

**Seminar on *India's Act East and Indonesia's Global Maritime Fulcrum:*
*Exploring Potential for Future Maritime Cooperation***

19 July 2017, Claridges Hotel, New Delhi

A one day seminar was organized by the Embassy of Indonesia and the National Maritime Foundation on 19 July 2017. The theme of the seminar was **India's Act East and Indonesia's Global Maritime Fulcrum: Exploring Potential for Future Cooperation**. The objective of the seminar was to identify areas of maritime cooperation between Indonesia and India. The seminar involved brainstorming on security and economic facets of maritime cooperation between the two nations. It led to practical recommendations with immense policy relevance for both nations. A complete report on the seminar will be available on the website later. The opening remarks by Mr Dalton Sembiring, Deputy Chief of Mission, Embassy of the Republic of Indonesia and Admiral R.K Dhowan, PVSM, AVSM, YSM (Retd), Chairman, National Maritime Foundation are appended below.

Remarks by Mr Dalton Sembiring

Excellencies,
Distinguished Speakers,
Ladies and Gentlemen,

A very good morning and warm welcome to you all. It is indeed a great pleasure for me to meet you in this seminar, which is jointly organized by the Embassy of the Republic of Indonesia and the National Maritime Foundation.

The theme of the seminar "India's Act East and Indonesia's Global Maritime Fulcrum: Potential for Future Cooperation", is timely and challenging. Timely, since maritime issues becomes increasingly important in international relations at the global, regional and bilateral level. And also challenging, since it covers many aspects from maritime security and safety to conservation and maritime economy.

Excellencies,
Ladies and Gentlemen,

As you might aware of, President Joko Widodo in October 2014 pledged to transform Indonesia to be a global maritime fulcrum and translated the doctrine into five pillars

namely maritime culture, marine resources, maritime infrastructure and connectivity, maritime diplomacy, and maritime defense forces. The doctrine introduced internationally for the first time at the East Asia Summit in November 2014.

Since then, the development of maritime sector is high on the priority list of the government of Indonesia. Progress has been made by the Government in the last two years to restructure Indonesia's maritime potentiality and develop international maritime cooperation.

At the regional level, Indonesia has taken active role in promoting cooperation between IORA member states. The first ever IORA Summit was held in Jakarta on 7 March 2017 resulted in Jakarta Concord : Promoting Regional Cooperation for a Peaceful, Stable and Prosperous Indian Ocean, IORA Action Plan 2017-2021 and Declaration on Preventing and Countering Terrorism and Extremism. Furthermore, two months ago, Indonesia also hosted another important event, namely the 2nd IORA Blue Economy Ministerial Conference in Jakarta on 8 -10 May 2017. At the bilateral level, the government of Indonesia has been engaging key countries in the region, including India, to promote and strengthen maritime cooperation.

India is essentially a maritime nation with vast maritime interests. In recent years, with focus on the Act East Policy and initiatives in the maritime domain, India is emerging as a resurgent maritime nation, which provides opportunity for enhancing maritime cooperation with Indonesia. Furthermore, maritime security and safety as well as maritime economy in recent years have become increasingly important for the two countries who shares complementarities as well as challenges.

Ladies and Gentlemen,

Statement on Maritime Cooperation was one of the important outcome of the President Joko Widodo's visit to India on 11-13 December 2016, which stated a joint commitment to further strengthen maritime cooperation *inter alia* in the field of maritime security, maritime safety and maritime industries.

Against this backdrop, with the aim to explore future maritime cooperation, the Embassy of the Republic of Indonesia and the National Maritime Foundation (India) are organizing this seminar, to identify opportunities and challenges for the development of maritime cooperation between Indonesia and India.

This one-day seminar will comprise of two thematic sessions corresponding to the seminar objectives. Whereas the first session would delve on the security perspective,

the second one would address economic issues. It is expected the seminar would produce a set of recommendations for a concrete and practical 'way ahead' for future cooperation between the two countries.

It is my sincere wish that all of you gathered here today would give benefit of your presence and participation. Finally, I hope this will be a productive and successful seminar.

Thank you.

Remarks by Admiral R.K Dhowan (Retd)

His Excellency, Mr Sidharto Reza Suryodipuro, the Ambassador of the Republic of Indonesia to India, Mr Dalton Sembiring, Head of Mission of the Indonesian Embassy at New Delhi, eminent participants, Excellencies, distinguished guests, members of the media, Ladies and Gentlemen. Good morning and Selamat Pagi!

It is a distinct honour for me to accord a very warm welcome to all of you to this seminar on India's Act East Policy and Indonesia's Global Maritime Fulcrum: exploring the potential for future Maritime cooperation. It is indeed a privilege for the National Maritime Foundation to co-host this seminar with the Embassy of Indonesia.

India and Indonesia are both maritime nations with a natural out flow towards the seas, and the seas around us have been the vortex of intense maritime activity over centuries.

India sits astride busy sea lines of communication which transit across the Indian ocean over which 66% of the world's oil, 50% of the world's container traffic and 33% of the world's cargo traffic transit every year.

Indonesia is located at the cross-roads of the Indian and Pacific oceans. The Indonesian archipelago, which comprises over 17500 islands, stretches from the tip of the Andaman Sea, through the strait of Malacca, to the South China Sea and further past Java and Banda sea to the Pacific Ocean.

India has vast maritime interests which have a vital relationship with the nation's economic growth. In recent years, under the leadership of Prime Minister Modi, there have been many initiatives and intense activity for development in the maritime domain coupled with the transition from the Look East to the Act East Policy. It appears that India

has once again turned towards the sea and is destined to emerge as a resurgent maritime nation in the 21st century.

Indonesia, with the second largest coastline in the world and an EEZ of 2.7 million sq km, has an ocean of opportunities for harnessing the Blue Economy. In recent years, President Jokowi Dodo (Jo kowi) has articulated his vision of the Global Maritime Fulcrum. The vision recognizes that Indonesia is located at the center of the Indo Pacific hemisphere. The five pillars of Indonesia's Global Maritime Fulcrum are maritime culture, maritime economy, maritime infrastructure, maritime diplomacy and maritime security.

Indian and Indonesia are littoral neighbours, sharing maritime boundaries in the waters of East Indian Ocean. The Aceh province of Indonesia is barely 90 nm from Indira Point in the Andaman and Nicobar Islands. In addition, we have common maritime interests and common maritime security challenges. This provides an ideal environment to enhance the avenues of maritime cooperation between India and Indonesia.

India has a coastline of over 7516 km and an Exclusive Economic Zone of over 2 million sq km. Approximately 95% of our trade by volume and 72% by value transits over the seas, which accounts for nearly 50% of India's GDP. India's vast maritime interests are, therefore, also enablers of our Blue Economy. I will now highlight some maritime sectors which are likely to witness significant growth and also provide opportunities for cooperation with Indonesia, in the years ahead.

India has 12 major ports and over 200 minor and intermediate ports. The Government has launched the ambitious Sagarmala Project, which is a Port - led development initiative, based on four pillars of port modernization, connectivity, port-led industrialization and coastal connectivity development. The Sagarmala comprises about 150 projects with an investment of approx 60-70 Billion US dollars. The Sagarmala project envisages connectivity of the major and minor ports to road and rail network and inland waterways.

Indonesia also plans to develop approx 180 major and minor ports and development of port infrastructure could be an area of cooperation in the future.

India has a vibrant shipbuilding industry with 27 shipyards. Recently the Government has initiated several steps to support shipbuilding, repair and ship recycling industry. The measures include according special infrastructure status and permitting 100% FDI in the ship building sector.

Another aspect I would like to mention is that of the warship building industry in India. For the past 50 years, our ship designers have designed and our indigenous

shipyards have built ships for the Indian Navy, this has resulted in our transformation from a buyers Navy to a builders Navy.

The blue print of the future Indian Navy is firmly anchored on self-reliance and indigenization and today, it is a matter of great pride that all the 40 ships and submarines under construction are being built in Indian shipyards, both public and private. This is another area for cooperation where, India and Indonesia could partner for joint ventures between shipyards for shipbuilding programmes.

India has over 1300 islands and islets as part of the Andaman and Nicobar Group in the Bay of Bengal, the Lakshadweep group in the Arabian Sea and islands off the West and East coast of India. The Government of India has prepared a comprehensive Island development plan which takes into account aspects of security, economic sustenance, environmental preservation, cultural and social sustenance. There is a huge potential to develop these islands for controlled eco-tourism and opportunities exist along the coast of India for marinas and cruise tourism.

This sector of marine based tourism provides a host of opportunities between India and Indonesia for maritime cooperation.

Renewable ocean energy is another sector with intense scope in the future. This includes tidal and wave energy and ocean thermal energy conservation. India has taken some initiatives in this field and this sector provides avenues for joint venture programmes.

It can, therefore, be seen that there are many opportunities for cooperation in the maritime sector but the challenge is to ensure development of green field infrastructure projects with a close watch on the environment to ensure sustained development.

The seas are no longer a benign medium and globalization has resulted in vulnerability of the oceans. The threats and challenges in the maritime domain are as wide and varied as they come. They range from Piracy to maritime terrorism and the other threats include arms trafficking, drug smuggling to human trafficking and poaching.

The waters of the Indian Ocean Region are prone to natural disasters and our navies have to be ready to provide rapid response for humanitarian assistance and disaster relief as well. In the aftermath of the Tsunami in December 2004, the Indian Navy provided humanitarian assistance and disaster relief which exemplifies the unique brotherhood of the seas and the ability of navies to provide assistance and promote cooperation.

The Indian Navy and the Indonesian Navy have a vibrant cooperation spanning over decades. The two navies signed the first security agreement in 1958 and conducted the first joint naval exercise in July 1960. The Indian Navy participated in the 1995 Jakarta International Fleet Review marking 50 years of Indonesian independence. The defence cooperation agreement was signed between the two countries in 2001, and commencing in 2002, the two navies have been conducting coordinated patrol in the Andaman Sea. The other areas of cooperation between the two navies include regular port visits, training and participation in MILAN, the regional meet of navies at Port Blair in A & N islands.

In 2008, the Indian Navy launched a unique initiative of the Indian Ocean Naval Symposium (IONS) as a construct to promote cooperation among navies of the IOR. Today, IONS has 22 members, which includes the Indonesian Navy. The Indian Ocean Rim Association (IORA) is another forum which provides opportunities for strengthening maritime cooperation among countries of the Indian Ocean Region. Incidentally, 20 members of the IORA also have their navies as member of the IONS, and recently there has been some synergy between the IONS and IORA, for promoting maritime cooperation.

To further promote cooperation among navies of the world, the Indian Navy conducted the International Fleet Review at Vishakhapatnam in Feb 2016. Fifty navies of the world came together to strengthen bridges of friendship, which also included the Indonesian Navy. We had nearly 100 ships at anchorage and the underlying theme of the Review was that we may be separated by geography but we are certainly united through the oceans.

During the International Fleet Review, the Hon'ble Prime Minister of India Sh. Narendra Modi outlined his vision for the Indian Ocean as SAGAR, which means the Oceans and stands for Security And Growth for All in the Region.

The Indian Ocean Region has emerged as the world's centre of gravity in the maritime domain. Another unique feature of the Indian Ocean is that 80% of the oil and trade that emanates in the Indian Ocean Region is extra regional in nature. This implies that if there is any impediment in the free flow of oil or trade, it would have a detrimental impact not just on the economies of the region but global economies as well. Safety, security and stability in the waters of the Indian Ocean is, therefore, of paramount importance and it is the collective responsibility of the navies to ensure the security of the global commons. Networking among navies and maritime partnerships are, therefore, emerging as the new order of the current century.

The cooperation between the Indian and the Indonesian Navy is likely to grow in the coming years to include information exchange and Maritime Domain Awareness which will further strengthen the bonds of friendship between our navies.