



RMN SEA POWER CENTRE ONLINE COMMENTARY ON MARITIME ISSUES

SUAR 6/23

20 JULY 2023

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ISSUES AND CHALLENGES IN MALAYSIAN WATERS

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Many factors significantly drive the Royal Malaysian Navy (RMN) to safeguard Malaysian maritime interests. First, geographically, Malaysia is surrounded by water. Second, Malaysia is situated at the crossroads of the east and west sea lines of communication, whereby it shares maritime borders with Indonesia, an archipelago nation, and Singapore, the only city-island nation in the world. This geographical setting has long been a hotspot for influxes of seaborne illegal immigrants, smuggling, and trafficking activities via the Andaman Sea. Third, in the east, Malaysia's water borders are adjacent to North Borneo with the Philippines, another archipelagic population. The claim to Sabah by the Philippines makes North Borneo and the Sulu Islands of the southern Philippines another significant hotspot.

The South China Sea (SCS) area would become the most extensive maritime flashpoint for the RMN if eventualities were to break out. Besides being

connected to the world's major east-west trade routes, the Spratly Islands and parts of the SCS, claimed by Malaysia, are also contested between Vietnam, the Philippines, Brunei, Taiwan, and China. On the other hand, the Exclusive Economic Zone (EEZ), which allows Malaysia to exercise sovereign rights to explore, exploit, conserve, and manage natural resources, both living and non-living, has overlapping water borders with neighbours, which subsequently complicates the functions and places additional challenges to the RMN in protecting the nation's interest in the SCS.

The RMN must conduct operations that ensure the uninterrupted movement of goods and the security of vital sea locations for economic production. The three major issues which are predominant concerning these issues that will continue to challenge RMN in several ways are;

- First is protecting the oil and gas (O&G) industry, which represents 20% of the country's Gross Domestic Product (GDP). Besides being a significant contributor to the nation's economy, this responsibility is even more challenging because Malaysia's O&G resources are offshore fields; Malaysia's exploration activities must be conducted without disruption, especially in the SCS areas. Furthermore, Malaysia has limited oil pipelines and relies on tankers to distribute products onshore. The movement of products must be safe and guarded at all times. Hence, the RMN, with its limited assets, has to maintain continuous sea surveillance. The RMN must also provide support and resilience to ensure the accessibility and continuity of O&G projects, which are crucial to boosting the country's economic growth. Besides Enhanced Oil Recovery (EOR) projects, where predominant companies have invested heavily in Sabah and Sarawak, Risk Service Contract (RSC) projects have also been helping to maximise oil production. This and other deep-water projects offshore at Sabah boost the country's total oil production. Hence, the RMN has to serve increasing functions to ensure a stable and peaceful environment for these economic activities to flourish.

- Second is conserving the fishery industry, which contributes over 60% of the country's total protein requirements and between 1 to 2% to the country's GDP. This industry is also an important sector for rural and coastal

communities as it helps to create job opportunities. Malaysia's geographical position plays a vital role in the potential of this particular industry as it can cultivate a significant source of income for the country and its coastal community. With its substantial coastal length of inshore and offshore fishery activities, Malaysia has extensive marine resources that can be exploited, especially within its EEZ. However, whilst the marine resources around Peninsular Malaysia have been adequately explored, the Eastern Malaysian marine fishery resources still need to be explored and hold the potential to contribute to the country's economy. Sabah has a vast spread of deep seawater and considerable fish stock. While Sarawak also has deep seaways and abundant fish resources, deep-sea fishing efforts still need to be improved. Given the intense demand for fish and associated products, the harnessed resource *es vis-à-vis* the potential resources are mismatched. Forming one of the world's richest ecosystems, the geographical environment off Sabah and Sarawak also makes this area one of the most sort tourist attractions.

This ultimately requires the RMN to play a more vital role in protecting the industry. Namely, the RMN needs to ensure the fishermen's safety and security to ensure the fishing industry's survivability, which is critical to the country's economy and sustainable food security. In particular, Illegal, Unreported, and Unregulated (IUU) fishing which involves the encroachment of national and foreign vessels and consists of trawling, fish bombing, cyanide fishing, fish laundering and fishery crimes, has become a significant concern. Inefficient and ineffective fishing management can result in the collapse of a fishery industry, which would impact the sustainability of the ecosystem and local fishermen's livelihoods. At the moment, the SCS disputes have yet to have a clear solution. However, stability in this area is essential for economic activities. Malaysia has adopted sound monitoring, control, and surveillance systems in the EEZ per the UNCLOS 1982. However, with encroachment from foreign fishermen, the biggest challenge for Malaysia is maximising the use of its current maritime assets while at the same time improving its assets procurement.

Third is managing Grey Zone Operations (GZOs). Irregular or quasi-military forces, also known as fishing militia, are increasing in the areas of the SCS, where most fishermen also conduct defence and security activities for their

navy. These incidents suggest the need for more robust maritime capabilities and the capacity to respond to these advanced countries' tactics.

The maritime domain is a vital defence area for Malaysia; therefore, the RMN being the first line of defence, has to develop and maintain a sustainable fleet to meet all these requirements. To this end, Malaysia must weigh its options to increase its capabilities and readiness at sea to protect its maritime domain's vital economy, safety and security.

***Note: This article had been published in Majalah Samudera 1/23 by RMN SPC**

