Submission to Joint Standing Committee on the National Capital and External Territories

Inquiry into the Strategic Importance of the Indian Ocean Territories

Title of Submission: Defence Capability Issues with the Indian Ocean Territories

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Joint Standing Committee on the National Capital and External Territories
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Dear Committee

DEFENCE ISSUES WITH THE INDIAN OCEAN TERRITORIES

Thank you for the opportunity to make this submission to your inquiry into the strategic importance of the Indian Ocean Territories (IOT). Our submission addresses defence capability issues with these territories, including the extent to which they are a strategic asset, their utility for military purposes, and their vulnerability in time of conflict. While the IOT comprise the Cocos (Keeling) Islands and Christmas Island, it is important to point out that defence capability and strategic issues vary greatly between them.

Background

Sovereignty over the Cocos (Keeling) islands was transferred from the United Kingdom to Australia in 1955. These islands have long been regarded as a major strategic asset for Australia due to their location and their major airstrip. Their defence significance was highlighted during World War 11 when they served as a vital staging posts for flights between Australia and India and the Middle East. During the 1960s, when Australia's relations with Indonesia were strained, there were fears that the islands could be targets of attack by Indonesia.[1]

Australia assumed sovereignty over Christmas Island in 1958 in a transfer from the United Kingdom which had previously administered the island from Singapore as a Crown Colony. There were reports in 1974 of a Singapore interest in acquiring the island, but any such interest may have been met by an equal Indonesian interest.[2]

Dr Ross Babbage provided a comprehensive answer to the question 'Should Australia Plan to Defend Christmas and Cocos Islands?' in an ANU paper in 1988.[3] His basic conclusions that the islands are much more of a defence asset than a liability and that Australia should plan actively for their defence was largely cast in the context of the Defence of Australia scenarios that were then the corner-stone of defence planning. The conclusions by Babbage need to be reviewed now in the context of the growing strategic importance and volatility of the Indian Ocean region (IOR), changes in our defence planning scenarios, the increased military capabilities of regional nations, and advances generally in military weapon and sensor systems. These factors work in different directions – the first factor increases the strategic

[1] Henry Burmester, "Island Outposts of Australia' in Australian Centre for Maritime Studies, "Australia's Offshore Maritime Interests", *Occasional Papers in Maritime Affairs: 3*, Canberra: Australian Centre for Maritime Studies, 1985, p. 62.
[2] Burmester, "Island Outposts", p. 63.
[3] Ross Babbage, "Should Australia Plan to Defend the Christmas and Cocos Islands", *Canberra Papers on Strategy and Defence No. 45*, 1988.

value of the IOT while the last two serve to make the islands more vulnerable and difficult to defend.

In our 2010 ASPI report, *Our western front; Australia and the Indian Ocean*, we commented on the strategic value of the IOT to Australia.[4] However, as we discuss further below, their strategic value is also limited by their remoteness and difficulties of resupply. Christmas Island provides a useful offshore holding facility for asylum seekers but, due to its proximity to Java, has much less strategic utility than the Cocos Islands, which are more remote. As Australia seeks to increase its 'strategic footprint' in the IOR, the airfield and secure anchorages at Cocos Island offer large benefits.

The 2012 Force Posture review noted that the runway at Cocos would need to be lengthened and strengthened to support the P-8A Poseidon aircraft, though Global Hawk could already operate from the island. It went on to note that that the increasing importance of the Indian Ocean merited upgrading the Cocos (Keeling) Islands airfield facilities to support unrestricted P-8 and UAV operations from there.[5] The 2016 Defence White Paper picked up on this idea proposing that the Government upgrade the airfield at Cocos (Keeling) Island to support introduction of the new P-8A Poseidon maritime surveillance and response aircraft.[6] The P-8A Poseidon has an unrefuelled combat radius of over 7,500km, and if operating from Cocos, could survey Australia's maritime approaches deep into the IOR.

Strategic Overview

The Indian Ocean has become the focus of increased strategic and political attention with growing competition between China and India in particular. Until recently, China and India operated in their own spheres of interest—India in the Indian Ocean and China in East Asian waters. But that has changed with India actively pursuing its 'Act East' policies, including naval deployments east of Singapore, and China increasing its presence in the IOR. Meanwhile, the United States, our major strategic ally, is becoming more closely strategically engaged with India in a process that China sees as an ongoing attempt as strategic containment.[7]

It is important, however, to point out that, as the emerging major power of the Indo-Pacific region, China has legitimate strategic interests in the IOR. These include energy security and the security of its supply lines from the Middle East across the Indian Ocean. Beijing has also been forging closer energy and economic relations with many IOR countries. It has launched the 'One Belt One Road;' concept, including the new 'Maritime Silk Road', linking the Asian, European and African continents. This concept emphasises regional infrastructure connectivity and is intended to enhance trade flows and spur long-term economic growth and development. By promoting economic development of the IOR, especially the poorer countries of the region, these developments are not necessarily contrary to Australia's interests.

[4] Sam Bateman and Anthony Bergin, *Our western front; Australia and the Indian Ocean*, Strategy Paper, Canberra: Australian Strategic Policy Institute, March 2010, p. 37.
[5] Allan Hawke and Ric Smith, *Force Posture Review*, Canberra: Australian Government, 30 March 2012, Recommendation 12, p. 26.
[6] Defence White Paper 2016, Paragraph 4.66
[7] Bateman and Bergin, *Our western front*, pp. 16-17.

It has become increasingly popular to talk about the Indo-Pacific region rather than the Asia-Pacific region to reflect the nexus between these two major oceans. The Indonesian archipelago constitutes the bottle-neck between them. Significant strategic benefit of the IOT flows from their geographical location in the northeast Indian Ocean. This provides an ability to monitor surface and sub-surface traffic using the major straits through the Indonesian archipelago - the exception being the Malacca Strait which is furthest north.

The IOT present opportunities for practical cooperation with Australia's strategic partners by allowing them access to the islands. These opportunities will become more significant as maritime traffic through the region increases and strategic competition for resources and influence intensifies.

An expanded and well-resourced Australian strategic presence on Christmas and Cocos (Keeling) Islands would enable closer maritime security and other forms of defence cooperation with a range of Indo-Pacific partners. These might include the United States, France and the United Kingdom as long-standing strategic partners, and Singapore and Malaysia as the Southeast Asian members of the Five Power Defence Arrangements. (FPDA). In 2001, the then Defence Minister Stephen Smith suggested that while no formal proposal existed, the Cocos Islands could, in the future, host joint US-Australian naval and air forces.[8]

India, with whom our strategic relationships are slowly growing, may also have an interest in access to the IOT: the latest strategy document of the Indian Navy, "Ensuring Secure Seas: Indian Maritime Security Strategy" (2015), puts an increased focus on "undertaking cooperation and coordination between various navies, to counter common threats at seas".[9]

From time to time Indonesia has expressed concerns about the presence of US marines in Darwin and may also have concerns about any American use of the IOT especially Christmas Island. Given the proximity of the IOT to Indonesia, Canberra should keep Jakarta informed about possible American use of the IOT, and the extent to which any developments there might affect Indonesia. There may also be scope for Australia-Indonesia maritime cooperation around the IOT.

Defence Advantages

Australia has the largest area of maritime jurisdiction of any country in the IOR, and our area of search and rescue (SAR) responsibility covers almost the entire eastern half of the Indian Ocean. These areas constitute a very large proportion of the ADF's maritime area of operations, and air operations from Cocos Island in particular markedly enhance our ability to conduct surveillance and patrol of this area. Key shipping routes between Australia and the Middle East and the Suez Canal pass near to the Cocos Islands. Strategically located in the mid-north of Australia's area of maritime operations in the Indian Ocean and our search-and-rescue zone in that ocean, the IOT serve as important staging posts and forward-deployed bases or depots for projecting air and sea power to Australia's north and west.

[8] Liam McHugh, "History repeating: Australian military power in the Cocos Islands", *The Conversation*, 1 December 2011, https://theconversation.com/history-repeating-australian-military-power-in-the-cocos-islands-4484

[9] Indian Navy, "Ensuring Secure Seas: Indian Maritime Security Strategy", *Naval Strategic Publication (NSP) 1.2*, October 2015, p. 6.

The airfield at Cocos Island has the potential to operate the full range of current RAAF aircraft at full load. However, that at Christmas Island is shorter and hence cannot support all current RAAF aircraft at full load. It may be difficult also to enhance the capability of the Christmas Island airstrip. The main advantage of the IOT airfields is that they would allow more effective surveillance of key focal areas of the IOR and the approaches to the strategically important Malacca, Lombok and Sunda Straits.

A system of long-range passive sonars based in the IOT may provide a capability to detect and localise submarine movements in the northeastern Indian Ocean, especially that approaching or departing the Indonesian archipelago. However, the seabed terrain may not be suitable for the performance of such systems. Babbage records that from 1971 until 1978 some sonar experiments were conducted from Christmas Island but the results have never been made public.[10]

There may also be merit in establishing a signals intelligence (SIGINT) collection ground station at Cocos Island. This would support existing SIGINT ground stations, at Geraldton, Pine Gap, and Shoal Bay near Darwin.

Table 1

Distances between IOT and other locations
(in nautical miles)

Location	Distance from Cocos Is.	Distance from Christmas Is.
Cilicap, Java	770	270
Colombo	1535	1865
Darwin	1995	1490
Diego Garcia	1475	1980
Jakarta	700	280
Perth	1995	1490
Port Blair, Andaman Is.	1450	1535
RAAF Curtin	1595	1140
RAAF Learmonth	1150	845
Singapore	920	725
Christmas Is.	525	

Defence Disadvantages

The main defence disadvantage of the IOT is the simple one of distance - they are a long way off the Australian mainland. As Table 1 shows, the IOT are closer to Southeast Asia than they are to main air bases in Australia. Providing satisfactory sovereignty protection around the Cocos Islands is a particular concern, as none of the current generation of patrol boats in the Australian national inventory can sustain patrols around those islands.

[10] Babbage, "Should Australia Plan to Defend the Christmas and Cocos Islands?", p. 30.

The IOT suffer from severe disadvantages with regard to re-supply by sea. Historically, the unloading and handling of sea cargo to the two territories has been characterised by many logistic and environmental problems. The central lagoon of the South Keeling Islands is mainly shallow and its deeper northern part is exposed to north-westerly winds.[11] Inside the entrance to the lagoon, depths come up quickly at the entrance to below 10 meters. Major dredging and reclamation works would be required to overcome these problems and make the lagoon accessible to large vessels, but these would be expensive and environmentally unsound. Dredging of the lagoon has taken place in the past to improve the route taken by small tankers to the mooring buoys off West Island and to access the passenger and ferry terminal on West Island, but this was on a much smaller scale than that which would be required to provide access for large vessels.

The Force Posture Review noted regarding the Cocos Islands that, 'Fuel stocks and other facilities such as accommodation on the islands are limited and more intensive use of the airfield would require major upgrades.'[12] A P-8 Poseidon aircraft carries about 34 tonnes of fuel so the daily fuel requirement for continuous maritime surveillance and patrol flights using these aircraft from Cocos Islands could be in the order of 100 tonnes or more. In addition to the upgrade of the airstrip major defence infrastructure developments would have to include increased fuel storage both for aviation fuel and marine diesel. Arrangements for the refuelling of patrol boats would also be required.

Christmas Island is even more problematic from the point of view of re-supply. It has no secure anchorage and its wharf area at Flying Fish Cove is fully exposed to north-westerly winds.[13] There can be periods of several weeks on end during the Wet (or "Swell') season (November-April) when ships are unable to get alongside to discharge their cargo. Small amounts of cargo can then be lightered ashore but nothing in any quantity.

Comparison with Diego Garcia

It has been suggested that, as the Cocos Islands are very similar in most key respects to Diego Garcia, the islands could be developed in a similar fashion to the US base at Diego Garcia, using identical or similar construction techniques, albeit on a smaller scale.[14] Diego Garcia is a secure base in the northwestern Indian Ocean, from which the US can project land-based air power. As Table 1 shows, the Cocos Islands are about midway between main air bases in Australia and Diego Garcia.

We are not attracted to such major development of the Cocos Islands for three main reasons. Firstly, in comparison with Diego Garcia, the land area of the Cocos Islands is smaller (only about 14 square kilometres) and the main lagoon less navigable. These factors mean that the work required to develop a main base at the Cocos Islands would be extensive, highly damaging to the environment, and disruptive for the local population.

Secondly, the Cocos Islands are within 600 nautical miles of Sumatra and Java, and thus vulnerable to air or missile attack. As one analyst has noted, this means that significant base hardening and concrete shelters would be required for the base to be viable for use in

[11] Based on an appreciation from nautical chart *Aus 607* - Cocos (Keeling) Islands South Keeling
[12] Force Posture Review, paragraph 5.4, p. 26.
[13] See nautical chart *Aus 608*- Christmas Island
[14] Carlo Kopp, "Strategic potential of the Cocos Islands and Christmas Island", *Defence Today*, vol. 9, no. 4 (2012), http://www.ausairpower.net/PDF-A/DT-Cocos-Christmas-Mar-2012.pdf, pp. 18-21,

wartime.[15] An unhardened base there would be a liability more than an asset. Furthermore, the resupply of fuel to support the anti-air defences of the islands would be extremely difficult. Daily aviation fuel requirements could be in the order of hundreds of tonnes or greater, particularly if fighter aircraft were to be deployed there. Resupply of these quantities would be highly problematic if the islands were under air attack from Southeast Asia.

Thirdly, there is the issue of weather. Diego Garcia is five degrees closer to the equator than the Cocos Islands and this means that it is much less affected by cyclones and bad weather. On average about one cyclone causing damaging winds occurs every 2 years at the Cocos Islands and one causing destructive winds every 14 years.[16] As flat atolls, the Cocos Islands are also quite vulnerable to storm surge that may be associated with a cyclone. By contrast, Christmas Island is much less vulnerable to severe weather effects. It is a high volcanic island, the summit of a submarine mountain, and lying north and east of the Cocos Islands, it is much less affected by cyclones.

Summary

In peacetime and periods of tension, the IOT are an important part of Australia's national security architecture. The Cocos Islands in particular will become a more important strategic asset for Australia in the future as we increase the tempo of our naval and maritime operations in the Indian Ocean. It is important that Australia demonstrates its sovereignty and regularly patrols the waters around those islands. More regular air and surface patrols should be undertaken around the Cocos Islands.

Despite their current strategic importance, the IOT would be extremely difficult in time of conflict to defend against an adversary with access to bases in Southeast Asia. It would be virtually impossible for Australia to retake them if they were occupied by such an adversary. For these reasons, we do not support major defence infrastructure developments in the islands beyond the upgrading of the Cocos airfield and increases to the current storage arrangements for aviation fuel and marine diesel.

Opening up military access to the IOT to particular friends and allies would benefit maritime cooperation in the IOR but we need to exercise caution in the management of this access and to whom we allow access.

Yours sincerely

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[15] Ibid., p. 20.
[16] Bureau of Meteorology, *Tropical Cyclones Affecting the Cocos Islands and Christmas Island*, 2016, http://www.bom.gov.au/cyclone/history/wa/cocos.shtml