

## Maritime Symposium 2024

# Sea Lane Safety and Supply Chain Resilience for Economic Security

Oct. 17, 2024



As economic globalization has accelerated, each nation's activities across the world have become increasingly dependent on sea lanes, which have become a critical element for the global supply chain while also arising vulnerabilities lying in it. These include the expansive maritime claims by a certain state in the South China Sea, the war in Ukraine causing the Black Sea to become a warlike area, tensions in the Middle East and attacks on commercial ships by non-state actors in the Red Sea, all of which threaten the free and smooth navigation for commercial vessels.

In the symposium, with the global common goal of stabilizing sea lanes in mind, experts from the maritime industry, government and academia discussed to address various challenges that respective maritime authorities and industry in Japan and the U.S. need to cope with. The discussion includes, among others, the following points:

- The global spread of COVID-19 greatly increased the number of vessels detained, highlighting the vulnerabilities of the maritime industry in the global supply chain.
- The vulnerabilities have also been underscored by various factors including extreme weather events and geopolitical risks. The water shortage in the Panama Canal area has also highlighted such risks.
- The U.S. and Japan recognize maritime security as an essential element for national security, and, in cooperation with allied or similar countries, are pursuing the rule-based "Free and Open Indo-Pacific" through capacity building support and joint training for ASEAN and the Pacific Island nations. Cooperation under the QUAD initiative is also important and moving forward.
- To ensure stable supply chain, it is essential to secure redundant trade/transportation routes and maintain a nation's sufficient owned shipping capacity.
- The U.S. government has been strengthening the economic security of its maritime industry under the national security perspective although the level of its subsidiary support is yet enough.
- The capacity of the U.S. shipbuilding industry has been shrinking seriously. Now some major maritime states are depending on China for their shipbuilding or maintenance needs. It is essential to consider how to go along with such presence of China when we discuss the economic security.
- In 2022, Japan enacted the Economic Security Promotion Act, the first law aiming to take comprehensive measures to prevent harmful actions in the context of economic activities, with the maritime industry included as one of core infrastructure services.
- The significance of such economic security as well as of stable maritime industry and resilient supply chain is not yet widely recognized among public citizens. There is a strong need to raise public awareness.
- It is essential for stakeholders in Japan and the U.S. to address the abovementioned challenges. Collaborative efforts by Japan and the U.S. are expected to contribute to the stability of the global supply chain.

