

**FIRST COOPERATION FORUM MEETING
UNDER THE COOPERATIVE MECHANISM ON THE STRAITS OF MALACCA
AND SINGAPORE
HELD AT THE GRAND MILLENNIUM HOTEL, KUALA LUMPUR, MALAYSIA
27 TO 28 MAY 2008**

REPORT OF THE MEETING

OPENING OF THE MEETING

0.1. The first Meeting of the Cooperation Forum under the Cooperative Mechanism on the Straits of Malacca and Singapore (the Straits) between the littoral States and user States was held from 27 to 28 May 2008 at The Grand Millennium Hotel, Kuala Lumpur, Malaysia.

0.2. The Meeting was attended by representatives from the three littoral States; Indonesia, Malaysia and Singapore; User States, Non-Governmental Organizations (NGOs), International Governmental Organizations and stakeholders from international maritime community. The list of participants is as attached in Annex 1.

0.3. The Meeting was officially opened by the Honorable Datuk Ong Tee Keat, Minister of Transport, Malaysia. The Honorable Minister expressed his appreciation and thanked the participants for attending the Meeting. He stated that the littoral States are encouraged by the continued willingness of user States and stakeholders to lend support to the littoral States to enhance safety and environmental protection in the Straits. The Honorable Minister assured the Meeting of Malaysia's commitment to keep the Strait of Malacca safe and open to shipping. He also emphasized Malaysia's preparedness to play a leading role in promoting the Cooperative Mechanism. He further urged users of the Straits to cooperate with the littoral States to achieve this aim.

0.4. The Head of Delegation of Malaysia stated that the inaugural meeting of the 1st Cooperation Forum marked a significant step forward in the implementation of the Cooperative Mechanism's new phase of cooperation in the Straits. He further stated that the Cooperation Forum will be a regular avenue for user States, the shipping industry and

other stakeholders to be invited to meet and co-operate with the littoral States; the Forum will serve to promote general dialogue and exchange of views on issues of common interests in the Straits.

0.5. The Head of Delegation of Indonesia and Singapore, respectively thanked Malaysia for hosting the Meeting and for making all the arrangements. They also thanked and welcomed other participants and wished for a positive and fruitful discussion on the operation of the Fund. Further, Indonesia expressed its commitment and full support for the Forum that will discuss and share any information to enhance concrete efforts to establish mutual cooperation. Indonesia also stated its concern on the challenges of any improper ways conducted by certain entities to redefine and even to rewrite some important and sensitive legal regime and principles of the 1982 United Nations Convention on the Law of the Sea (UNCLOS).

0.6. The opening address of the Minister of Transport Malaysia and the opening remarks delivered by the Head of Delegation of the littoral States are as attached in Annex 2.

1. ADOPTION OF THE AGENDA

1.1. The Meeting was chaired by Dato' Captain Ahmad Othman, the Head of Delegation of Malaysia. The Meeting expressed its sympathy and deep condolence to China for the loss of lives and suffering arising from the recent earthquake in Sichuan, and thanked China for their attendance.

1.2. The Meeting considered the provisional agenda proposed in document CF 1/1 Rev. 1 and CF 1/1/1 and adopted the agenda set out in Annex 3.

2. CO-OPERATIVE MECHANISM BETWEEN THE LITTORAL STATES AND USER STATES ON SAFETY OF NAVIGATION AND ENVIRONMENTAL PROTECTION IN THE STRAITS OF MALACCA AND SINGAPORE.

2.1. The Meeting noted the information provided by the Secretariat in document CF 1/2 on the Co-operative Mechanism between the littoral States and user States on safety of navigation and environmental protection in the Straits of Malacca and Singapore¹, in particular, on the Rules of Procedure of the Cooperation Forum.

¹ See Document IMO/SGP 1/2.1/1 (Indonesia, Malaysia and Singapore)

3. AIDS TO NAVIGATION FUND (THE FUND) IN THE STRAITS OF MALACCA AND SINGAPORE

3.1. Report on the Establishment of the Fund

3.1.1. The Meeting noted the report on the establishment of the Fund presented by Malaysia in document CF 1/3/1. In particular, the Meeting noted that:

- (i) The First Aids to Navigation Fund Committee Meeting was held on 16 – 17 April 2008 in Penang, Malaysia;
- (ii) A trust account in the name of the Aids to Navigation Fund has been established by Malaysia and this account will be operational by the end of May 2008;
- (iii) The United Arab Emirates (UAE), Republic of Korea, Middle East Navigation Aids Service (MENAS) and Nippon Foundation, confirmed their contributions to the Fund; and
- (iv) The Second Fund Committee Meeting is being planned to be held in October this year.

3.2. Activities under the Aids to Navigation Fund

3.2.1. Malaysia presented document CF 1/3/2 on the assessment survey of aids to navigation in the Straits. The assessment survey will be conducted by Indonesia and Malaysia in their respective waters, with the participation of a third party expert from the Malacca Strait Council (MSC). The survey will be conducted over a period of six months commencing on 17 June 2008.

3.2.2. Singapore clarified that at this stage, it would not be utilizing any funds for assessment, maintenance and replacement of aids to navigation. However, Singapore will provide a report of its assessment on the 5 aids to navigation that are maintained by Singapore, and will table the report at the Second Fund Committee Meeting.

3.2.3. The Nippon Foundation has agreed to contribute an initial sum of US\$1.351 million to the Fund for the conduct of the assessment survey on the aids to navigation in the Straits.

4. CONSIDERATION OF ISSUES RELATING TO THE SAFETY OF NAVIGATION IN THE STRAITS OF MALACCA AND SINGAPORE

4.1. Status of the Aids to Navigation in the Straits

4.1.1. The Meeting noted the information on the aids to navigation in the Straits

contained in document CF 1/4/1.

- 4.1.2. The Meeting noted the upgrading of aids to navigation lights from incandescent navigational light to Light Emitting Diodes (LED). The Meeting also noted that the littoral States have not received any negative feedback on the use of LED Navigational Lights.

4.2. Status of Safety of Navigation in the Straits

- 4.2.1 The Meeting noted the report on the status of safety of navigation in the Straits as outlined in document CF 1/4/2.
- 4.2.2 The representative from the International Maritime Organization (IMO) expressed his gratitude to the littoral States for their commitment and efforts in maintaining the safety of navigation in the Straits, in particular the good safety record where there had been relatively few accidents recorded in past few years. Singapore highlighted that the good safety record was due largely to the existence of the well-maintained system of navigational aids in the Straits and hence important and need to upkeep these aids.

5. ENVIRONMENTAL PROTECTION ISSUES

5.1. Report on the Revolving Fund

- 5.1.1. The Meeting noted the information presented by Singapore on the Revolving Fund as attached in document CF 1/5/1.
- 5.1.2. The Meeting noted the purpose of the Revolving Fund, in providing immediate funds to assist the littoral States to undertake remedial action in the event of any incident of oil pollution caused by ships in the Straits.

5.2. Report on the updated status on the oil spill response equipment in the Straits.

- 5.2.1. The Meeting noted the update on the oil spill response equipment in the Straits presented by Malaysia in document 1/5/2.
- 5.2.2. The Meeting noted that the oil spill response plan and capability in the Straits will serve as a useful foundation for the establishment of HNS preparedness and response capabilities.

5.3. Shipping and the Environment in the Straits of Malacca and Singapore : Future Perspectives

- 5.3.1. The Meeting noted the information contained in document CF 1/5/3.
- 5.3.2. The Meeting noted that environmental issues have been adequately addressed in the Cooperative Mechanism in particular several projects that are being

implemented will contribute towards enhancing the environmental protection of the Straits.

- 5.3.3. Indonesia informed the Meeting that they will organize a National Workshop on Environmental Profile in the Straits in cooperation with IMO scheduled from 4 to 6 August 2008 to be held in Jakarta.

6. IMPLEMENTATION OF PROJECTS RELATING TO THE ENHANCEMENT OF SAFETY OF NAVIGATION AND ENVIRONMENTAL PROTECTION IN THE STRAITS OF MALACCA AND SINGAPORE

- 6.1. Recent development in relation to the implementation of the Marine Electronic Highway (MEH) Demonstration Project in the Straits.

6.1.1. The Meeting noted the update on the implementation of the MEH Demonstration Project in the Straits as provided in document 6/1/1. The MEH Demonstration Project was supported by considerable in kind contributions from the three littoral States and NGOs concerned and was mainly funded by the Global Environment Facility of the World Bank and financial contributions from the Republic of Korea.

- 6.2. Projects under the Cooperative Mechanism²

6.2.1. The Meeting noted the brief overview of the six projects presented by Malaysia on behalf of the three littoral States. The details of the six projects will be discussed in the coming Project Coordination Committee (PCC) Meeting to be held on 29 May 2008.

- 6.2.2. The Meeting noted the presentation by the littoral States on each of the projects as follows :

- (i) Malaysia presented Project 1 - Removal of wrecks in the Traffic Separation Scheme in the Straits of Malacca and Singapore and Project 2 - Co-operation and capacity building on Hazardous and Noxious Substance (HNS) preparedness and response in the Straits of Malacca and Singapore.
- (ii) Singapore presented Project 3 - Demonstration project of class B Automatic Identification System (AIS) transponder on small ships and Project 4 - Setting up of a tide, current and wind measurement system for the Straits of Malacca and Singapore to enhance navigation safety and marine environment protection.

² See Documents IMO/SGP 1/3 (Indonesia, Malaysia and Singapore) dated 4th September 2007

- (iii) Indonesia presented Project 5 - Replacement and maintenance of aids to navigation in the Straits of Malacca and Singapore and Project 6 - Replacement of aids to navigation destroyed or damaged by the tsunami in December 2004.

- 6.2.3. The Meeting took note on the commitment of China on its contribution towards the safety of navigation and environmental protection in the Straits especially in the implementation Project 2 and Project 4 as well as China's commitment to fully undertake Project 6 in cooperation with the littoral States and other contributors.
- 6.2.4. Japan also informed the Meeting that several private sector organizations are keen to contribute to the Fund through the MSC. Japan reiterated its firm commitment to contribute to the implementation of Project 3 and Project 5.
- 6.2.5. The Chairman requested Society of Gas Tankers and Terminal Operators (SIGTTO) to provide details of the wreck which is posing hazard to the safe passage close to the Traffic Separation Scheme (TSS) in the Strait of Singapore.
- 6.2.6. The Meeting noted the suggestion from SIGTTO to produce a Tidal Atlas and agreed that it can be considered in the discussion in the Project 4 during PCC Meeting. IMO stated that there might also be a possibility of producing a Tidal Atlas under the MEH project.
- 6.2.7. The Meeting noted the European Commission's statement that it is exploring possible cooperation and contributions under the Cooperative Mechanism.
- 6.2.8. The Meeting noted that the Nippon Foundation will continue its effort to encourage potential contributors towards actual contribution to the Cooperative Mechanism.

7. ANY OTHER BUSINESS

7.1. Announcement of Publication

- 7.1.1. The Meeting noted the revised publication of a document titled "Passage Planning Guide – Malacca and Singapore Straits" introduced by SIGTTO. The detail information of this publication is contained in document CF 1/7/1.

8. CONSIDERATION AND ADOPTION OF THE REPORT

- 8.1. The Meeting considered and adopted the report of the Meeting.

9. CLOSING REMARKS

9.1. The Chairman thanked all delegations for their positive contributions and cooperation for making the 1st Cooperation Forum meeting a success. The positive indication and commitment from the other two littoral States, User States, Non-Governmental Organizations (NGOs), International Governmental Organizations and stakeholders from international maritime community to the Cooperation Forum amply demonstrated the success of the Cooperative Mechanism.

9.2. Singapore announced that it will host the Second Co-operation Forum in year 2009.

9.3. The UAE and China made their closing remarks followed by the delegation of Indonesia, Malaysia and Singapore.

9.4. The participants also thanked and expressed their appreciation to Malaysia for convening the Meeting, for the arrangements and the hospitality, and to Dato' Captain Ahmad Othman for chairing the Meeting.

List of Annexes

Annex 1	List of participants
Annex 2	The opening address of the Minister Transport Malaysia and the opening remarks of the littoral States
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ANNEX 1

LIST OF PARTICIPANTS

INDONESIA

Mr. Yuri Gunadi, Director for Navigation, Directorate General of Sea Transportation, Department of Transportation of the Republic of Indonesia.

Mr. Bebeb A.K.N. Djundjunan, Deputy Director, Political Security and Territorial Affairs, Directorate General of Legal Affairs and International Treaties, Department of Foreign Affairs

Mr. Raymond Ivan Sianturi, Head of Aids to Navigation Equipment & Maintenance, Directorate General of Sea Transportation of the Indonesian Ministry of Transportation;

Mr. Bambang Sutrisna, Head Public Relation and International Cooperation Subdivision, Directorate General of Sea Transportation, Department of Transportation of The Republic of Indonesia.

Lt. Col. Budi Purwanto, International Cooperation Section, Operation Staff, Indonesia Navigation Head Quarter.

Mr. Erik Mangajaya, Staff of Directorate of Political Security and Territorial Affairs, Directorate General of Legal Affairs and International Treaties, Department of Foreign Affairs.

Mr. Mudzakir, First Secretary, Embassy of The Republic of Indonesia

Mr. Sahar Andika Putra, Transportation Attache, Embassy of The Republic of Indonesia.

MALAYSIA

Dato' Captain Ahmad Othman, Director General of Marine, Marine Department, Malaysia

Dato' Captain Haji Abdul Rahim bin Abdul Aziz, Maritime Advisor, Ministry of Transportation, Malaysia

Mr. Mustapha Zainuddin, Principal Assistant Secretary, Maritime Division, Ministry of Transportation, Malaysia

Mr. Muhammad Razif Ahmad, Director, Seamen Affairs and Port Division, Marine Department, Malaysia

Mr. Khairuddin Ismail, Director, Maritime Industrial Control Division, Marine Department, Malaysia

Mdm. Helina Dato' Sulaiman, Federal Counselor, International Affairs Division, Attorney General's Chambers, Malaysia

Prof.Dr. Captain Mohd Ibrahim Mohamed, Maritime Institute of Malaysia

Mr. Mohd Nizam Basiron, Maritime Institute of Malaysia

Col. (B) Ramli Nik, Maritime Institute of Malaysia

Mr. Hairil Anuar Husin, Researcher, Center for Straits of Malacca, Maritime Institute of Malaysia

Captain Zaa'im Hasan, National Hydrographic Center, Malaysia

First Admiral Maritime Zulkifili Abu Bakar, Director, Enforcement and Exercise, Malaysian Maritime Enforcement Agency

Captain Intiaz Hussein Manzoor Hussein, Malaysian Shipowners' Association.

Captain Sukdev Singh, Representative, Malaysian Shipowners' Association.

Mr. Mohd Rosiskada Mohamed, Department of Environmental

Mr. Ahmad Nordin Ibrahim, Principal Assistant Director, Safety of Navigation, Marine Department, Malaysia

Mr. Md. Badron Ismail, Principal Assistant Director, Safety of Navigation, Marine Department, Malaysia

Mr. Zulkurnain Ayub, Principal Assistant Director, Maritime Industrial Control Division,

Marine Department, Malaysia

Mr. Mohd. Fairoz Rozali, Assistant Director, Maritime Industrial Control Division, Marine Department, Malaysia

Mr. Syamsul Aminuddin Samat, Assistant Director, Maritime Industrial Control Division, Marine Department, Malaysia

Mr. Mohd Nor Adzlan Ghazali, Assistant Director, Safety of Navigation, Marine Department, Malaysia

SINGAPORE

BG (NS) Tay Lim Heng, Chief Executive, Maritime and Port Authority of Singapore

Mr. Yee Cheok Hong, Director (Policy), Maritime and Port Authority of Singapore

Colonel Tan Cheng Peng, Director (Policy), Designate, Maritime and Port Authority of Singapore

Mr. Chan Beng Seng, Director (Sea), Ministry of Transport

Captain Kevin Wong Kar Weng, Ag Head / Controller, Port Operation Control Department, Maritime and Port Authority of Singapore

Mr. Ian Mak, First Secretary, High Commission of The Republic of Singapore.

Ms. Florence Lim, Manager (International Department), Maritime and Port Authority of Singapore

Ms. Rachel Lui, Manager (International Department), Maritime and Port Authority of Singapore

Mr. Stephen Lim Soon Meng, Manager (Engineering), Maritime and Port Authority of Singapore

Mr. Anthony Tay, Electronics Engineer, Electronics and Communication Department, Maritime and Port Authority of Singapore

Ms. Cheryl Yong, Policy Analyst (International Department), Maritime and Port Authority of Singapore

AUSTRALIA

Tomiko Roberts, Third Secretary Political and Economic Section, Australian High Commission.

BANGLADESH

Commodore D M Rahman, Defence Adviser, Bangladesh High Commission.

Mr. Waisuzzaman,

CHINA

Mr. Jin Shengli, Deputy Director, Department of Aids to Navigation and Hydrography, Maritime Safety Administration People's Republic of China.

Mr. Song Shoukui, Yantai Oil Spill Response Technical, China Maritime Safety Administration.

Mr. Wang Zhiyun, Shanghai Maritime Safety Administration.

Mr. Wang Xiaolong, Asian Department, Ministry of Foreign Affairs, People's Republic of China

DENMARK

Ms. Susanne Hansen, Consul, Royal Danish Embassy.

Ms. Stine R Nielsen,

GERMANY

Commander Udo Schmidt,

GREECE

Mr. Konstantinos C. Soultos, Commander (H.C.G), Deputy Maritime Attaché, Greek Embassy, Maritime Section in Singapore

INDIA

Colonel PK Siwach, Defence Adviser, High Commission of India.

JAPAN

Mr. Yasuhiro Okanishi, International Shipping Division, Ministry of Land, Infrastructure, Transport and Tourism, Japan

Mr. Fumio Kaneko, Managing Director, Malacca Strait Council

Mr. Ryohei Maeda, Ministry of Land, Infrastructure, Transport and Tourism, Japan

Mr. Murata, JAMS

Mr. Tomoyasu Izaki, JITI

Mr. Seiji Sasaki, Operations Manager, Malacca Strait Council

NETHERLAND

Mr. Luc Schillings, Deputy Head of Mission Counsellor, Embassy of the Kingdom of the Netherlands.

NORWAY

H.E. Arild Braastad, Ambassador of Norway, Royal Norwegian Embassy.

Mr. Erlend Audunson Falch, Royal Norwegian Embassy.

PAKISTAN

Commodore Ayaz Ahmed Nasir, Defence Adviser, High Commission for Islamic Republic of Pakistan Kuala Lumpur - Malaysia

REPUBLIC OF IRAN

Mr. Mohammad Reza Shabani, Attache, Embassy of the Islamic Republic of Iran.

REPUBLIC OF PHILIPPINES

Colonel Jet B Velarmino, PA(INF) GSC, Defense and Armed Forces Attache, Embassy of The Philippines.

Mr. Redentor Genotiva,

Ms. Shaline Maranginl,

RUSSIA

Mr. Andrey A. Stepanov, First Secretary, Embassy of the Russian Federation.

THAILAND

Ms. Jariyaporn Punkkom,

Ms. Pinyarat Klaewtong,

THE UNITED ARAB EMIRATES

H.E Nasser Salman Al Aboodi, Ambassador of the United Arab Emirates to Malaysia

Mr. Mansour Ali,

UNITED STATES OF AMERICA

Dr. John Manza, Asia-Pacific Advisor, International Affairs, U.S. Coast Guard

Mr. John M. Finkbeiner, First Secretary-Trade Officer, Economic Affairs, United States Embassy.

Ms. Alice Chu,

EUROPEAN COMMISSION

Mr. Efthymios Costopoulos, Policy Deck Officer, Security Policy, Seconded National Expert, European Commission.

Mr. Olivier Mornet, Mission Adviser, General Directorate for Sea And Transport, Directorate for Maritime Affairs, Ministry for Ecology, Sustainable Development and Spatial Planning

ICS

Mr. Daniel , Representative.

INTERNATIONAL FEDERATION OF SHIP MASTERS' ASSOCIATIONS (IFSMA)

Mr. Daniel J.S. Tan, Secretary General, Federation of Asean Shipowners' Associations

Captain Ramu Naidu Sanasi, Federation of Asean Shipowners'

Mr. Viceadmiral (Ret.) Lutz Feldt,

INTERNATIONAL MARITIME ORGANIZATION (IMO)

Mr. Hartmut Hesse, Senior Deputy Director, Maritime Safety Division

ASIAN SHIPOWNER FORUM (ASF)

Mr. Wang Cheng, Secretary General, Asian Shipowner Forum.

NIPPON MARITIME CENTER

Mr. Masayoshi Isono, Managing Director, Nippon Maritime Center

Mr. Takashi Arikawa, Deputy General Manager, Nippon Maritime Center

Captain Matthew Mathai, Marine Manager, Nippon Maritime Center

Ms. Junko Ogawara,

OIL COMPANIES INTERNATIONAL MARINE FORUM (OCIMF)

Captain Bernard Lesegretain, Ship Inspection and Vetting, Vetting Manager, Asia, Total Trading Asia Pte. Ltd.

Captain Shaikh A. Rahim, Technical Adviser (Nautical), Oil Companies International Marine Forum.

SIGGTO

Mr. John Cumming, Technical Adviser.

THE NIPPON FOUNDATION

Mr. Mitsuyuki Unno, Chief Manager, Marine Safety Team

Mr. Hideaki Takahashi,

ANNEX 2

**OPENING ADDRESS BY
THE HONOURABLE DATUK ONG TEE KEAT
MINISTER OF TRANSPORT, MALAYSIA
AT THE FIRST COOPERATION FORUM UNDER THE COOPERATIVE
MECHANISM ON SAFETY OF NAVIGATION AND ENVIRONMENTAL
PROTECTION IN THE STRAITS OF MALACCA AND SINGAPORE,**

THE GRAND MILLENNIUM HOTEL, KUALA LUMPUR

27 MAY 2008

Y. Bhg. Dato' Captain Ahmad Othman,
Director General of Marine Department Malaysia,
Head of Delegation of Malaysia

Mr. Yuri Gunadi,
Director,
Directorate General of Sea Transportation,
Head of Delegation of the Republic of Indonesia.

BG (NS) Tay Lim Heng,
Chief Executive Maritime and Port Authority of Singapore,
Head of Delegation of the Republic of Singapore.

Excellencies, Distinguished Delegates,

Ladies and Gentlemen,

A very good morning and to all our overseas participants, I wish you Selamat Datang!

Firstly, allow me to express my gratitude to the organizer for inviting me to be here at this important Cooperation Forum on the Straits of Malacca and Singapore. I am indeed happy to be part of this momentous occasion and to be among eminent people in the maritime industry from many parts of the world.

I am delighted to know that there are more than 50 delegates representing more than 25 States and organizations at this first Cooperation Forum. I find this most encouraging not

merely for your attendance but most importantly for your continued willingness to lend support to the littoral States and to the Cooperative Mechanism in our efforts to enhance safety of navigation and environmental protection in the Straits.

Ladies and Gentlemen,

You may recall that the establishment of the Cooperative Mechanism initiative took a long consultation process between the littoral States and user States and relevant stakeholders including the participation of the International Maritime Organisation (IMO), through the Jakarta Meeting in 2005, the Kuala Lumpur Meeting in 2006 and was eventually agreed upon during the Singapore Meeting in 2007. We now know that the Cooperative Mechanism to enhance safety of navigation and environmental protection in the Straits is historically a significant achievement in marking the implementation of Article 43 of the United Nations Convention on the Law of the Sea (or UNCLOS) some 26 years after its adoption in 1982. Thus a formal mechanism is established to promote voluntary cooperation between users of the Straits and the littoral States.

Significantly, this meeting marks the start of the Cooperation Forum which is one element of the Cooperative Mechanism to foster cooperation between the littoral States, users of the Straits and other stakeholders. The objective of this Forum is for participants to discuss and exchange ideas to enhance safety and environmental protection in the Straits and for its continued use for shipping. I believe the Forum provides a perfect opportunity for all interested parties to openly discuss views and ideas about something that is of great importance to all of us.

In Dato' Captain Ahmad's speech earlier, he mentioned that Malaysia has just hosted the first meeting of the Aids to Navigation Fund, which is another important element of the Cooperative Mechanism recently in Penang. Malaysia will host the Fund for the next 3 years. I am heartened to learn that at that meeting, a number of firm commitments were made by the Republic of Korea, United Arab Emirates, the Middle East Navigation Aids Service and the Nippon Foundation to contribute to the Fund. I hope such voluntary benevolence will not only continue but also encourage others to do the same so that the objectives of the Fund are able to be achieved.

The third element of the Cooperative Mechanism which is of no less important is the implementation of projects. I understand that while a number of States have already pledged their commitments to support the projects that were agreed upon, there are still a number of projects that remain in the balance. Thus, I sincerely urge user States and others to give serious consideration to these projects with the intent of supporting and ensuring their

implementation. I have been informed that immediately after this Cooperation Forum, the Project Coordination Committee Meeting will be held. Thus, I encourage sponsors and potential sponsors to sit down with the littoral States to discuss plans and measures to implement those projects and I certainly look forward to hearing a good report after the meeting.

In this connection, apart from the States that I mentioned earlier, similar acknowledgement should also be given to Japan who has never stopped contributing for the last 30 years. Similarly we should acknowledge Australia, China, Greece and the United States who have made commitments to cooperate in various forms with the littoral States. I look forward to the finalisation of these commitments by these States so that projects already identified could be implemented accordingly.

Ladies and gentlemen,

The Cooperative Mechanism reflects our desire to enhance safety of navigation and preserve the marine environment in the Straits of Malacca and Singapore as well as show our ability to work together to realise Article 43 of UNCLOS. The Straits of Malacca and Singapore is one of the busiest waterways in the world. It has been reported that a quarter of the world's seaborne trade and a quarter of all oil shipments carried by sea pass through the Straits every year. It was also estimated that more than 12 million barrels of oil pass through the Straits on a daily basis. These facts represent a significant amount of traffic and certainly a huge amount of oil carried through the Straits. In monetary terms and based on today's oil price this amounts to about US\$1.5 billion of oil passing through the Straits on a daily basis, which turns out to be about US\$550 billion a year. This perfectly sums up the magnitude of the importance of the Straits to the world's economy.

The Marine Department of Malaysia's record shows that in 2007 more than 70,000 reports were recorded from ships transiting through the Strait of Malacca and the trend is increasing. The trend calls for the need for an efficient traffic management so that safety of ships passing through the Straits is at all times assured. To a littoral State like Malaysia, not only such a need is imperative, it is also crucial to ensure the sensitive ecosystem in the Straits is well protected. Any shipping incident that results in a major oil incident from ships will have catastrophic consequences that will not only destroy the marine environment but will also devastate the livelihood of thousands that populate the coastline along the Straits which depend on the sea for their well being.

Having stressed the importance of keeping the Straits safe and incident free, it was reported that the number of shipping incidents has been low for the last few years. For the

whole of 2007, a total of 5 shipping incidents were recorded in the Straits. I am also thankful that there has been no significant oil spill incident in the Straits since the Singapura Timur incident in 2001. This only goes to demonstrate the effective safety of navigation measures that the three littoral States have put in place in the Straits.

Malaysia is committed and will take every effort to continue to keep the Straits safe and open to shipping. However, we realise that we may not be able to do this on our own. Instead, we are convinced that cooperation from the other littoral states, users and other stakeholders in maintaining the safety of navigation in the Straits will help us achieve this aim. In enhancing our commitment, we are prepared to take the first step and play a leading role in promoting such cooperation and the success of the Cooperative Mechanism. We are well aware that as a littoral State, we have first responsibility to ensure the Straits is safe and secure for shipping.

Ladies and gentlemen

It is incomplete if I don't extend my thanks and gratitude to the IMO for its continued support to the three littoral States, its contribution since 2004 and its advice in organizing the implementation of the Cooperative Mechanism. I was informed that the Secretary General of IMO has already made plans to explore ways to attract more contributions from other users of the Straits and I look forward to heaving positive results in that front. I should also add that IMO played a major role in the implementation of the Marine Electronic Highway Demonstration Project for the Straits of Malacca and Singapore (or the MEH Demonstration Project). The pilot project, a first of its kind in the world, was developed by IMO in cooperation with the littoral States and funded by the Global Environment Facility of the World Bank and the Republic of Korea, and is now in the implementation stage. The MEH project will have specific role in the context of the many programmes and initiatives under the Cooperative Mechanism.

Before I conclude, I would like to take this opportunity to express Malaysia's appreciation to our littoral States partners: Indonesia and Singapore for their role in making the implementation of the Cooperative Mechanism a success and in particular in convening this inaugural Cooperation Forum. I would also like to thank the user States, other users and stakeholders for your continued support and in particular those who have made firm commitments to contribute to the projects or to the Aids to Navigation Fund.

Last but not least, I wish you a very fruitful discussion and successful first Cooperation Forum. I look forward to advancing and strengthening the ties of cooperation between the littoral States and users of the Straits through the newly-established Cooperative

Mechanism. I would also like to encourage you to savour the sights and sound of Kuala Lumpur in your free time. It is therefore with great pleasure that I hereby declare open the first Cooperation Forum under the Cooperative Mechanism on Safety of Navigation and Environmental Protection in the Straits of Malacca and Singapore.

Thank you.

**WELCOMING ADDRESS BY
DATO' CAPTAIN AHMAD BIN OTHMAN
DIRECTOR GENERAL OF MARINE MALAYSIA
HEAD OF DELEGATION OF MALAYSIA
AT THE 1ST COOPERATION FORUM UNDER THE COOPERATIVE
MECHANISM ON SAFETY AND ENVIRONMENTAL PROTECTION IN THE
STRAITS OF MALACCA AND SINGAPORE

HELD AT THE GRAND MILLENNIUM HOTEL, KUALA LUMPUR
27 TO 28 MAY 2008**

The Honourable Datuk Ong Tee Keat, Minister of Transport, Malaysia

Mr. Yuri Gunadi,
Director,
Directorate General of Sea Transportation,
Head of Delegation of the Republic of Indonesia

BG (NS) Tay Lim Heng,
Chief Executive Maritime and Port Authority of Singapore,
Head of Delegation of the Republic of Singapore

Excellencies, Fellow Delegates, Ladies and Gentlemen

I wish all of you a Very Good Morning

First and foremost, I would like to extend my warm welcome and sincere appreciation to the Honourable Datuk Ong Tee Keat, Minister of Transport Malaysia who has agreed to take some time away from his busy schedule to be with us here this morning. I am sure your presence with us this morning adds further significance to this already very auspicious occasion. I should also add that you are certainly in very good company of “who’s who” in international shipping.

Looking at the attendance, I am very encouraged not only in terms of the number of participants but also from the interest shown by both user States and industry groups. I am sure this augurs well for the future of cooperation that we are all seeking to enhancing safety and environmental protection in the Straits of Malacca and Singapore (or Straits). I am also grateful for those of you who have continued to support this cause ever since the issue of

safety, security and environmental protection in the Straits was first introduced in the 93rd IMO Council in 2004 under the agenda of “Protection of vital shipping lanes”.

You will recall that this agenda was quickly started off with the IMO co-sponsored Jakarta Meeting in 2005, the Kuala Lumpur Meeting in 2006 and culminated in the endorsement of the Cooperative Mechanism in the Singapore Meeting in 2007. Even if I may say so myself, the acceptance of the Cooperative Mechanism within such a short period of time of its introduction was truly remarkable. This just goes to show the importance of the Straits to many people around the globe. Be they user States, ship owners or traders, the well being of the Straits and that it should remain safe and open for navigation figure highly for their economic well being.

Honourable Minister, Excellencies, Ladies and gentlemen

Speaking on behalf of the host country, Malaysia, I am very pleased that we have managed to organize this first Cooperation Forum under the Cooperative Mechanism on safety of navigation and environmental protection in the Straits of Malacca and Singapore. I hope this grand venue fits the significance of the occasion. This Cooperation Forum marks yet another milestone in fostering cooperation and burden sharing between the littoral States and users of the Straits. Perhaps even more significant, this also illustrates a momentous step forward in implementing the intent and spirit of Article 43 of the United Nation Convention of the Law of the Sea (or UNCLOS). After years of talk we are finally implementing what was codified under international law some 26 years ago.

For your information we will also hold the first Project Coordination Committee meeting immediately after the Cooperation Forum on 29 May 2008. At this meeting the three littoral States will be sitting with sponsors to discuss and coordinate the implementation of projects already identified. This further underscores the positive development for cooperation between the littoral States and users of the Straits.

In addition and in line with our obligation as the first host of the Aids to Navigation Fund, we convened the first Aids to Navigation Committee meeting in April this year. The meeting was well attended by contributors, namely; Republic of Korea, United Arab Emirates, the Middle East Navigation Aids Service (or MENAS) and the Nippon Foundation. I am pleased to say that activities under the Aids to Navigation Fund are already being planned for full implementation by early next year.

Honourable Minister, Excellencies, Ladies and gentlemen,

The main objective of Cooperative Mechanism is to promote dialogue and facilitate close cooperation between the littoral States, user States, shipping industry and other stakeholders. You will recall that the Cooperative Mechanism comprises of three components-

- The Cooperation Forum for open dialogues and discussions;
- Project Co-ordination Committee on the implementation of projects in co-operation with sponsoring users; and
- Aids to Navigation Fund to receive direct financial contribution for renewal and maintenance of aids to navigation.

As we embark on the first Cooperation Forum today, it is my hope that there will be useful exchange of ideas between the littoral States, user States, the shipping industry and other stakeholders. The Cooperation Forum should be utilised as the platform for us to promote concrete and practical cooperation among ourselves to enhance safety and safeguard the environment in the Straits. We should work towards better understanding of each other, particularly in ensuring the safe passage of ships through the Straits. We should also be prepared to explore options of cooperation including the implementation of projects presented by the littoral States during Kuala Lumpur Meeting in 2006.

Honourable Minister, Excellencies, Ladies and gentlemen,

Before I conclude, allow me to extend my appreciation to my colleagues from Indonesia and Singapore for their long standing cooperation, support and contribution in making this Cooperation Forum possible and most of all for cooperating in the implementation of the Cooperative Mechanism. I would also like to thank the IMO for its continued support not only in attending the meetings we organized but also for working tirelessly in promoting the Cooperative Mechanism to potential contributors. I would also like to extend my gratitude to the team that has organized this meeting, for their hard work and untiring effort in ensuring the success of the first Cooperation Forum. I should also once again thank you, Honourable Minister for taking the time to grace this profoundly meaningful occasion this morning.

I hope we have provided you with a good venue for our first forum and I look forward to have a fruitful discussion in the forum; and lastly I wish all of you a pleasant,

enjoyable and memorable stay in vibrant Kuala Lumpur.

Thank you.

REMARKS BY
BG(NS) TAY LIM HENG, CHIEF EXECUTIVE, MPA,
HEAD OF DELEGATION SINGAPORE
AT THE 1ST COOPERATION FORUM UNDER THE COOPERATIVE
MECHANISM ON SAFETY AND ENVIRONMENTAL PROTECTION IN THE
STRAITS OF MALACCA AND SINGAPORE

HELD AT THE GRAND MILLENNIUM HOTEL, KUALA LUMPUR
27 TO 28 MAY 2008

His Excellency, Datuk Ong Tee Keat, Minister of Transport, Malaysia

Dato' Captain Ahmad Othman,
Director General, Marine Department, Peninsular Malaysia

Pak Yuri Gunadi, Director of Navigation,
Directorate General for Sea Transportation, Indonesia

Distinguished delegates, Ladies and Gentlemen,

I am pleased to be speaking on behalf of the delegation of Singapore at this very significant event.

Let me start by saying that it is heartening to see the quick progress which the Co-operative Mechanism has made since its launch in Singapore in September last year. This was warmly welcomed at the 25th IMO Assembly as a successful outcome of the IMO's initiative in the Straits. Together with the other two littoral States, Indonesia and Malaysia, I wish to take this opportunity to express appreciation towards those which have actively supported and participated in the Co-operative Mechanism - China, the United States, Japan, the Republic of Korea, the United Arab Emirates as well as Greece. Without their strong support at the initial stages of development, the Co-operative Mechanism would not have been successfully brought to fruition. I am glad that their active participation in the Co-operative Mechanism has continued. We look forward to working further with them on the important task of keeping the Straits safe and clean for international shipping. In this light, I would like to encourage other user States and stakeholders which have yet to come onboard to similarly join them to contribute to the Co-operative Mechanism.

Last month, we witnessed the inauguration of the Aids to Navigation Fund, one of

the three components of the Co-operative Mechanism. At the launch, a number of parties stepped forward to commit their pledges of contributions to the Fund. I wish to commend these contributing states and organizations, namely the Republic of Korea, the United Arab Emirates, and the Nippon Foundation for doing so. There was also a new addition to the list of contributors to the Fund, namely the Middle East Navigation Aids Services. Further to this, China and Japan are seriously considering contributing to the Fund. I would like to thank them for their generous support.

The Co-operation Forum and the inaugural meeting of the Project Co-ordination Committee to be held over the next few days will see progress being made on all 3 components of the Co-operative Mechanism. The presence of representatives from many user States and stakeholders here is an indication of the international maritime community's interest and desire to be involved in the maintenance of the Straits.

However, the real success of the Co-operative Mechanism framework will lie in its concrete implementation. We will need to translate our words into action. In the coming days, close collaboration and much hard work will be necessary to implement the various projects aimed at enhancing navigational safety and marine environmental protection in the Straits. Based on our interaction with the participating user States in preparing for the Co-operation Forum and Project Co-ordination Committee thus far, I am confident that further progress will be made. We should build upon the current momentum which we achieved and work even more closely together. I hope that, in addition to those that have already come onboard, other user states and stakeholders of the Straits will be encouraged to similarly support one or more components of the Co-operative Mechanism.

Before I conclude, I wish to thank Malaysia for hosting and organizing the inaugural events for all three segments of the Co-operative Mechanism this year. Singapore is deeply appreciative of the arrangements and warm hospitality extended by our Malaysian colleagues.

Let me now wish one and all a fruitful meeting ahead. Thank you.

REMARKS BY
MR YURI GUNADI, DIRECTOR OF NAVIGATION,
HEAD OF DELEGATION INDONESIA
AT THE 1ST COOPERATION FORUM UNDER THE COOPERATIVE
MECHANISM ON SAFETY AND ENVIRONMENTAL PROTECTION IN THE
STRAITS OF MALACCA AND SINGAPORE

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27 TO 28 MAY 2008

Your Excellency, Datuk Ong Tee Kiat, Minister Transportation Malaysia

Dato' Capt. Ahmad Othman, Head of Delegation of Malaysia

BG (NS) Tay Lim Heng, Head of Delegation of Singapore

Distinguished Ambassadors,

Distinguished representatives of organizations and all participants,

Ladies and gentlemen, very good morning to you all,

First of all, on behalf of the Government of the Republic of Indonesia, I would like to extend our highest appreciation to the Government of Malaysia for hosting this important first meeting of Cooperation Forum under the Cooperative Mechanism on Safety of Navigation and Environmental Protection in the Straits of Malacca and Singapore.

This first meeting is also a manifestation of active joint efforts and works done by the Government of Singapore and the International Maritime Organization whose support to this forum since it was declared for the first time in the Jakarta, Kuala Lumpur and Singapore Meetings is an endless work.

At this particular juncture, I would also like to extend my government warm welcome to all delegates attending this meeting and have once again showing their commitment and continuous supports to this forum of cooperation in the Straits of Malacca and Singapore.

Distinguished delegates, ladies and gentlemen,

Recalling what was agreed in the Singapore Meeting, the Cooperative Mechanism between Littoral States and User States and other user states on Safety of Navigation and Environmental Protection in the Straits comprises of three components, namely: the Cooperation Forum, the Project Coordination Committee and Aids to Navigation Fund. And the purpose of today's meeting, the 1st Cooperation Forum, is to provide an avenue for littoral States, users States, users and other stakeholders to discuss and exchange views on issues relating to Safety of Navigation and Environmental Protection in the Straits of Malacca and Singapore.

Therefore, the proceed of the meeting is aimed to discuss common issues and explore more associated mutual cooperation through the agreed mechanism for the enhancement of Safety of Navigation and Environmental Protection in the Straits for a safe, secure and efficient shipping in cleaner ocean. We do believe that the expertise and experiences of delegates that are present today will be a great value to complement the mechanism and that cooperation in such field with any interested users may be enhanced.

It is our hope that this meeting would lead to a fruitful understanding and that will comply with the initiated framework of the Cooperative Mechanism as well as an intuitive input to the work of the Tripartite Technical Experts Group.

Distinguished Delegates, Ladies and Gentlemen,

This delegation is also of the view that the intention of this forum is to discuss and share, among others, valuable information and experiences that would enhance concrete efforts to establish mutual cooperation in the Straits since the Jakarta, the Kuala Lumpur and the Singapore meetings. Many infinite stances of efforts were made at those meetings and recognized as one of the most significant steps taken by stakeholders of the straits to respect and enhance many of principles regulations under the UNCLOS 1982. The Convention, of which was a monumental achievement of international community that second only to the Charter of the United Nations, and furthering to that achievement and efforts which was made in the later stages is now challenged to the level of being tested, whether or not it will stand the test of time.

This delegation and the Government of Indonesia, at this particular moment, would like to extend and share with the forum its deep concern over the said challenges that are intensively and systematically being introduced, advocated and exercised to redefine or even to rewrite the Convention, namely, the use of high seas legal regime in the territorial waters that will far reaching its implications and its area of concern.

The legal implication of this exercise of foreign jurisdiction in an area under the sovereignty of another coastal nation would lead to a dangerous precedent. In other words, the right to control territorial waters of one independent state by foreign powers that is also a dangerous precedent. When the presence of foreign powers coming from different legal systems conducting policing operations in the territorial waters of other state, there are issues of due process of law, evidentiary tests, prosecuting procedures, judicial procedures and execution of sentence that will create more complications and dangerous precedents. The list of concerns is endless.

Indonesia, since its commitment to the purest implementation of the Convention, and along with other littoral states, will fully respect all interests, in particular, keeping the unilateral use of the straits of Malacca and Singapore open for international navigation. All efforts were made along the line with other littoral States, user states and other stakeholders that would keep that efforts way open and implemented as it is intended and regulated by the Convention. This forum is one of the said intentions that focusing to the important of building mutual cooperation under the comfort-ability of all stake holders, and at the same-time respects the existing international law.

Distinguished delegates, ladies and gentlemen,

In this particular moment, my delegation conveys our support of any efforts initiated by this forum to improve the meaning of a concrete cooperation between Littoral States and Users States. In addition, I would also like to reiterate my government highest appreciation to the commitments and supports that have been rendered by user States under the framework of Cooperative Mechanism through Cooperation Forum, Project Coordination Committee and Aids to Navigation Fund. We believe that the time is indeed appropriate to have all commitments and full participations in sharing the burden of managing of the Straits materialized through a concrete way in areas where all are comfortable with.

Thank you.

ANNEX 3

1ST COOPERATION FORUM UNDER THE CO-OPERATIVE MECHANISM ON THE SAFETY OF NAVIGATION AND ENVIRONMENTAL PROTECTION IN THE STRAITS OF MALACCA AND SINGAPORE HELD AT THE GRAND MILLENNIUM HOTEL, KUALA LUMPUR, MALAYSIA 27 TO 28 MAY 2008

AGENDA OF THE MEETING

Opening remarks

1. Adoption of the agenda
2. Cooperative Mechanism between the littoral States and user States on safety of navigation and environmental protection in the Straits of Malacca and Singapore
 - 2.1. Consideration of issues relating to the Cooperation Forum.
3. Aids to Navigation Fund in the Straits of Malacca and Singapore
 - 3.1. Establishment of the Aids to Navigation Fund
 - 3.2. Activities under the Aids to Navigation Fund
4. Safety of navigation issues
 - 4.1. Status of aids to navigation in the Straits
 - 4.2. Incident reports in the Straits
5. Environmental protection issues
6. Implementation of projects relating to the enhancements of safety of navigation and environmental protection:
 - 6.1. Recent developments in relation to the implementation of the MEH demonstration project for the Straits
 - 6.2. Projects under the Cooperative Mechanism
7. Any other business
8. Consideration and adoption of the report

Closing of the Forum
