

**KEYNOTE ADDRESS BY HON. RANIL WICKREMESINGHE, PRIME MINISTER
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**(Secure Seas Through Greater Maritime Cooperation:
Challenges and Way Forward)**

I wish to thank the Commander of the Navy for the invitation to deliver the keynote address at the Sixth International Conference Galle Dialogue 2015.

I take pride in noting that the Sri Lanka Navy has staged this initiative jointly with the Ministry of Defence. Presenting an event of this significance which brings a considerable number of invitees from all over the world, is indeed a task that must be commended – I would firstly like to thank the organizers for an excellent input of resources, time and commitment towards making this event an outstanding success.

Introduction:

The theme for this year, “Secure Seas through Greater Maritime Cooperation: Challenges and the Way Forward” comes at an apt time; a time when we need to focus on strategic aspects of relevance towards ensuring the fundamentals of a sustainable Global Maritime Order. In today’s globalized economy, sea borne trade has a substantial impact on the process of strategic decision making.

Reaffirming the concept of secure seas calls for a consistent approach towards ensuring a stable maritime management, confirmed by the accepted principles and standards that govern the law of sea. It must reinforce the ability to manage the freedom of navigation , while exercising the sovereign powers of the state, in keeping with established norms of maritime jurisdiction. Ensuring such an outcome calls for an optimum balance that must be struck between the law of the sea and maritime security.

Accordingly, issues we face today have been borne out of the following aspects.

1. The advancement and creation of a global economy with a considerable footprint on current trade and the environment
2. Growth of criminal activity and piracy globally
3. Spread of terrorism
4. A substantial expansion of Asian naval powers set for progression against two centuries of colonialism.

The current law of the sea regime can be traced to the workings of the International Law Commission in 1949 when the subject first appeared on the Agenda. At the time, Global Maritime Order was determined on the collaborations between the Navies of the four super powers – USA, UK, Soviet Union and France. In 1982, when the agreements were signed, there were only two super powers left with considerable naval power; the USA and the Soviet Union. While reaffirming a newer role within Europe, the UK displayed its remaining naval capacity in the Falkland Flotilla. When the Law of the Sea came into full effect, the world had only one naval super power – the USA, which by that time had also downsized its fleet capacities.

Four expanding navies of Japan, China, India and South Korea are meeting the vacuum thus left in Asia. The new status quo has created fresh issues – those of sea power projections, littoral operation threats to the right of innocent passage and sea denial operations.

The withdrawal of Russia from international waters as a Naval Power has also contributed to the expanding danger of combat at open seas being replaced by littoral warfare. The defending side has the capacity of a multi layered defence system that integrates surveillance with sea going platforms, aircraft, anti-ship and missiles and even suicide boats. Accordingly, uncertainty has replaced the former security of the seas, resulting in continuous conflict and a proliferation of threats to the international order on the high seas, once regulated by the former naval powers. With the Industrial Revolution the United Kingdom emerged as the international naval power of the 19th Century. Since World War II, this role has been relegated to the USA. This order is facing an unprecedented threat today.

The International New Order on High Sea is marked by the distinct developments in the Atlantic Ocean and the Asian Oceans. The NATO, an initiative that sought to sustain the Western dominance of the Atlantic Ocean during the Cold War, provided the European Union

with an impetus. The subsequent fall of the Soviet Union resulted in the cold war mechanism being dismantled – as a result, the Atlantic emerged as a stable security zone with safe seas.

The paradigm shift in the balance of sea power is currently taking place in the theatres of the Asian Oceans, the Indian Ocean and the Pacific Ocean, which expands from the South and East African coast to the West coast of the American Continent. Increasing globalization and speedy progress made on the economic front has made Asia the region with the most amount of opportunities available for the future.

- The American and European investments made in this region.
- The investments made in the US Treasury Bonds by financiers from Asia.
- Asian goods and services aimed at western markets.
- The emerging middle classes in Asia as a significant market.
- The evolving of Singapore, Hong Kong, Shanghai and Tokyo as Global Financial Centres and
- The emergence of the Global Value Chain

have positioned Asia and the West in a mutually favourable position. As pointed out by the Australia-India Institute on Indian Ocean Security, the trade routes of the Asian Oceans are classified as some of the most important routes in the world today. Naval supremacy in the Pacific theatre of war during the World War II, gave USA the advantage over Asian Oceans. The emergence of the USA as an economic powerhouse prompted the Asia Pacific Economic Community block that brought the economies of East Asia, the Americas, the Pacific Ocean nations and ASEAN together. Accordingly, economic and defense agreements with USA has enabled India to emerge as a global economic power. The Navies of Asian countries that saw expansion during this time are now making their presences felt in relation to the US Navy, raising levels of concern. In order to ensure regional stability, such a situation requires careful handling.

The Asian Oceans have seen successful Naval Cooperation towards suppressing piracy. The Regional Cooperation Agreement for combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) signed in November 2004 between countries, reaffirmed this process. Recently, the UN Security Council Resolution on Piracy off Somalia, the EU strategic Framework for the

Horn of Africa and the Contact Group on Piracy off the Coast of Somalia (CGPCS) has succeeded in bringing together concerned Navies in the Asian Ocean and beyond, to control the threat of Somali piracy. The success achieved within such measures undoubtedly will pave the way for further co-operation towards regulating other transnational criminal activities such as narcotics.

A substantial increase in the trafficking of drugs such as heroin, has been observed – these typically take place through the African sea route and South Asian sea route. There is an urgent need for a more comprehensive strategy to be adapted towards preventing this trend before it escalates further.

People smuggling is yet another key area for transnational cooperation. Increased collaboration between African and Asian Naval authorities together with the other relevant stakeholders towards successfully combatting international crimes in the seas will empower the emergence of Asian Oceans as a secure zone. Although an all-encompassing security system is required for the Asian Oceans, it is imperative to review the requirements of each of these oceans individually.

It can be said that the emergence of the Pacific Ocean sea power is fairly recent – history shows that the trade between Asia, Australia and the Americas advanced only during the last century. The three East Asian nations have equipped their Navies with modern technology and capabilities on par with the best in the world. These Navies are perhaps better equipped than some of their Western counterparts.

The rise of the Chinese Naval power and the landfills in the South China Sea has reignited the already existing tension between China and Japan. It has been observed that the resources of new Chinese Navy are not on par with the capabilities of the United States Navy, even in the long term, as evident in the Chinese Military Strategy White Paper 2015 ; the Paper reiterates the position that “a future world war is not anticipated” . It further refers to a new relevance emerging from an expanding strategic interest in the concept of “Open Sea Protection”. This maybe classified as a gesture towards countering the sea regulatory mechanisms of the US Navy. Accordingly, the USA and the other East Asia countries are reviewing processes to successfully counter any such possibilities.

The issues in the Indian Ocean are more demanding. With a heritage rich with naval pursuits going back over 3000 years of known history, The Indian Ocean was one of the wealthiest regions in the world until the 17th Century. The nature of sail ships significantly placed a limit on the area of command available to a sea power. This status quo changed substantially with the Industrial Revolution and the invention of the steam ship ; as a result, the Indian Ocean saw a considerable British presence by the end of the 19th Century.

In addition, the construction of the Suez Canal provided the strategic sea link between Europe and Asia.

Today, the Indian Ocean sea routes account for, more than half of the international containerized trade, between half to two thirds of the global trade in hydrocarbon resources, and one third of the world's bulk good shipments. It is also the principal conduit of the oil and coal that fuel the engines of the global economy while being in itself an important source of oil and natural gas. In the case of the Indian Ocean, many of the stakeholders are from outside the Region. The EU, China, Japan and Korea are concerned about any disruptions of the Indian Ocean Sea Trade, which can impact their economies. The adaptation of a Chinese strategy of soft diplomacy in Asia and East Africa, along with the construction of new ports such as Hambantota and the Strings of Pearls Theory has raised concerns of a possible Chinese long term plan to extend its sea power to the Indian Ocean. Likewise, it is believed that there are concerns raised by the Chinese about a US – Indian strategic vision for Asia Pacific and the Indian Ocean region. The other peculiarity of the Indian Ocean is the security threats that can emerge due to international terrorism. The most vulnerable points are the Straits of Hormuz and the Straits of Bab-ej Mandeb, which remain key chokepoints for fossil fuel required by the Global Economy.

Against such a background, it is vital to adopt an inclusive approach that invites all stakeholders to discussions concerning the freedom of navigation in the Indian Ocean. History bears witness that the littoral states in the region have always resisted the domination of the Indian Ocean by any single entity. It must then be asserted that all the countries of the region must jointly commit themselves to upholding the freedom of navigation in the Indian Ocean, while preventing any demands placed on its usage by the ships of one single nation, as agreed by all stakeholders. The elephant in the room is the US Navy which took over from the Royal Navy

responsibilities in the Indian Ocean. Sri Lanka understands the role of the US Navy and the requirement for the littoral states to include the US Navy in implementing the obligations to uphold the freedom of navigation in the Indian Ocean.

Sri Lanka's strategic location in the centre of the Indian Ocean is exceptional. Sea borne trade remains key for the survival of our small island. The strategy for economic empowerment put in place by the Sri Lankan Government under the guidance of President Maithripala Sirisena envisages bilateral trade and economic treaties with India, Pakistan and the Bay of Bengal countries, the European Union and China. There are also plans towards discussions on Free Trade Agreements with the USA.

Sri Lanka is also placing itself to emerge as a dynamic trade hub connecting the countries in the Indian Ocean region. It must be reaffirmed that secure seas including safeguarding the Indian Ocean SLOC are vital for Sri Lanka's security. Our special concerns are the routes connecting (a) the Eight degree Channel, the One and half Degree Channel, the Equatorial Channel in an around Maldives, and (b) the Ninth Degree Channel. Ten Degree Channel and to the Malacca Straits, Sunda Straits, and the Lombok Straits.

Historically, Sri Lanka has always had significant interests in the Bay of Bengal. While Sri Lanka's economic zone falls within the area, we remain committed to preventing international terrorism, transnational crimes and people smuggling in the seas around our country. Therefore, the sea is seen as a strategic component of the country's security network. Although substantial resources have been made towards strengthening the security on land, due to internal factors, emphasis on reinforcing high levels of maritime security has been insufficient. In this context, supplementing the blue water capability of the Sri Lanka Navy and the consolidation of the Sri Lanka Coast Guard are areas of concern for the Government. We are also reviewing the possibilities of integrating the capabilities of the Navy and the Air Force. Additionally, we have acknowledged the need to amalgamate the competencies of the Sri Lanka Navy and the Sri Lanka Air Force towards bolstering the national surveillance apparatus. Attention is also given to -

- a. the development of marine spatial planning
- b. the development of a maritime strategy
- c. the development of a maritime security strategy

These concerns are fundamentally interlaced and will figure prominently in the overall development of a cohesive marine policy for the country.

Consequently, Sri Lanka can review the creation of a small sea going Navy, as envisioned by the Father of the Nation, D.S Senanayake. Although it was reaffirmed by his immediate successor, a policy reversal took place, with Sri Lanka committed to promoting the Indian Ocean Peace Zone. The period of terrorism that followed afterwards sustained the focus on land warfare. Nevertheless, the changed scenario of today calls for measures to be contemplated such as -

- a. The establishment of a small Naval force to undertake our responsibilities jointly with other nations towards ensuring the freedom of navigation from Channel to the Malacca and Indonesian straits.
- b. Enhancing naval capacity by adding air surveillance.
- c. Creation of a separate Peace Keeping Corps with Armed Forces contingents and Police units to embark on international peace keeping assignments.
- d. Re-organising and training the Police Special Task Force to counter international terrorism.

The financial resources needed for any approved plan will have to be phased without burdening the Budget. This Government will continue with the reaffirmed policy of ensuring that all ports in Sri Lanka are open for commercial shipping. We would like to reiterate that there would be no naval bases allocated to other countries within Sri Lanka.

The Indian Ocean is in need of a mutually benefiting security architecture established on a multilateral basis. There is also space for an effective multilateral governing structure. Unlike the Asia Pacific, this region is not economically integrated. The IORAC is not effective as a regional organization. Neither has there been meaningful progress in giving effect to the Kochi and the Perth Communiqués. The maritime security of the Indian Ocean cannot be guaranteed without filling this lacuna. Sri Lanka is willing take the lead to set up a multilateral forum that involves all stakeholders with UN support to address the security issues including the control of choke points and maritime security blue print. Such a forum categorized by a collective approach is likely to set the stage for a timely and relevant mechanism to be established for open and comprehensive dialogue on a range of issues affecting the Indian Ocean in particular

and the Indo-Pacific region in general. The process if institutionalized, will allow for combined partnerships across a range of areas of interest to Sri Lanka and other participating countries.

We understand that no country is capable of handling maritime security threats and challenges in isolation, no matter how advanced and developed it might be. The need is to think globally and engage in structural co-operation mechanisms in order to effectively address the maritime security threats and challenges.

I believe that the senior Naval officers present here and the representatives of relevant agencies are conscious of these – it is one of the key reasons why we have come together here today for deliberations.

Our future is connected to the ocean around us. We must agree to move forward collectively by adherence to the accepted rules and norms related to the ocean, while reaffirming our recognition of the freedom of access to seas and also to a comprehensive and cooperative strategy ; without it, there will be no solution to the issues we are discussing at this forum.

I believe the deliberations that will be made during the next two days among the distinguished gathering here, would provide considerable insights into the challenged faced by the global community. I am certain that together, we are more than capable of fostering greater cooperation and coordination among each other to emerge stronger, more assured in our pursuit to find answers to these issues.

I take this opportunity to thank you all and wish you all the very best towards the successful conclusion of this conference.

Thank you.