, the Act's control list has been expanded since January 2008 to incorporate all items listed under the four multilateral export control regimes. A Secure Trade Partnership programme with businesses, launched in

May 2007, encourages companies to adopt robust security measures in their trade operations, to improve the overall security of the global supply chain. Additionally, the launch of the Trade Facilitation & Integrated Risk-based System (TradeFIRST) in January 2011 provides a single holistic framework to encourage a virtuous cycle of compliance as companies with more robust systems, internal practices and security measures are rewarded with a higher level of trade facilitation.

Singapore uses computerised cargo clearance systems for the clearance/screening of cargo at our checkpoints. Singapore has also implemented the Data Warehouse system to assist in collating and analysing information and risk profiling submitted through our Single Window system.

In May 2011, Singapore co-hosted the 12th International Export Control Conference in Singapore, with the US and the EU, under the theme of "Building a Network of Non-proliferators". The Conference served to build international relationships and examine ongoing efforts to improve trade regulation, and was attended by approximately 300 officials from 76 states and administrative regions. Singapore also attended and presented at the US State Department Export Control and Related Border Security Program (EXBS) Global Transshipment Seminar in 2011 and the annual EXBS conference in 2012 in Slovenia. Further to the EXBS conferences, Singapore made presentations and moderated discussions at the Annual Asian Export Control Seminars held in February 2011, 2012 and 2013 respectively in Tokyo. These topics comprised domestic industry outreach and international collaboration and cooperation.

### **c. Transnational Crime**

Regional security challenges are increasingly becoming transnational and non-traditional in nature, and cannot be adequately addressed by individual domestic policies. Singapore therefore believes in a concerted regional effort in combating these transnational crimes.

To this end, Singapore supports the Work Programme to implement the ASEAN Plan of Action to Combat Transnational Crime 2010-2012. Singapore, together with Australia, co-hosted the ARF Cyber Security Incident Workshop from 6 to 7 September 2012. Under the aegis of the ASEAN Ministerial and Senior Officials' Meetings on Transnational Crime (AMMTC & SOMTC), Singapore is the Lead Shepherd for two transnational crime areas – namely Cybercrime and International Economic Crime. In this capacity, the Singapore Police Force co-hosted the 1st ASEAN Cybercrime Workshop with New Zealand from 6 to 7 July 2011 and will similarly co-host the 2nd ASEAN Cybercrime Workshop in May 2013. Recognising the increasing need for ASEAN Member States to counter cybercrime and its potential impact on states' economic and financial landscape, Singapore has organised an ASEAN Senior Officials Roundtable on Cybercrime where key industry leaders will conduct briefings for ASEAN's SOMTC leaders and cybercrime experts. Singapore is also co-organising an ASEAN Workshop on International Economic Crime with the Republic of Korea in August 2013.

On Trafficking-in-Persons (TIP), the region has made significant progress since the adoption of the ASEAN Declaration against TIP, Particularly Women and Children in 2004. Singapore launched its National Plan of

Action against TIP in March 2012. Singapore supports initiatives that build regional capacity against TIP, such as the 3rd ASEAN Workshop on Criminal Justice Response to TIP which we hosted in July 2011. In our capacity as SOMTC Chair in 2011/2012, Singapore hosted the 6th and 7th ASEAN SOMTC Working Group meetings on TIP in July 2011 and April 2012. Singapore also hosted the 21st and 22nd Meeting of the ASEAN Heads of Specialist Units (HSU) on Trafficking in July 2011 and April 2012, as the chair of the HSU in 2011/2012. The SOMTC Working Group on TIP meetings provided a platform for ASEAN Member States to coordinate plans and programmes to enhance regional cooperation to combat TIP, while the HSU meetings brought together the ASEAN specialist trafficking response units to discuss TIP issues and initiatives, including international law enforcement cooperation, at the operational level. Singapore's support for, and active participation in these ASEAN platforms strengthen our capacity to work in partnership with countries in the region to counter cross-border TIP. In addition, Singapore is working with other ASEAN Member States in considering the development of a Regional Plan of Action to Combat TIP and an ASEAN Convention on TIP.

Singapore looks forward to the next series of meetings on transnational crime at the Senior Officials' level, in Danang, Vietnam in June 2013 and at the Ministerial level, in Vientiane, Laos in 2013.

### **d. Humanitarian Assistance and Disaster Relief**

Singapore strongly supports the establishment and operationalisation of the ASEAN Coordinating Centre for Humanitarian

Assistance on Disaster Management (AHA Centre) in Jakarta as part of the ASEAN Agreement on Disaster Management and Emergency Response (AADMER)'s mandate. As a hub for relevant information and expertise exchange, the AHA Centre is a key coordination centre for regional disaster relief efforts to facilitate effective and efficient ASEAN responses to disasters within the region.

Singapore participated in the ARF Disaster Relief Exercise (DiREX) co-hosted by the Republic of Korea (ROK) and Thailand from 7 to 11 May 2013 in Cha-am, Phetburi Province, Thailand. The multi-nation exercise involved 26 countries, including regional and international organisations such as the ASEAN Secretariat, the AHA Centre, the Asian Disaster Preparedness Centre, the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA), and the International Federation of Red Cross and Red Crescent Societies.

The exercise enhanced participants' capacity in conducting disaster relief operations by focusing on strengthening coordination between civilian and military units. The SAF contributed a planning team for the table-top exercise, as well as a C-130 for the field training exercise. The Singapore Civil Defence Force (SCDF) contributed to the field training exercise by deploying a Search and Rescue contingent comprising a trauma paramedic, Emergency Rescue Specialists, National Service men and members of its elite Disaster Assistance and Rescue Team. SCDF was also represented in the table-top exercise by a member of the ASEAN Emergency Rapid Assessment Team. Singapore looks forward to participating in the next ARF DiREX.

This was the 3rd time ARF DiREX was conducted. The previous two exercises were

held in 2009 and 2011 in the Philippines and Indonesia respectively. The ARF DiREX is widely recognised as a landmark event in improving the capacity of the region's disaster response mechanism in a multinational operational context.

In December 2013, the SCDF deployed three officers to support the Philippines in the emergency planning and preparation for Tropical Storm Bopha under the auspices of UNOCHA. One officer was deployed with the United Nations Disaster Assessment and Coordination (UNDAC) team to assess the situation and the humanitarian needs, and to put in place mechanisms to ensure information flow between the affected area and Manila, and to the international organizations involved in the relief efforts. The remaining officers, who were communications specialists, were deployed under the Asia-Pacific Humanitarian Partnership team to provide communications support for the UNDAC teams.

## **e. Maritime Security**

As a maritime nation, Singapore has a key interest in the security of international sea lanes of communications and takes a serious view of any threats to the freedom and safety of navigation. To this end, Singapore works with like-minded countries to uphold the sanctity of international law, including UNCLOS, and plays an active part in fostering regional maritime security cooperation and the enhancement of port security.

As a major hub port, Singapore is committed to enhancing the security of seaborne cargo. In 2002, Singapore was the first port in Asia to sign up to the US' Container Security Initiative. As one of the first countries to implement the International Maritime

Organisation's (IMO's) International Ship and Port Facility Security (ISPS) Code, Singapore has contributed actively to capacity building programmes at various regional forums to assist countries in their implementation of the ISPS Code. Singapore is also a party to the IMO's International Convention for the Safety of Life At Sea (SOLAS), and the Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation. Since 1 January 2012, all power-driven vessels in the port of Singapore have been required to install and maintain in operation an approved transponder which complies with SOLAS requirements of an automatic identification system.

Singapore has been closely cooperating with key partners to ensure maritime security in the region, given the existence of vital sea lanes of communication such as the SCS, the Straits of Malacca and Singapore (SOMS), the Lombok Strait and the Sunda Strait. To this end, Singapore remains fully committed to the following three principles which have gained broad consensus amongst regional stakeholders: first, that primary responsibility for the security of the regional waterways lies with the littoral states; second, the international community, including the user states and bodies like the IMO, have an important role to play; and third, new cooperative measures should be developed in line with UNCLOS and other international conventions, with full respect for national sovereignty.

Singapore is also supportive of ASEAN's approach towards maritime issues as encapsulated in the Bali Concord II, signed in October 2003, which reiterates the transboundary nature of maritime issues and the need to address them regionally in a holistic, integrated and comprehensive

way. We also continue to participate actively in various ASEAN fora such as the ARF and the ASEAN Maritime Forum (AMF)/Expanded AMF, the ADMM and the ASEAN Navy Chiefs Meetings, to address maritime issues. In particular, under the ASEAN Navy Chiefs Meeting, Singapore had successfully co-hosted the ASEAN Navies Information Sharing Exercise with Indonesia at the Singapore Changi Command and Control (C2) Centre in July 2012. The exercise focused on sea robbery/piracy and maritime terrorism and also witnessed the official launch of the ASEAN Info-Sharing Portal (AIP). The AIP is an online portal that would link all ASEAN stakeholders in our maritime Area of Interest and provide updated situation awareness on a real-time basis.

These principles have been translated into concrete efforts at a regional level. The Malacca Strait Patrols (MSP) is a joint undertaking by Indonesia, Malaysia, Singapore and Thailand which comprises the Malacca Strait Sea Patrol, the "Eyes-in-the-Sky" maritime air patrols and the Intelligence Exchange Group. Since its inception in July 2004, the MSP has been able to substantially reduce the number of piracy and armed robbery incidents occurring in the SOMS. 2012 also marked the 20th anniversary of the Indonesia-Singapore Coordinated Patrols (ISCP) through which the Republic of Singapore Navy and the Singapore Police Coast Guard have been conducting joint coordinated patrols with their counterparts from the Indonesian Navy and Police to deter sea robberies in the Singapore Strait and the Phillip Channel. The ISCP also provides both countries with direct communication channels as well as procedures for cross-border pursuit. Together, these initiatives have succeeded in generating better awareness and consequently, an increase



in the reporting of incidences of piracy and armed robbery in the SOMS.

Apart from air and sea patrols, Singapore also believes in enhancing maritime domain awareness and ensuring a systematic and timely exchange of information to keep sea lanes safe. In this regard, the Republic of Singapore Navy's Changi C2 Centre was set up as a one-stop information and response coordination hub for maritime security. The Changi C2 Centre's Information Fusion Centre (IFC) provides a useful information-sharing platform for different nations to better respond to the dynamic maritime security environment. As an information-sharing node, the IFC currently has links with international maritime centres and 57 operational centres and agencies from 31 countries. There are also opportunities for navies from regional and extra-regional countries to deploy International Liaison Officers at the IFC. The pooling of various information-sharing and analytical systems in one location has also enabled the IFC to facilitate cooperation on other maritime security issues beyond piracy.

The Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) is the first ever agreement among governments that addresses piracy and armed sea robbery against ships in Asia. By the end of April 2013, 18 States had acceded to the ReCAAP, namely Bangladesh, Brunei, Cambodia, China, Denmark, India, Japan, Laos, Myanmar, the Netherlands, Norway, the Philippines, the ROK, Singapore, Sri Lanka, Thailand, the United Kingdom and Vietnam. Australia has also given formal notification of its interest in accession. The ReCAAP Information Sharing Centre (ISC), which was established in Singapore in November

2006 to serve as a platform for information exchange, has established itself as an authority on trends and analyses of piracy and armed robbery against ships in Asia for governments and industry alike. In 2009, the ReCAAP was held up by the IMO as a model for the Djibouti Code of Conduct concerning the Repression of Piracy and Armed Robbery against Ships in the Western Indian Ocean and the Gulf of Aden (GoA). Since then, the ReCAAP ISC has been working closely with the IMO to contribute to the implementation of the Djibouti Code. These achievements speak volumes about the success of ReCAAP as an effective model of regional cooperation.

Beyond regional cooperation, Singapore also shares the international community's deep concern over the scourge of piracy threatening international sea-lines of communications like the GoA, and actively contributes to multinational anti-piracy efforts there so as to encourage a more active role for ASEAN in the GoA. To this end, Singapore has been contributing to the US-led multinational Combined Task Force (CTF) 151 through our deployment of three SAF Task Groups (TGs) since 2009. The first three TGs each comprised one Landing Ship Tank and two Super Puma helicopters. A Fokker 50 Maritime Patrol Aircraft was deployed in the third detachment in 2011. The fourth TG was deployed from September to December 2012 and comprised a Frigate with a Naval Helicopter. At the request of the Combined Maritime Forces, Singapore has also taken over command of the CTF 151 thrice, from January to April 2010, March to June 2011, and most recently, from March to June 2013. Singapore also chaired the 9th Plenary Meeting of the Contact Group on Piracy off the Coast of Somalia on 14 July 2011.

## **f. Contributions to Multinational Stabilisation and Reconstruction Efforts in Afghanistan**

Singapore considers Afghanistan a key node in the global fight against terrorism. The SAF has supported the multinational stabilisation and reconstruction efforts in Afghanistan. Since 2007, the SAF has contributed medical, surgical, construction engineering, as well as military institutional trainer and imagery analysis teams in Kabul, Bamiyan and Oruzgan as part of the International Security Assistance Force (ISAF). We have also deployed a Weapon Locating Radar detachment and an Unmanned Aerial Vehicle Task Group at Multinational Base Tarin Kowt, Oruzgan. In line with the transition of full security responsibility for Afghanistan from the ISAF to the Afghan National Security Forces, the SAF will conclude its deployments in Afghanistan in June 2013.

## **IV. ROLE OF ARF**

The ARF has made good progress since its inception in 1994 as an open and inclusive forum for Asia-Pacific nations to discuss key political and security issues. The ARF's evolution from Stage I Promotion of Confidence-Building Measures (CBMs) to Stage II Development of Preventive Diplomacy (PD) mechanisms, after more than 15 years, is a significant development. It is a reflection of the ARF's success in engendering greater comfort levels among its members, fostering closer collaboration and candid dialogue as well as its ability to respond to the complexities in the evolving geopolitical landscape in the Asia-Pacific.

The implementation of the PD agenda, in accordance with universally recognised

norms and principles of international law, and in tandem with the development of CBMs, will ensure that the ARF moves ahead to address the multi-dimensional challenges confronting the region. To this end, while we should accommodate the comfort levels of all ARF participants, Singapore remains fully committed to the implementation of the PD Work Plan. We welcome and support ARF members' various proposals in this regard. The ARF should also continue its work in enhancing linkages between the complementary activities of Track I and Track II, as the latter is a useful avenue to explore ways to promote the ARF's effectiveness.

While there will inevitably be overlap among various fora such as the ARF and the ADMM-Plus, these overlapping structures, with ASEAN at the core, reflect the region's diversity. A loose, overlapping configuration will be more resilient to external shocks than an overly neat architecture that could prove brittle. Nevertheless, to ensure their continued effectiveness, we can explore practical ways to improve coordination and information-sharing, among the fora, while respecting their various mandates. Singapore remains fully supportive of the ARF process and its role as a key pillar of the Asia Pacific security architecture.

# THE UNITED STATES

## I. OVERVIEW OF THE REGIONAL SECURITY ENVIRONMENT

As the Asia-Pacific's security landscape evolves, the United States remains committed to cooperation, to strengthening relationships with longtime allies, and to developing partnerships with emerging powers. This year has seen mixed progress toward greater security and stability in the region. Provocative behavior by some states and the threat of proliferation of technology and materiel related to nuclear and other weapons of mass destruction and their delivery systems continue to challenge regional peace and stability. No country can counter these challenges alone. Only a cooperative security effort will strengthen regional responses to security threats. We must work harder together to increase transparency and mutual trust and develop a security architecture that can address the region's contemporary and most pressing challenges. In this regard, the inauguration of the ADMM-Plus in 2010 and its progress on action-oriented cooperation supports ARF confidence building objectives. Going forward, it will be important to ensure that the ARF and ADMM-Plus are synchronized and complementary.

The United States is focused on modernizing and revitalizing our treaty alliances with Japan, the Republic of Korea (ROK), Australia, the Philippines, and Thailand. These alliances have safeguarded regional peace and security for the past half century and supported the region's remarkable economic growth.

Our treaty alliance with Japan is a cornerstone of our strategic engagement in Asia. The U.S.-Japan alliance has promoted cooperation on a wide array of regional and global security issues, leveraging the presence of U.S.

forces to respond to security threats. The close cooperation between the Japanese government and the United States in the aftermath of the March 2011 natural disasters demonstrated the strength and resilience of our relationship. Our ability to provide rapid support to the Japanese in their recovery efforts and to establish coordination mechanisms is an example of our close treaty relationship. The U.S.-Japan alliance has promoted cooperation on a wide array of regional and global security issues. We are taking steps to expand further our security cooperation and address outstanding issues by moving forward with the Japanese government to implement the 2006 Realignment Roadmap. Specifically, our base consolidation plan and progress on force realignment will help us maintain a sustainable U.S. military presence in Japan with a reduced impact on the people of Okinawa. These steps will also help ensure the strength of the U.S.-Japan Alliance and promote peace and stability in the region. We also continue to work closely with the Japanese government to strengthen our missile defense capabilities to counter threats from the Democratic People's Republic of Korea (DPRK).

This year marks the 60th anniversary of our alliance with the Republic of Korea (ROK), a linchpin of security and prosperity in Northeast Asia. The U.S. alliance with the ROK has deepened as we pursue realization of the June 2009 U.S.-ROK Joint Vision Statement to promote peace and prosperity in the region. Our cooperation has evolved over the years into a truly global partnership, and we are working together in places such as Afghanistan, South Sudan, and off the coast of Somalia. Our coordination with President Park Geun-hye and her administration has been excellent, including on DPRK policy. The United States is committed to the defense of

the ROK, and both governments fully support the modernization of our alliance, including the U.S.-ROK Strategic Alliance 2015 plan that will transfer to the ROK wartime operational control of ROK forces. Strengthening our alliance includes both preparing for and deterring DPRK provocations. As the United States rebalances to the Asia-Pacific, we look to our key allies in Northeast Asia, Japan and the Republic of Korea, to help us shape and influence the regional agenda. We have put significant effort into developing the Defense Trilateral Talks (DTT). The DTT includes dialogue on ways to advance trilateral security cooperation, information sharing, and joint exercises. Trilateral cooperation strengthens deterrence and contributes to stability in the region, especially in the face of DPRK's ongoing missile programs and efforts to develop nuclear weapons.

The alliance between the United States and Australia has never been stronger. We seek to strengthen this relationship, enhancing the alliance through greater cooperation on shared regional and global interests. We have initiated rotations of U.S. Marines and aircraft in Australia's Northern Territory that will improve interoperability and capacity through opportunities to train and exercise both bilaterally and in the region. Our Trilateral Strategic Dialogue with Japan and Australia also plays a positive role in enhancing regional stability and security. At the Security and Defense Cooperation Forum (SDCF) we are able to discuss cooperative efforts in Humanitarian Assistance Disaster Relief (HADR), regional capacity development, and maritime security.

The U.S.-Philippines treaty alliance underpins our successful counterterrorism partnership, as well as our expanding military and law enforcement cooperation in areas critical

to regional peace and stability including maritime security, disaster response, and non-proliferation. We are committed to advancing our nations' mutual security interests through continuing a high-level strategic dialogue and building our armed forces' interoperability through bilateral defense exercises such as Balikatan. We also share a common interest in expanding regional security cooperation through the ADMM-Plus and other vehicles such as the Expanded ASEAN Seafarers' Training (EAST) initiative.

The United States has also recognized opportunities to consult and collaborate with our ally, Thailand, to increase capacity and preparedness to address humanitarian and security concerns such as counterterrorism, disaster relief, and maritime security. Thailand and the United States jointly host the largest annual multinational exercise in the world, Cobra Gold, as well as 40 other joint exercises. In 2012 we updated our security relationship with Thailand with a Joint Vision Statement that establishes a 21st century framework for cooperation with our oldest treaty ally in Asia. The United States is a Pacific nation, and the Asia-Pacific is of growing importance, so it is only natural for the United States to seek to maintain and deepen its relations in the region. Beyond our alliances, the United States has developed partnerships with other established and emerging regional powers and enhanced our engagement with Asia's ASEAN-based multilateral institutions. In 2012, President Obama and ASEAN counterparts agreed to elevate their annual meeting to a Summit.

U.S.-Indonesia ties continue to deepen in the spirit of the 2010 Comprehensive Partnership, a long-term commitment to broaden and elevate bilateral relations and to address bilateral, regional, and global challenges. The

U.S. and Indonesian militaries engage closely to build bilateral and regional capacity to respond to common security threats, such as piracy, while boosting cooperation on issues including humanitarian assistance/disaster relief, maritime security, and international peacekeeping. As the inaugural co-chairs to the ADMM-Plus Experts Working Group on Counterterrorism (EWG CT), Indonesia and the United States together developed and conducted a series of activities that strengthen counterterrorism cooperation in the region. The capstone event will be the first Counterterrorism Exercise (CTX) scheduled in September in Sentul, Indonesia.

Singapore is a strong partner on regional and global security. The rotational deployment in Singapore of the United States' first Littoral Combat Ship is a symbol of our deepening ties and will provide a key capability to work bilaterally and multilaterally with our partners in the region. Singapore has been an active participant in global operations including Afghanistan, Iraq, and Gulf of Aden counter-piracy where Singapore has twice commanded Combined Task Force 151. Our militaries have strong ties and participate in several bilateral and multilateral exercises each year. Last year, we further broadened our relationship by signing a memorandum of understanding for a Third Country Training Program, which has already featured five successful regional training programs with several more on the horizon.

U.S.-Malaysian cooperation in bilateral and multilateral military exercises enhances our respective capabilities to promote regional security and respond to humanitarian disasters. The United States values Malaysia's contributions to the stabilization and reconstruction of Afghanistan. Malaysia

is an important partner in stemming the proliferation of nuclear materials.

The bilateral defense and security relationship with Vietnam continues to expand and deepen. Through a robust set of annual dialogues spanning issues from human rights to security and defense relations, we are working to expand and deepen our cooperation in areas such as security, trade, nonproliferation, legal reform, health, the environment, science and technology, education, and human rights. On the defense side, the United States and Vietnam signed a MOU on Advancing Bilateral Defense Cooperation in 2011. We continue to engage through U.S. Navy port visits and supporting reciprocal political and military leadership exchanges, as well as a recently launched State Partnership Program between Vietnam and the Oregon National Guard to explore further collaboration on many of these same topics. We welcome Vietnam's announcement that it intends to participate in United Nations peacekeeping operations by 2014, and we are helping to prepare for first deployments.

The United States is committed to pursuing a positive, cooperative, and comprehensive relationship with China that is grounded in reality, focused on results, and true to our interests and principles. We welcome a peaceful and prosperous China that plays a responsible role in global and regional challenges like the DPRK, maritime security, piracy, and Iran. The most notable example of our efforts is the Strategic and Economic Dialogue, which brings together experts from dozens of agencies across both of our governments to discuss an unprecedented range of subjects, to address some of the differences that remain between us, and to build cooperation on significant issues.

During his visit to India in 2010, President Barack Obama hailed the U.S.-India relationship as “one of the defining partnerships of the 21st century,” and the U.S.-India security cooperation has continued to grow significantly. Joint military exercises and training occur within increased frequency. India conducts more joint exercises with the United States than any other country. The United States and India have expanded counterterrorism cooperation, intelligence sharing, and law enforcement exchanges. Another growing component of our bilateral relationship with India is defense trade. Since 2000, sales to India have surpassed \$8 billion, representing both an excellent commercial opportunity for U.S. companies but also advancing a vital component of our bilateral security relationship. We have also grown our partnership with India on export controls and non-proliferation.

While our strengthened bilateral and multilateral relationships have enhanced stability, the current regional security environment also presents challenges such as the proliferation of weapons of mass destruction (WMD) material and technology; tensions in the East and South China Seas; and the DPRK’s continued pursuit of nuclear weapons capability and provocations against the ROK. The DPRK’s nuclear and ballistic missile programs remain a serious threat to international peace and security. Consistent with President Obama’s goal of a world without nuclear weapons, we continue to work with our global partners, including in Asia, to advance our nonproliferation and disarmament goals.

The DPRK’s recent provocations, including its February 12, 2013, nuclear test and December 12, 2012, Taepo-Dong-2 launch, belligerent

rhetoric, and other destabilizing actions have received resounding and overwhelming international condemnation. The DPRK’s continued defiance of its international obligations and commitments threatens international peace and security and seriously undermines the global nonproliferation regime. The United States has made it clear that we will not accept the DPRK as a nuclear-armed state. The United States, our allies, and Six-Party partners remain committed to the verifiable denuclearization of the Korean Peninsula in a peaceful manner, which will continue to be the paramount focus of our joint efforts. As we have long made clear, the United States remains open to authentic and credible negotiations to implement the September 2005 Joint Statement of the Six-Party Talks and to bring the DPRK into compliance with its international obligations and commitments to abandon all nuclear weapons and existing nuclear programs, and to return to the NPT and IAEA safeguards. We will continue to hold the DPRK to those commitments and obligations. The path to reintegration with the international community and greater security remains open to the DPRK, but the onus is on Pyongyang to take meaningful steps to demonstrate that it is serious about honoring the commitments it has already made and complying with its international obligations.

We continue to call on all Member States to fully and transparently implement all relevant UN Security Council resolutions on the DPRK and to exercise strict vigilance against the DPRK’s proliferation activities.

It is critical that all states maintain vigilance in any dealings with the DPRK. In this regard, we continue to raise with Burmese officials at the highest levels the importance of severing all military ties with the DPRK and

fully implementing all relevant United Nations Security Council resolutions on the DPRK. We welcome Myanmar's commitment to full implementation of these resolutions, and we expect to see concrete steps supporting this commitment. We also welcome Myanmar's commitment to sign the International Atomic Energy Agency (IAEA) Additional Protocol to its Comprehensive Safeguards Agreement and to update its Small Quantities Protocol and stand ready to continue to provide assistance if Myanmar requests.

The United States supports a unified, peaceful, prosperous, and democratic Myanmar. Last November, President Obama became the first sitting U.S. President to visit Myanmar and publicly spoke in support of Myanmar's ongoing democratic transition. The region must remain committed to assist Myanmar in continuing its reforms to ensure a democratic, stable, and prosperous nation that can play a constructive role within the region and among the international community. We remain concerned about ongoing conflict in the Kachin and Shan States and recent outbreaks of ethno-religious violence targeting Rohingya and other Muslim populations in Myanmar.

One of the ways that we are engaging Myanmar and the other nations of mainland Southeast Asia, including Cambodia, Laos, Thailand, and Vietnam, is through the regional cooperation and integration efforts of the Lower Mekong Initiative (LMI). LMI focuses on technical capacity building for regional officials in line ministries working on Pillar focus areas of Health, Education, Environment and Water, Connectivity, Agriculture and Food Security, and Energy Security. These six Pillars, as well as non-Pillar areas of engagement such as gender inclusion, allow the United States and other

primary donors in the sub-region known as the Friends of the Lower Mekong to engage with and support the sub-region governments' development of shared responses to regional challenges, including non-traditional security threats such as food, water, and energy security.

The New START Treaty, negotiated between the United States and the Russian Federation is now in its third year of implementation. Implementation of the Treaty has been pragmatic, business-like, and productive, including inspections, exhibitions, and notifications. When implementation is complete, this agreement will bring the levels of deployed strategic nuclear weapons on both sides to their lowest levels since the 1950s. In addition, we are currently working with many partners to reduce the threat of nuclear terrorism by securing all vulnerable nuclear materials around the world through implementation of the groundbreaking decisions made and reaffirmed at the two Nuclear Security Summits, and we look forward to the third Nuclear Security Summit, to be held in the Netherlands in 2014. We continue our close cooperation with states throughout the region to prevent transfers of WMD, their means of delivery, and related items. We call on all to implement fully and transparently UN Security Council Resolutions related to nonproliferation and disarmament, and to support the international treaties that make up the global nonproliferation regime.

Multilateral cooperation remains an important tool for ensuring stability and peace in the region. One such opportunity for greater regional cooperation is in addressing territorial and maritime disputes in the South China Sea. President Obama has reinforced, through various Asia engagements, key

principles concerning territorial disputes: the maintenance of peace and stability, unimpeded lawful commerce, respect for international law, freedom of navigation, and rejection of the threat or use of force or coercion to advance claims. The 2002 ASEAN-China Declaration on the Conduct of Parties (DoC) provided a framework for reducing tensions in the region. However, engagement through that process has been inconsistent, and friction over disputed claims to South China Sea territory and maritime space has increased in the last year. The United States does not take sides on the competing sovereignty claims over land features in the South China Sea; however, we urge claimants to conform all of their claims – land and maritime – to international law, including as reflected in the United Nations Convention on the Law of the Sea (UNCLOS). The United States supports the DoC and a collaborative diplomatic process by all claimants to resolve their disputes. The United States encourages all parties to employ diplomatic and other peaceful avenues for resolving disagreements, including the use of arbitration or other international legal mechanisms. The United States supports the early development of a comprehensive and effective Code of Conduct among the parties.

In addition to these challenges, the fragile nature of global economic recovery, transnational crime such as drug and human trafficking and terrorism, the situation in Afghanistan, Iran's pursuit of nuclear weapons, and climate change continue to threaten regional and international stability. Many of these issues are transnational in nature and require concrete multilateral and national responses from ARF Dialogue Partners. Results-oriented cooperation builds on our shared interests and has

proven to be the best course of action for promoting peace and prosperity in the region. The continued strengthening and growth of ARF's institutional capacity, enhanced bilateral and multilateral relationships, and burden-sharing efforts provide the best solution to these security concerns.

## **II. NATIONAL SECURITY AND DEFENSE POLICY**

Global trends in the international security environment provide both challenges and opportunities for U.S. defense policy. The United States aims to protect the American people and to advance U.S. national interests by rebalancing U.S. military capabilities and reforming our domestic processes and institutions. The Secretary of Defense in January 2012 released the results of a thorough assessment of the U.S. defense strategy in light of the changing geopolitical environment—as we draw down from extended operations in Iraq and Afghanistan—and our changing fiscal circumstances. The resulting defense strategic guidance, “Sustaining U.S. Global Leadership: Priorities for 21st Century Defense,” transitions the Department of Defense from an emphasis on today's wars to preparing for future challenges, protecting the broad range of U.S. strategic interests, and supporting the national security imperative of deficit reduction through lower defense spending. The defense strategic guidance is intended as a blueprint for shaping the Joint Force in 2020 and can be accessed at [http://www.defense.gov/news/Defense\\_Strategic\\_Guidance.pdf](http://www.defense.gov/news/Defense_Strategic_Guidance.pdf).

This intensive strategic review conducted by DoD's senior military and civilian leaders under the leadership and guidance of the president shaped the proposed FY 2013



defense budget, which is designed to ensure U.S. forces will remain capable across the spectrum of missions, fully prepared to deter and defeat aggression and to defend the homeland and our allies in the world's complex security environment. Full details of the budget can be accessed at <http://comptroller.defense.gov/budget.html>.

Prevention of conflict requires a combination of defense, diplomacy, and development. These tools of statecraft enable the United States to strengthen the capacity of allies and partners and to preserve stability. The United States remains committed to retaining the capabilities to deter conflict, reassure allies, and, if necessary, defeat potential adversaries. These objectives require the United States to be capable of responding to a broad range of challenges that are likely to employ a mix of approaches and capabilities.

As described in the Defense Strategic Guidance, the Joint Force of 2020 will be structured to succeed across a wide range of primary missions that include counterterrorism; maintaining credible deterrence and the capability to defeat aggression by any adversary; projecting power despite anti-access and area denial challenges; countering weapons of mass destruction; operating effectively in space and cyberspace; maintaining a safe and effective nuclear deterrent, if possible, with a smaller nuclear force; defending the homeland; providing a stabilizing presence abroad; conducting stability and counterinsurgency operations; and conducting humanitarian and disaster relief operations.

The United States remains cognizant of the shifting distribution of global political, economic, and military power. The rise of countries like China, the most populous

country in the world, and India, the largest democracy, are causing profound shifts in the landscape of the regional and international system. While the United States acts on the global scene, it also seeks increased cooperation with other important actors in order to pursue common interests and achieve a secure international environment. As U.S. leaders have often said, the United States is a Pacific power, and the Defense Strategic Guidance underscores our commitment to our allies and partners in the region and our goal of working to expand regional cooperation to ensure collective capability and capacity for securing common interests. The United States continues to place a high premium on both our military presence and support to allies and partners in East Asia. We are seeking a force posture that is geographically distributed, operationally focused, and politically sustainable. U.S. forces will plan to operate whenever possible with Allied and Partner forces and will continue to focus on the important work of building partner capacity through bilateral and multilateral training exercises, and seek opportunities for cooperation through participation in Asia's regional architecture institutions, including the ASEAN Defense Ministers' Meeting-Plus and its Experts' Working Groups.

The Quadrennial Defense Review (QDR) provided a review of the strategies and priorities for the national defense policy. The 2010 QDR can be found at: [http://www.defense.gov/QDR/images/QDR\\_as\\_of\\_12Feb10\\_1000.pdf](http://www.defense.gov/QDR/images/QDR_as_of_12Feb10_1000.pdf)

Additionally, the Department of Defense publishes the National Defense Strategy, which can be found at: [http://www.defense.gov/home/features/2010/0510\\_nss/index.html](http://www.defense.gov/home/features/2010/0510_nss/index.html)

## **a. Data contribution to ARF Arms Register**

### *(1) Total defense expenditure on annual basis*

#### *(1.1) Fiscal Year 2011 Defense Base Budget \$525.4 Billion*

The FY 2013 Base Budget Request of \$525.4 billion funds the non-contingency operational costs of the U.S. Army, Navy, Marine Corps, and Air Force, but does not include Overseas Contingency Operations (OCO), which covers efforts in Afghanistan and support for the Office of Security Cooperation in Iraq. OCO is funded separately in the FY 2013 budget request at \$88.5 billion.

Further information can be found in the DoD National Defense Budget Estimates for FY2013: [http://comptroller.defense.gov/defbudget/fy2013/FY13\\_Green\\_Book.pdf](http://comptroller.defense.gov/defbudget/fy2013/FY13_Green_Book.pdf); [http://comptroller.defense.gov/defbudget/fy2013/FY2013\\_Budget\\_Request\\_Overview\\_Book.pdf](http://comptroller.defense.gov/defbudget/fy2013/FY2013_Budget_Request_Overview_Book.pdf)

*(See Table 1-1, page 170)*

#### *(1.2) Defense expenditure as a percentage of Gross Domestic Product (GDP)*

The budget for national defense was 4.3% of GDP in FY 2013. Further information can be found at: [http://comptroller.defense.gov/defbudget/fy2013/FY13\\_Green\\_Book.pdf](http://comptroller.defense.gov/defbudget/fy2013/FY13_Green_Book.pdf)

*(See Table 7-7, page 171)*

### *(2) Total number of personnel in national armed forces and its percentage in population*

#### *(2.1) Active*

There are 1,478,000 active members in the U.S. Armed Forces. This information

was obtained from the DoD National Defense Budget Estimates for FY2013. Further information can be found at: [http://comptroller.defense.gov/defbudget/fy2013/FY13\\_Green\\_Book.pdf](http://comptroller.defense.gov/defbudget/fy2013/FY13_Green_Book.pdf)

#### *(2.2) Reserve*

The FY 2013 budget supports the Department of Defense's Ready Reserve totaling about 1.1 million members, and contributes 43 percent of the total military end strength. In approximate numbers, the Ready Reserve currently consists of the Selected Reserve (837,400), the Individual Ready Reserve (220,000), and the Inactive National Guard (3,700). Further information can be found at: [http://comptroller.defense.gov/defbudget/fy2013/FY2013\\_Performance\\_Improvement.pdf](http://comptroller.defense.gov/defbudget/fy2013/FY2013_Performance_Improvement.pdf).

*(See Table 7-5, page 171)*

## **III. NATIONAL CONTRIBUTIONS TO REGIONAL SECURITY**

The United States remains committed to promoting peace and stability in the region by contributing support and participating in a broad range of security activities. The United States specifically focuses on contributing to the following regional issues:

### **a. Counterterrorism**

The United States is actively engaged in multilateral and regional efforts through programs designed to strengthen regional partners and allies and to engender continued regional cooperation on counterterrorism measures. In particular, the United States seeks to encourage and support strategic

counterterrorism policies in the region. This approach places a premium on building the institutional and other capacities of states to promote the rule of law and eliminate breeding grounds for terrorism and instability, as well as addressing the drivers of violent extremism to diminish the recruitment of new terrorists.

The United States works closely with regional partners at the United Nations and in regional fora such as ARF, ADMM-Plus, and APEC to strengthen counterterrorism capabilities. These include efforts to support regional implementation of the UN Global Counterterrorism Strategy and international counterterrorism legal instruments. The United States also cooperates closely with many regional partners in the APEC Counterterrorism Task Force (CTTF), which the United States currently chairs. The CTTF contributes to regional security through a number of capacity building projects to combat terrorist financing, strengthen aviation security, and protect the region's food supply from deliberate contamination. In March 2012, the United States sponsored an ARF workshop in Vietnam to bolster the region's awareness of proxy actors in cyberspace. We also look forward to a successful ADMM-Plus EWG CT exercise in Sentul, Indonesia in September.

The United States serves as the Co-Chair, along with Turkey, of the Global Counterterrorism Forum (GCTF), an informal multilateral organization devoted to strengthening civilian counterterrorism capacity and building a network of counterterrorism practitioners around the globe. The GCTF Southeast Asia Region Capacity-Building Working Group, one of five GCTF expert-driven working groups, is focused on the capacity-building challenges

and priorities in the region in key civilian counterterrorism areas, starting with prisons, and mobilizes the expertise, resources, and political will to address them. At the latest GCTF Southeast Asia Capacity Building Working Group meeting November 28-29, 2012, in Manila, the group's co-chairs, Australia and Indonesia, brought together a diverse group of subject-matter experts to discuss youth radicalization and de-radicalization in Southeast Asia.

In addition to these multilateral efforts, one program focused on counterterrorism is the Anti-Terrorism Assistance Program (ATA). The ATA program strengthens partner nations' law enforcement capabilities in detecting, deterring, and responding to terrorist acts through the provision of counterterrorism-specific training and equipment. The U.S. Department of Justice complements these efforts by building regional capacity to prosecute and safely incarcerate terrorists. Security officials from several partner nations in Southeast Asia participated in a series of ATA programs.

The United States works bilaterally with governments in the region to pursue counterterrorism measures. The United States has signed Homeland Security Presidential Directive 6 (HSPD-6) arrangements with five regional partners. HSPD-6 arrangements establish institutionalized operational mechanisms for the reciprocal sharing of terrorist identities information between the United States and its foreign partner. Such arrangements enhance U.S. and foreign partners' border security by helping interdict the travel of known and suspected terrorists. The United States has also provided bilateral counterterrorism finance capacity building assistance to several nations in the region,

including the Philippines, Indonesia, Thailand, and Malaysia. The United States continues to support and strengthen partners and allies to enable regional actors to secure the region effectively from potential terrorist threats.

### **b. Non-proliferation, Counter-proliferation, Arms Control and Disarmament**

The United States seeks the peace and security of a world without nuclear weapons and pursues this goal by relying on a shared commitment to all three pillars of the Nuclear Non-Proliferation Treaty, including disarmament, nuclear nonproliferation, and promoting the peaceful uses of nuclear energy in ways that are safe, secure, and supportive of the nonproliferation regime. While the United States continues to reduce the role of nuclear weapons in its national security strategy, as long as such weapons exist, the United States will maintain a safe, secure, and effective arsenal. This is done to deter potential adversaries and to assure U.S. treaty allies and other security partners that they can count on the commitments undertaken by the United States. The five Nuclear Non-Proliferation Treaty (NPT) nuclear-weapon states, or “P5”, meet regularly to review their progress towards fulfilling the commitments made at the 2010 NPT Review Conference and discuss issues related to all three pillars of the NPT – non-proliferation, the peaceful uses of nuclear energy, and disarmament, including confidence-building, transparency, and verification experiences.

The United States supports the expansion of peaceful nuclear energy programs and believes that nuclear energy (when pursued according to international standards of safety, security, and nonproliferation) can be a viable

source of energy to states looking to meet increasing energy demands. We maintain, however, that such efforts must be conducted in a transparent manner, in full cooperation with the IAEA. We believe that the Additional Protocol (AP) to an IAEA Safeguards Agreement is an important step that states can take to strengthen the role of the IAEA and the global nuclear nonproliferation regime. We welcome Myanmar’s November 18, 2012, announcement of its intent to sign the Additional Protocol along with the November 2012 Joint ASEAN-U.S. Leader’s Statement, wherein ASEAN leaders reaffirmed their commitment to universalizing the AP. We call upon all ARF participants to sign and ratify the AP, and we stand ready to help states to build capacities to implement the Protocol fully. The ARF also can play an important role in helping states to understand the AP and to overcome any challenges to its implementation.

The proliferation of WMD and their means of delivery, and the illicit spread of related materials threaten the security of countries in the region as well as the international community as a whole. One way that the United States has supported regional approaches to addressing this global challenge is by raising awareness of the requirements of UNSCR 1540 and by promoting full implementation of resolution 1540 in the region. We have supported efforts in the ARF toward this end, and promoted greater cooperation between the ARF and the UN Security Council 1540 Committee, including participation by the Committee in recent ARF Inter-Sessional Meetings on Non-proliferation and Disarmament. In addition, pursuant to the decision of the 18th ARF in Bali in July 2011, the Kingdom of Thailand and the United States co-hosted an ARF workshop on implementing UNSCR

1540 in Bangkok in May 2013. The workshop focused on implementing nuclear security and strategic trade controls.

The goals of UNSCR 1540 also complement those of the Proliferation Security Initiative (PSI), which to date nearly one hundred countries have endorsed. Many ARF participants have already endorsed the PSI, a concrete commitment to regional peace and security. The United States encourages all countries concerned with the threat that the proliferation of WMD poses to international peace and security to endorse the PSI. In the past nine years, PSI endorsees have collaborated successfully to build the capacity of countries to conduct interdictions of WMD, related materials, and their delivery systems through information sharing, exercises, and training, as well as through the identification and development of critical interdiction capabilities and practices. An abiding strength of the PSI is the political commitment of its members. The PSI is an informal activity that complements the formal international nonproliferation framework of treaties, export control regimes, UN resolutions, and other instruments. The Asia-Pacific region has shown a strong commitment to the Statement of Interdiction Principles, and hosted multiple PSI activities and exercises in recent years. In 2012 alone, Japan will host an air interdiction exercise, and the ROK will host the PSI Organizational Experts Group meeting and a maritime interdiction exercise. We plan to continue to support the robust PSI exercise program to increase our collective ability to interdict the transfer of illicit WMD related materials.

The United States also maintains several programs to help address the proliferation threat in the ASEAN region. The Export

Control and Related Border Security Assistance (EXBS) program is the United States government's premier initiative to help other countries improve their export control systems. The EXBS program takes a regional and multilateral approach, promoting harmonization of national export controls systems with international standards. In addition, the United States established the Nonproliferation and Disarmament Fund in 1994 to allow the United States to respond rapidly to nonproliferation and disarmament opportunities and conditions surrounding nonproliferation that are unanticipated or unusually difficult. This fund aims to address proliferation of arms by eliminating the proliferation of WMD, destroying or neutralizing existing WMD, helping to detect WMD, and limiting the spread of advanced conventional weapons. The United States supports the agreement among ASEAN nations to establish a zone in the region free of nuclear weapons, the Southeast Asia Nuclear Weapons Free Zone (SEANWFZ). The SEANWFZ Treaty reaffirms the desire of the ASEAN State Parties to maintain peace and stability in the region and reinforces the commitment the Parties made in the Nuclear Non-Proliferation Treaty (NPT) not to acquire nuclear weapons. The Treaty extends the Parties' NPT commitment by prohibiting, among other things, the stationing of such weapons on their territories and the dumping of radioactive material in the zone, subjects that the NPT itself does not specifically address. The United States and the other NPT nuclear weapons states welcome the drafting of the Protocol to the Treaty that enables P5 signature of the Protocol and remain prepared to sign on that basis.

### **c. Transnational Crime**

The United States augments the capabilities of regional actors and supports the region on a broad range of transnational crime issues. The United States conducts such programs in Indonesia, the Philippines, Thailand, Laos, Timor-Leste, Bangladesh, and Nepal, as well as through regional programming under the auspices of the UN and other international organizations. These programs include, for example, training prosecutors and judges to manage terrorism and transnational crime cases, supporting the regional International Law Enforcement Academy (ILEA) in Bangkok, and maritime interdiction skills training. In addition, the United States has taken steps to protect the economic interaction in the region against cybercrime and intellectual property piracy, and to disrupt the financial activities of transnational criminals and facilitators.

Narcotics production and trafficking are also challenges for all ARF member nations. There are vast networks of highly organized drug trafficking organizations that span the region and threaten regional and U.S. national security through their production and trafficking of illegal narcotics and precursor chemicals. The U.S. government supports partner nation capabilities to ensure that those countries can fight international drug trafficking and related criminal activities by funding demand reduction programs and interdiction training programs. The United States is co-sponsoring a concept development workshop on an ARF Transnational Threat Information-sharing Center (ATTIC) with Thailand with the initial intent of exploring viable options for sharing information on narcotic trafficking.

The United States has been engaged in training IT professional regarding cyber crime and educating the youth of ASEAN towards

the risks of trafficking in persons. The U.S. government has also assisted in creating a partnership between ASEAN and the MTV-Exit Foundation (MTV-EF) to educate the youth of ASEAN to identify trafficking in persons and raise awareness of the support groups that are involved in assisting victims of trafficking in persons. In 2012, the United States along with other dialogue partners supported MTVEF events in Vietnam in May, in Indonesia in September, and in Myanmar in December. Currently, the U.S. government is working with ASEAN to determine what events will take place in 2013 onwards.

### **d. Humanitarian Assistance and Disaster Relief**

ARF Dialogue Partners regularly experience a variety of natural disasters, such as typhoons, floods, earthquakes, as well as manmade crises, including civil conflict, which often result in significant financial and human costs. In response to these events, the United States continues to provide humanitarian assistance to populations in the region, while simultaneously working to reduce communities' risk to disasters in the most vulnerable areas. To date in Fiscal Year 2013, USAID's Office of U.S. Foreign Disaster Assistance (USAID/OFDA) has responded to natural disasters in four ARF countries, as well as to complex emergencies in two ARF countries, working with agencies from across the U.S. government to meet the immediate needs of vulnerable populations.

Of the total responses to disasters in ARF countries, USAID/OFDA has responded to four disasters in three ASEAN member states—Myanmar, Indonesia, and the Philippines—providing more than \$6.6 million in humanitarian assistance, in

addition to substantial disaster risk reduction programming throughout ASEAN member states. U.S. disaster assistance aims to meet the immediate needs of affected populations, as well as help families recover from the effects of disaster.

In the Philippines, USAID/OFDA deployed an assessment team to affected areas of Mindanao immediately following Typhoon Bopha's landfall in the country in December 2012. In response to the needs resulting from the typhoon, USAID/OFDA provided funding to non-governmental organization (NGO) and UN partners to provide emergency relief commodities and shelter materials, as well as logistical support in collaboration with the U.S. Department of Defense.

After heavy rains triggered flooding and landslides in and around Jakarta in January 2013, USAID/OFDA worked through an NGO partner to locally procure and distribute emergency relief commodities, including materials for flood clean-up activities that enabled affected populations to return home. An USAID/OFDA regional advisor based in Indonesia conducted assessment and coordination activities for the flood response.

In Myanmar, USAID/OFDA provides ongoing humanitarian support in response to the effects of unrest in Rakhine and Kachin states, as well as in Mandalay Region. USAID/OFDA interventions in Myanmar include relief commodity distribution for populations affected by communal unrest in Mandalay and throughout the country; water, sanitation, and hygiene assistance for displaced populations in Rakhine, Kachin, and Shan states; and nutrition support for highly vulnerable groups in Rakhine. USAID/OFDA also conducts regular humanitarian assessments in affected areas of the country.

In an effort to mitigate the effects of future disasters on vulnerable populations, the United States also supports various disaster risk reduction (DRR) programs aimed at saving lives; protecting livelihoods, assets, and infrastructure before, during, and after a disaster; and increasing communities' resilience to natural hazards. The United States supports a number of regional and country-specific DRR programs, including the ASEAN Technical Assistance and Training Facility, which aims to enhance disaster early warning capabilities among ASEAN member countries. In partnership with the U.S. Department of State, USAID is supporting the facility to provide technical support to the ASEAN Committee on Disaster Management Task Force and support for the development of the ASEAN Center for Humanitarian Assistance and Disaster Relief (AHA Centre), particularly with the completion of a disaster monitoring and response system which was completed in December 2012. Through the early warning system, ASEAN member states will be able to share information and support decision-making processes on policymaking, preparedness, mitigation, response, and recovery activities. The decision-making capabilities are further boosted by U.S. training in the use of the incident command system through the United States Forestry Service. This training has focused on building regional capacity through train the trainer courses that will continue through 2013. DRR activities in the region are further supported by the addition of a USAID DRR specialist to the regional development mission Asia in October 2012. The United States dovetailed this program by training regional disaster management officers on how to coordinate and mobilize logistics through the AHA Centre in September 2012. The program also supports the appointment

of a full-time regional expert to coordinate U.S. government disaster management assistance in ASEAN.

The United States sponsors and/or participates in several Humanitarian Assistance Disaster Relief (HADR)-related exercises with Asian partners every year, including the ARF Disaster Relief Exercise, EAS HADR, the ADMM-Plus HADR and Military Medicine Exercise (AHMX), exercise Cobra Gold with Thailand, and the Balikatan exercise with the Philippines.

We congratulate Brunei, China, Japan, Singapore, and Vietnam for hosting and co-sponsoring a successful ASEAN Humanitarian Assistance and Military Medicine Exercise (AHMX) in June 2013. The United States believes this was a very important military-to-military exercise.

The Pacific Partnership and Pacific Angel missions enhance regional disaster response capabilities. The U.S. Navy and the U.S. Air Force respectively recognize the effectiveness of establishing relationships and training before disasters. Pacific Partnership and Pacific Angel strengthen relationships between civilian and military specialists from countries in the region who cooperate on medical and engineering projects and practice disaster response procedures. In 2012, the U.S. Hospital Ship Mercy conducting Pacific Partnership visited Cambodia, Indonesia, the Philippines, and Vietnam while Pacific Angel missions were conducted in Laos, Philippines, Nepal, and Vietnam providing humanitarian assistance; medical, optometry, and veterinary care; as well as engineering programs and other exchanges. Pacific Partnership and Pacific Angel also improve the ability of providers and subject matter experts from

the United States working side by side with counterparts from other countries to prepare for and better respond to disasters, such as pandemic illness, typhoons, earthquakes, and tsunamis. In 2012, Pacific Partnership included participation by 13 foreign governments and 28 NGOs. These two humanitarian missions will continue to provide assistance and enhance disaster relief in the region.

Lastly, the United States is the permanent Secretariat of the Pacific Area Senior Officer Logistics Seminar (PASOLS). PASOLS provides a congress for senior logisticians to exchange and discuss best practices and lessons learned, review regional issues and initiatives, and exchange information that strengthen cooperation throughout the region. The majority of ARF participants attend the annual PASOLS that draws over 120 regional delegates among 26 Member Nations and 12 Observer Nations. One of the primary focus areas of PASOLS is logistics support to Humanitarian Assistance and Disaster Relief operations. PASOLS looks to improve regional disaster response through established communication channels as well as standardized logistics procedures and best practices. The theme of PASOLS 42 in September 2013 is logistics support to Humanitarian Assistance and Disaster Relief operations. PASOLS's regional presence and logistics focus presents an ideal opportunity for ARF to continue the dialogue on disaster response to strengthen regional cooperation and collaboration.

#### **e. Maritime Security**

Since our security and prosperity are inextricably linked with that of other countries, U.S. maritime forces will be



deployed to protect and sustain the peaceful global system comprised of interdependent networks of trade, finance, information, law, people, and governance. U.S. maritime objectives are based on key principles of the maintenance of peace and stability, unimpeded lawful commerce, respect for international law, freedom of navigation, and rejection of the threat or use of force to advance claims. Our maritime forces will work with others to ensure an adequate level of security and awareness in the maritime domain. In doing so, transnational threats—terrorists and extremists; proliferators of weapons of mass destruction; pirates; traffickers in persons, drugs, and conventional weapons; and other criminals—will be constrained.

For more than 70 years, the U.S. Navy has maintained a strong naval presence in the Asia-Pacific in support of regional peace, cooperation, and economic prosperity. As part of the United States' commitment to the security and stability of the Asia-Pacific region, the first Littoral Combat Ship (LCS), USS Freedom, was deployed to Southeast Asia in April 2013. Like other ships on deployment in the Asia-Pacific, USS Freedom will make port calls throughout Southeast Asia and engage regional navies through exercises and exchanges.

Cooperation with the United States and among countries in the region remains the lynchpin of maritime security in the region. Expanded cooperative relationships with other nations and support for increased cooperation among countries in the region will contribute to the security and stability of the maritime domain for the benefit of all. These relationships enhance the capabilities of countries to allow them to pursue a greater degree of responsibility in

the region. By being forward deployed and engaged in mutually beneficial relationships with regional partners, our maritime forces will promote frameworks that enhance security.

The United States is taking the necessary steps to join the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) and is working with regional partners to improve the safety and well-being of regional mariners through the Expanded ASEAN Seafarers Training (EAST) initiative. EAST is a successor of a bilateral initiative between the United States and the Philippines to promote cooperation in the field of training and education of seafarers, primarily in counter-piracy training. The workshops will incorporate the knowledge of technical experts in the maritime transport sector and regional survivors of piracy to address issues ranging from preparedness and survival to post trauma care upon returning home.

#### **IV. ROLE OF ARF**

##### **a. National Contributions to Enhancing the ARF and Regional Security**

The United States remains committed to building institutional capacity in the ASEAN Regional Forum and strengthening ARF's role in the region's architecture. Besides the many projects mentioned above, the United States seeks to increase ARF's ability to develop Preventive Diplomacy mechanisms.

Further, in 2011, the United States established a U.S. Mission to ASEAN in Jakarta and dispatched Ambassador David Carden as our first-ever resident Ambassador

to ASEAN. We continue to strengthen the mission and desk's resources despite a tough fiscal climate. This demonstrates our commitment to the region and to ASEAN as the institutional leader of ARF.

Finally, we will continue to work with ASEAN to strengthen and build capacity in the ARF Unit. A strong ARF Unit will benefit ASEAN members and all ARF dialogue partners as the engine of a credible and action-oriented organization.

## **b. Future of ARF**

ARF serves as a useful and increasingly capable venue for broad, multilateral cooperation, and dialogue on a number of security issues. ARF's inclusiveness, maturing commitments, and growing experience positions it to achieve success on a targeted agenda that addresses the common issues that affect all ARF Dialogue Partners. These include transnational security threats such as proliferation, terrorism, transnational crime, disasters, maritime threats, and regional stability. ARF should seek to build capacity and develop interoperability to counter these transnational threats and aspire to achieve results-oriented cooperation through concerted, pragmatic, and common action at the multilateral level. At the same time, discussion among senior officials and ministers on key traditional security topics – such as those outlined in the Annual Security Outlook – help build confidence, share views among key countries, and lay the groundwork for traditional security cooperation in ARF and elsewhere.

Improving ARF's institutional capacity is a key objective for the future. The institution

should synchronize disaster relief and humanitarian operations. The United States looks forward to cooperating with Malaysia to support ARF in this effort by becoming the chairs of Priority Area 3 of the ARF Work Plan for Disaster Relief: Promote Interoperability and Coordination in HADR Operations.

As ARF's agenda and efforts increase, so must its institutional capacity. Building on twenty years of confidence building measures, ARF Dialogue Partners should actively foster ARF's development and advance the organization into its second phase, preventive diplomacy. In fact, ARF is already accomplishing some preventive diplomacy objectives through concrete cooperation in transnational security areas. All states must share in the burden of achieving ARF's collective goals. ARF Dialogue Partners should engage on its various work plans, help resource major initiatives, and promote tangible projects that can be expanded to other areas.

**Table 1-1  
NATIONAL DEFENSE BUDGET SUMMARY  
(Dollars in Millions)**

Current Dollars	Change		Change		
	FY 2011	FY 11-12	FY 2012	FY 12-13	
<b>Budget Authority</b>					
DoD - 011 (Discretionary) <sup>1</sup>	887,022	-41,314	845,708	-120,219	525,489
DoD - 011 (Mandatory)	3,739	1,001	4,740	1,402	6,342
Additional OCO Requests				88,482	88,482
Total DoD - 011 (Enacted + Requests)	890,761	-40,313	850,448	-131,335	600,274
DoD OMB Scoring and Rescoring <sup>2</sup>	690	-760	-75	61	-14
DoE and Other <sup>3</sup>	22,620	254	22,366	627	22,161
Total National Defense 010 <sup>4</sup>	914,071	-40,719	872,639	-130,699	622,421
<b>Total Obligational Authority (TOA)</b>					
DoD - 011 <sup>5</sup>	889,182	-42,340	846,842	-121,847	514,888
<b>Outlays</b>					
DoD - 011 <sup>5</sup>	877,864	-10,211	867,653	-71,223	615,934
Additional OCO Requests				58,870	58,870
Total DoD - 011 (Enacted + Requests)	877,864	-10,211	867,653	-12,353	674,804
DoD OMB Scoring and Rescoring <sup>2</sup>	100	-24	76	-25	51
DoE and Other <sup>3</sup>	22,581	488	23,069	847	22,802
Total National Defense 010 <sup>4</sup>	900,545	-10,675	890,734	-12,551	701,767
<b>FY 2013 Current Dollars</b>					
<b>Budget Authority</b>					
DoD - 011 (Discretionary) <sup>1</sup>	711,056	-55,182	655,874	-130,435	525,440
DoD - 011 (Mandatory)	3,912	1,037	4,949	1,359	6,308
Additional OCO Requests				88,482	88,482
Total DoD - 011 (Enacted + Requests)	714,968	-54,145	660,823	-140,594	500,274
DoD OMB Scoring and Rescoring <sup>2</sup>	692	-791	-99	85	-14
DoE and Other <sup>3</sup>	28,831	241	29,072	244	27,161
Total National Defense 010 <sup>4</sup>	744,501	-54,775	690,747	-139,938	527,421
<b>Total Obligational Authority (TOA)</b>					
DoD - 011 <sup>5</sup>	717,144	-52,791	664,353	-114,144	514,888
<b>Outlays</b>					
DoD - 011 <sup>5</sup>	702,201	-3,061	699,140	-81,115	615,934
Additional OCO Requests				58,870	58,870
Total DoD - 011 (Enacted + Requests)	702,201	-3,061	699,140	-22,245	674,804
DoD OMB Scoring and Rescoring <sup>2</sup>	92	-39	53	2	51
DoE and Other <sup>3</sup>	22,546	231	22,777	404	22,802
Total National Defense 010 <sup>4</sup>	724,839	-3,129	721,970	-21,888	701,767

<sup>1</sup> Includes new and supplemental funding awarded in FY 2011 and FY 2012.

<sup>2</sup> For budget authority, in FY 2011 DoD does not report Mandatory spending authority that OMB is reporting. In FY 2012 OMB reflects a transfer out of Aircraft Procurement, Air Force, and transfer out of the Defense Health Program in FY 2012 - 2013 that DoD is not reporting. For outlays, DoD is reporting Mandatory spending authority that OMB is not, as well as reporting outlays for the Family Housing Guaranteed and Family Housing Direct Loan accounts.

<sup>3</sup> Budget authority is from OMB Historical Table 1-1 (Budget Authority by Function and Subfunction). Outlays are from OMB Historical Table 1-2 (Outlays by Function and Subfunction).

**Table 7-7 (Continued)**  
**DEFENSE SHARES OF ECONOMIC AND BUDGETARY AGGREGATES**  
 (Percentage of Indicated Totals)

Fiscal Year*	% of Federal Budget		% of Net Public Spending Federal, State & Local		DoD as a % Public Employment				DoD as % of Total Labor Force	% of Gross Domestic Product	
	DoD	National Defense	DoD	National Defense	Military & Civilian		Civilian Only			DoD	National Defense
					Federal	Federal, State & Local	Federal	Federal, State & Local			
2002	16.5	17.3	9.8	10.3	51.4	9.3	24.8	3.0	1.5	3.1	3.3
2003	17.9	18.7	10.9	11.3	51.1	9.5	24.3	3.0	1.5	3.3	3.7
2004	19.0	19.9	11.5	12.0	51.3	9.3	24.6	3.0	1.4	3.7	3.9
2005	19.2	20.0	11.7	12.2	51.0	9.1	24.7	3.0	1.4	3.8	4.0
2006	18.8	19.7	11.5	12.0	51.3	9.1	25.1	3.0	1.4	3.8	4.0
2007	19.4	20.1	11.6	12.1	50.3	8.9	24.4	3.0	1.4	3.8	4.0
2007 Base	17.6		7.2							3.7	
2008 Total	19.9	20.7	10.2	10.5	50.6	8.9	24.5	3.0	1.4	4.1	4.3
2008 Base	14.0		7.6							3.7	
2009 Total	18.1	18.8	9.7	10.1	51.3	9.1	25.4	3.1	1.4	4.6	4.7
2009 Base	14.6		7.6							3.7	
2010 Total	19.3	20.1	10.1	10.5	51.4	9.4	26.3	3.3	1.4	4.6	4.8
2010 Base	14.6		7.7							3.7	
2011 Total	18.8	19.6	9.9	10.3	52.6	9.6	27.7	3.5	1.5	4.5	4.7
2011 Base	14.9		7.8							3.8	
2012 Total	18.1	18.9	9.7	10.0	52.6		27.6			4.4	4.6
2012 Base	15.1		7.9							3.7	
2013 Total	17.7	18.5	9.3	9.7	52.2		27.3			4.1	4.3

\* Any "Base" amounts do not include additional war funding or supplemental dollars. Any "Total" amounts include those dollars, as do all years 2007 and prior.

NOTE: Data is calculated from the OMB Historical Tables and the Economic Report of the President. Certain non-Defense data was not available past 2011.

**Table 7-5 (Continued)**  
**DEPARTMENT OF DEFENSE MANPOWER**  
 (End Strength/FTE in Thousands)

Fiscal Year	ACTIVE DUTY MILITARY					CIVILIAN WORKFORCE				Total DoD Manpower		
	Army	Navy	Marine Corps	Air Force	Full Time Civilian	Total Military	Army	Navy including Marine	Air Force		Defense Agencies & Other	Total Civilian
2011	566	325	201	333	78	1503	284	212	184	127	807	2310
2012 Base	547	327	207	337	77	1493	287	213	187	128	801	2297
2012 (R 13)	15		4			19						19
2012 Total	562	327	208	337	77	1500	287	213	187	128	801	2316
2013 Base	540	329	191	329	77	1493	284	212	184	127	791	2294
2013 (R 13)	30		11			41						41
2013 Total	572	329	197	329	77	1498	284	212	184	127	791	2298

All these end strength employment is included in the base year to 1989 and classified separately thereafter.

Beginning in 1973, the overlap with Army Spares include both U.S. and foreign national direct base and the foreign national indirect base employees that support U.S. base activities.

Beginning with FY 1996, all Federal civilian work force is measured in Full-Time Equivalents (FTE) in this table.

Naval reserve personnel on active duty for Training and Administration of Reserve (TAR) are included in the above Navy year to FY 1989 and in the Full-Time Guard and Reserve thereafter.

Active Duty Military includes the activation of 27,012 National Guard and Reserve units in FY 1965, pursuant to sections 679b, Title 10 U.S.C., in FY 1965, 17,019 National Guard and Reserve units, and in FY 1992, 154 National Guard and Reserve units pursuant to sections 671 and 673, Title 10 U.S.C., in support Operation Desert Storm/Desert Storm.

All historical end and supplemental data are listed up into table year to 2011.

