

ENHANCING BASIC GOVERNANCE:
JAPAN'S COMPREHENSIVE COUNTERTERRORISM
ASSISTANCE
TO SOUTHEAST ASIA

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Overview

- Japan's support for counterterrorism in Southeast Asia (SEA) partly reflects its commitment to the U.S.-Japan alliance, but is also part of a wider strategy for enhancing its political and security role in the region.
- Japan's focus has been to develop a comprehensive set of initiatives aimed at enhancing SEA countries' basic governance capabilities in areas such as law enforcement, export control, money laundering, anti-piracy, air and sea port security, immigration control and proliferation of WMD.
- Due to domestic political constraints, Japan's contributions in the area of counterterrorism emphasize non-military means of cooperation. Japan's constitutional ban against collective defense continues to be cited as an obstacle to Self Defense Force participation in counterterrorism (CT), but this has not hindered cooperation in civilian law enforcement, including Coast Guard cooperation. Recently, the Maritime Self Defense Force (MSDF) has begun to cautiously expand its CT efforts.
- Bureaucratic turf battles inside SEA countries receiving Japanese aid can be a problem for CT cooperation with Japan, especially when the domestic law enforcement role is partly shared by the military.
- Japan's aid is greatly appreciated by Southeast Asia's least CT-capable states, such as the Philippines and Indonesia. Nevertheless, SEA remains a laggard in terms of ratifying the twelve UN counter-terrorism conventions and protocols.
- Because of the limitations on Japan's military, its programs aimed at cooperating with Southeast Asian countries in various subfields of CT are perceived by some Southeast Asian countries to be less threatening than programs initiated by the United States. Japan's CT programs are, however, still in their initial stages and continue to evolve.
- Assistance to Southeast Asia is quantitatively insufficient, and redundancies among aid givers are not yet a problem. As quantity of aid increases, however, donor consultations and coordination between Japan and the United States will become necessary.

In the wake of the 9-11 terrorist attacks, Japan made a relatively quick and decisive move to support the United States in its newly declared Global War on Terrorism (GWOT). In November 2001, the Diet passed the "Anti-Terror Special Measures Law," which enabled the Japanese Self Defense Forces (SDF) to engage in "cooperative and supportive activities" with the United States. Japan's contribution to both Operation Enduring Freedom (OEF) in Afghanistan and reconstruction efforts following Operation Iraqi Freedom (OIF) have reflected Tokyo's desire to strengthen its alliance with the United States in the face of the ongoing threat from North Korean nuclear weapons and missile development and the potential challenges of China's

military modernization. Japan's support for counterterrorism in Southeast Asia partly reflects this commitment, but is also part of a wider strategy for enhancing its political and security role in the region. While supporting U.S.-led security initiatives such as the Proliferation Security Initiative (PSI) and the Regional Maritime Security Initiative (RMSI), Japan also proposed its own Asia Maritime Security Initiative (AMSI) in 2004. Japan's contributions in the area of counterterrorism continue, however, to emphasize non-military means of cooperation due to domestic political constraints even as Japan focuses its efforts in Southeast Asia on building the capacity of these nations to secure their own territories against threats from non-state actors.

Constraints on Japan's Active Participation in Counter-Terrorism

Despite Japan's well advanced military and civilian law enforcement capabilities, its government's ability to utilize such capabilities against overseas terrorists faces considerable legal and political constraints. At home, the constitutional ban on collective defense limits the activities of the SDF, and a lack of political will to commit SDF resources to the non-traditional threat of terrorism persists among the general public, politicians, the bureaucracy, and even within the SDF itself. Memories of Japan's wartime aggression in Asia make the Japanese and the Asians alike extra cautious about expanded Japanese military roles.

Successive Japanese governments have maintained a constitutional interpretation banning Japan's participation in collective defense. Japan's decision to send Maritime Self Defense Force (MSDF) units to the Indian Ocean to assist the coalition ships in OEF rested on the right of self-defense under the UN Charter. Committees to consider constitutional amendments have been formed by both the ruling and opposition parties, yet the process is likely to take several years.

The Japanese government sees terrorism as a law enforcement problem, rather than a military one. It continues to utilize the international network of law enforcement agencies that developed years before 9-11. It is in this area that Japan's cooperation is most active. Although Japan's declining Official Development Assistance (ODA) overall is a negative factor, the ODA provisions were changed to include "security" as a consideration, and security-related, non-military aid to Southeast Asia faces little opposition.

Bureaucratic turf battles between the MSDF and the Coast Guard are one factor that inhibits MSDF participation in maritime security matters, but bureaucratic competition on the Japanese side in general is a positive factor that promotes cooperation with Southeast Asia. On the other hand, unclear jurisdiction among different security authorities on the Southeast Asian side complicates Japan's effort to extend its assistance. For Japan's technical cooperation, identifying the correct trainees and assuring their post-training assignments to appropriate posts are beyond Japan's control. Since Japan's aid is request-based, there is a concern that recipient countries may refrain from requesting CT assistance for fear that Japan may divert aid from other development projects. To minimize this risk, Japan keeps the aid ceiling for each country confidential. As a result, countries with higher security risks and development needs, such as Indonesia and the Philippines, have actively requested security CT assistance from Japan.

Enhancing Southeast Asia's Law Enforcement Capability

Japan views strengthening the law enforcement capabilities of Southeast Asian nations as a critical issue in combating terrorism in the region. One of Japan's major contributions in this respect has been to offer law enforcement training seminars inside various Southeast Asian countries. The seminar program has been coordinated through the Japan International Cooperation Agency (JICA), which utilizes ODA money allocated from the Ministry of Foreign Affairs (MOFA) to recruit and dispatch experts from inside

Japan in fields such as fingerprint identification, high-tech crime and cyber terrorism, transnational organized crime, and crime scene investigation to countries in Southeast Asia. Until recently JICA officials were not allowed to maintain posts inside countries with significant security problems. However, a revision to the fundamental law concerning JICA's operation in October 2003 made it possible for JICA officials to implement "peace building" efforts in Southeast Asian countries such as Indonesia.

Japan views the modernization and democratization of the Indonesian police force as a key issue in the struggle against terrorism in Southeast Asia. Until 1998, Indonesia possessed only a military force to carry out law enforcement. The Indonesian government had no institutionalized means of obtaining information from the people, who feared the military. Japan is assisting the Indonesian government in creating a code of conduct for the Indonesian police force and has established a model police station in Indonesia toward that end. While not patterned directly after the Japanese *Koban* system, the model police station does draw upon the system's basic philosophy that emphasizes habitual interaction between the police and public as a means of increasing the flow of necessary information to authorities. The model police station also includes forensic training and the introduction of an emergency (911 style) reporting system. Japan has carried out similar operations, though on a smaller scale, inside the Philippines.

Japan participated as an observer in "the 25th ASEAN Chief of Police Conference (ASEANA-POL)" in Bali 17-19 May 2005, which aimed to improve counterterrorism cooperation in ASEAN countries through better mechanisms of law enforcement coordination. In September 2005 JICA and Japan's National Police Agency sponsored a seminar on investigating international terrorism.

Export Control

Japan views the improvement of export control systems in Southeast Asia as an urgent task in the war on terrorism. As a result of economic development in the region, some Southeast Asian countries have acquired capabilities for the production of sensitive items that can be diverted for use in the development of weapons of mass destruction and their delivery means. With large amounts of cargo passing through Southeast Asia, some of these countries may also be utilized as transshipment points for sensitive items. Developing effective export control systems in the region is therefore essential for international nonproliferation efforts. Some Asian countries, however, perceive export controls as obstacles to free trade. Japan has attempted to persuade these countries that export controls provide the framework or infrastructure through which free trade can best function.

In order to raise awareness regarding what it perceives to be serious shortcomings in the export control systems of Asian countries, Japan has sponsored an annual Asian Export Control Seminar. This seminar, which includes many Southeast Asian countries, has traditionally been held in Tokyo and attracted only 2 or 3 participants from each attending country. In 2004, however, Japan sent its experts abroad to develop in-country workshops that attracted some 50 to 80 officials in Indonesia, the Philippines, Thailand and Vietnam. The basic goals of this program are to: 1) enhance understanding of the items that are subject to export control and the reason for their control; and 2) deepen the knowledge of licensing officials in each country in order to enhance the enforcement of export controls.

Japanese experts have reported that international export control norms related to nuclear weapons are much better understood in Southeast Asia than norms related to biological, chemical and dual use items. In response the Japanese government, along with the Southeast Asian Regional Center for Counterterrorism (SEARCCT), sponsored a seminar on "Prevention and Crisis Management of Chemical Terrorism" in July 2004 as

the second in a series of five seminars on chemical, biological, radiological and nuclear (CBRN) issues. Emphasis was placed on the need to deny terrorists access to related material through implementing the best practices of the Chemical Weapons Convention (CWC).

In the future Japan intends to provide seminars that are tailored to the requests of the participating countries. The Japanese government believes the next step is to prepare Southeast Asian countries for legal entrance into international conventions on export control. Recently a working group for this purpose was established in Thailand. However, many other Southeast Asian countries are not advancing as quickly. Cambodia, Laos and Myanmar are still in the early stages of system development. Indonesia faces a huge challenge with its many islands. A Sri Lankan national based in Malaysia was one of the middlemen in A. Q. Khan's network that transferred sensitive nuclear material from Pakistan to North Korea.

Money Laundering

Currently 3 of the 6 countries listed as non-cooperative countries and territories (NCCT) by the OECD's Financial Action Task Force (FATF) on money laundering are from Southeast Asia. Japan is a member of this international watchdog organization, which was established by the G-7 summit in Paris in 1989 and revamped following 9-11 to add Eight Special Recommendations on Terrorist Financing to the original 40 recommendations aimed at countering money laundering by organized crime. Japan has been the co-chair of the Asia-Pacific Group (APG) on money laundering since July 2004. The purpose of the group is to facilitate the adoption, implementation and enforcement of the international standards promulgated by the FATF in the Asia-Pacific Region. The APG advises countries in the region on enacting laws criminalizing the laundering of the proceeds of crime. It also deals with issues of mutual legal assistance, confiscation, forfeiture and extradition. The APG aids in setting up systems for reporting and investigating suspicious transactions and provides assistance in the establishment of financial intelligence units.

Working through the Asia-Pacific Economic Cooperation (APEC) organization's Counter-Terrorism Task Force (CTTF), Japan has committed \$1 million to a newly-established trust fund with the Asian Development Bank (ADB), which aims to strengthen the capability of the ADB and its borrowing members in the areas of anti-money laundering, combating terrorism financing, and port security. Japan has also financed the Asian Currency Crisis Support Facility (ACCSF), which has provided assistance to the Philippines in planning the implementation of an anti-money laundering system, designing a monitoring system and planning training courses for officials of relevant agencies. Another similar project for Indonesia was carried out in 2004. Japan dispatched experts from its own Financial Services Agency (FSA) to Indonesia in order to familiarize Indonesian officials with financial intelligence unit (FIU) activities. Seminars have also been conducted that aim to deepen understanding on various institutional, legal and practical issues related to FIU management. In July 2004 Japan's Financial Intelligence Office (JAFIO) and the Suspicious Transaction Reporting Office (STR) of the Commercial Affairs Department for the Police Force of Singapore signed an agreement which facilitates information exchange between these two authorities regarding suspicious transactions suspected to be related to money laundering and terrorist financing.

Anti-Piracy Measures

Japan has a long history of cooperation with the littoral states of the Malacca Strait in the area of navigation safety, surveying the Strait and providing equipment and training to the Southeast Asian coastal patrol authorities. Japan has been a major financier of the International Maritime Organization, a UN-authorized body in charge of

international maritime traffic laws, which in recent years has been actively tracking and studying anti-piracy measures. The increase in piracy incidents in the Strait since the 1997-1998 Asian Economic Crisis resulted in increased calls from Southeast Asian states for Japan's bilateral assistance in anti-piracy efforts. Japan has handled this type of cooperation as a matter of civilian law enforcement and assigned this role to its Coast Guard rather than to the constitutionally-constrained MSDF.

Japan proposed the "Regional Cooperation Agreement on Combating Piracy and Armed Robbery against the Ships in Asia," which placed emphasis on sharing information about ships victimized by and suspected of committing piracy and armed robbery through an information center in Singapore. The agreement does not cover law enforcement against a broad range of other maritime crimes such as illegal immigration, smuggling and terrorism. Sixteen countries (Japan, China, South Korea, India, Bangladesh, Sri Lanka, and ten ASEAN nations) participated in the negotiation and adopted the agreement, but so far only Japan, Singapore, Laos, and Cambodia have signed the agreement. A minimum of ten signatories is required for the agreement to enter into force. The agreement is open to countries other than the original 16 participants. The United States has expressed its willingness to join after the agreement takes effect, relying on Japan's positive relations with the key littoral states of ASEAN.

Japanese Coast Guard vessels have patrolled Southeast Asian seas and carried out joint exercises with civilian maritime counterparts in Southeast Asia. However, Japan's approach strongly emphasizes the sovereignty of the littoral states and therefore focuses on capacity building for Southeast Asian states and enhancing linkages among the law enforcement authorities. JICA funds the Coast Guard's seminars to train maritime authorities in Southeast Asia, and Japan's aid is critical in helping to create maritime patrol authority where local capacity is lacking (especially in the Philippines and Indonesia).

Working through the APEC Counter-Terrorism Task Force, Japan hosted the "Heads of Asian Coast Guard Agencies Meeting" in Tokyo in June 2004 to build cooperative relations among agencies and share information on maritime security in the Asian region. Japan's semi-governmental Ship and Ocean Foundation has also provided seed money for the Anti-Piracy Center in Kuala Lumpur. In March 2005 Japan held the second "ASEAN-Japan Seminar on Maritime Security and Combating Piracy" in Tokyo to exchange information with ASEAN countries on efforts to implement the International Ship and Port Facility Security (ISPS) Code. In October 2005 Japan conducted a training course for maritime law enforcement officials from ASEAN countries, China and the Republic of Korea.

Preventing Proliferation of WMD

In regard to preventing proliferation of weapons of mass destruction (WMD), the Coast Guard has also participated in Proliferation Security Initiative (PSI) exercises, sending its vessels to the Coral Sea in 2003 and the Bay of Sagami in 2004. In the 2004 exercise, an MSDF P3-C Orion plane also participated for the first time, partly for orchestrating an image of close interagency cooperation, but also for setting a precedent of utilizing the P-3C's broader aerial surveillance capacity (compared to Coast Guard planes). In practice, the sharing of surveillance data obtained by the P3-Cs with non-U.S. partners (especially their militaries) is still considered problematic in light of Japan's ban on collective defense. Taking advantage of the 2004 PSI exercise, MSDF vessels also took part (albeit technically outside the PSI framework) along with other participating vessels of the PSI. In 2005 the MSDF sent its P3-C plane and a destroyer to a PSI exercise carried out off the shores of Singapore by invoking a clause on research activities in the SDF Law.

Since the December 2001 incursion of a suspected North Korean spy ship into Japan's territorial waters, which resulted in the sinking of this boat by Japan's Coast Guard, provisions regarding SDF involvement in non-wartime situations have been relaxed, enabling closer cooperation with the Coast Guard. In return, the Coast Guard also started participating in regional security fora such as the ASEAN Regional Forum (ARF). The Coast Guard has also held an Asian Non-Proliferation Seminar, training law enforcement officers from Southeast Asian countries that are not currently part of the PSI (Cambodia, Indonesia, Malaysia, the Philippines, and Thailand).

The MSDF's attitude toward anti-piracy and PSI measures is at best ambivalent. Traditional security concerns, such as North Korean missiles and Chinese naval expansion, still dominate MSDF thinking, and concerns regarding resources being overstretched have been raised when increased counter-terrorism involvement is put on the agenda. In the past Japan's self-imposed ban on arms export has prevented donating large armed vessels, but the ban was relaxed in late 2004 (after the New Midterm Defense Plan announced a reduction in the number of MSDF destroyers), opening the way for decommissioned 1,000-2,000 ton MSDF destroyers and Coast Guard vessels (stripped of heavy weaponry) to be given to Southeast Asian countries. However, both the Japanese and Southeast Asians have expressed concerns about the maintenance costs of these decommissioned vessels.

Aviation and Port Security

Japan has been dispatching its customs officials to and receiving customs officials from Southeast Asia for technical training since 2000. Since the Bali bombing incident of October 2002, Japan has assisted Southeast Asian countries in upgrading their aviation and port security. Another program Japan instituted under APEC's CTF was to provide security equipment for screening passengers and cargo to seven airports and three seaports in Indonesia compliant with the ISPS Code. Other Southeast Asian countries have participated in aviation security seminars hosted in Japan which aim at assisting them with the implementation of the SOLAS/ISPS Code.

In October 2005 Japan's Ministry of Land, Infrastructure and Transport (MLIT) held a seminar on port facility security in Yokohama which was attended by representatives from Indonesia, Malaysia, the Philippines, Thailand, Vietnam, Myanmar, and Cambodia. In January 2006 JICA, in conjunction with MLIT, plans to hold a seminar on aviation security in which Indonesia, Malaysia, Philippines, Thailand Cambodia and Laos are expected to participate.

Immigration Control

Japan's immigration control initially focused on its own border control. Lax enforcement of the law against illegal workers and overstayers as well as human trafficking have been major problems. Rising concerns about crimes committed by foreigners in Japan led to tightening of the immigration process even before September 2001. It was only in 2004, however, that the government passed a law that provided penalties for employers of illegal workers and human traffickers.

Southeast Asian countries want Japan's assistance in their immigration control for both CT reasons and added economic benefits, such as efficient handling of passengers and an improved image to lure foreign direct investment. In November 2004, the Ministry of Justice of Japan held a "Seminar on Immigration Control" with participants from China, South Korea and ASEAN countries. In March 2005 the second meeting of the Asian Workshop on Passport Policy was held in Tokyo, with participants from many ASEAN countries. This workshop focused on the security of travel documents, passport related crimes and related countermeasures, the latest anti-forgery measures including IC chips and biometric technologies, information sharing on lost and stolen passports, and developing an effective method for information exchange on

passport policy in the Asian region. Japan also sees a role for its Coast Guard in helping Southeast Asian countries to control their immigration.

Japan-ASEAN Joint Declaration on Cooperation against International Terrorism

The November 2004 ASEAN-Japan Summit's joint declaration on CT cooperation was a tacit endorsement of Japan's ongoing cooperation, yet it also expanded cooperation to newer ASEAN members and aimed to cement favorable domestic public opinion inside Japan toward such cooperation. In addition, the declaration provided added weight to encourage those ASEAN countries that have not signed or ratified various CT treaties and passed matching domestic legislation to implement them. This is also consistent with Japan's efforts to help these countries gain the legal expertise necessary for CT.

Thus far the results of Japan's efforts in this area have been negligible. At the ASEAN-Japan Senior Officials Meeting on Transnational Crime in June 2005, Japan reported that movement toward ratification of the 12 counter-terrorism conventions and protocols in ASEAN countries had not made definite progress. In order to produce "fruitful outcomes" in the coming year Japan conducted a seminar on the "Promotion of Accession to the 12 Counterterrorism Conventions and Protocols" in Tokyo during December 2005. At this seminar participating countries from ASEAN and the Asia-Pacific were asked to report their concrete action plans with time schedules for necessary domestic measures to conclude and implement international counter-terrorism conventions and protocols.

Conclusion

Japan's support for counterterrorism in Southeast Asia partly reflects its commitment to the U.S.-Japan alliance, but is also part of a wider strategy for strengthening its political and security profile in the region. Its approach places more emphasis on civilian law enforcement aspects of CT efforts, due to its domestic and regional-historical constraints. While Japan's prohibition against collective defense is an obstacle to SDF participation in CT, it does not hinder cooperation in civilian law enforcement, including Coast Guard cooperation. This approach helps make Japan's assistance more acceptable to Southeast Asian countries. Japan's aid is highly appreciated by Southeast Asia's least CT-capable states, such as the Philippines and Indonesia.

The cautious steps taken by the MSDF in CT cooperation with Southeast Asia also reflect Japan's reluctance to commit its military to this role. Tokyo is hesitant to risk the positive image it has cultivated through economic cooperation and would prefer not to divert its limited defense resources to what it considers a secondary security concern. Bureaucratic turf battles on the side of the recipients of Japanese aid can also be a problem for cooperation with Japan, especially when the law enforcement role is partly shared by the military.

While some Southeast Asian countries consider Japan's cooperation in various CT efforts to be less threatening than U.S.-led CT, it is still in the initial stages of development. Assistance to Southeast Asia is quantitatively insufficient, and redundancies among aid givers are not a problem yet. As the quantity of aid increases, however, donor consultations and coordination between Japan and the United States will become necessary.