

# MALAYSIA'S NATIONAL DEFENCE POLICY

## PREFACE

Recent development in our region has pointed to a number of new challenges and uncertainties which impact Malaysia's national defence. While Malaysia and the region in general are experiencing political stability and economic growth, current issues particularly non-conventional security issues are beginning to shape and influence the nature of threats to national defence and security. Defence development especially the modernisation of the MAF has been undertaken to address any possibility of threats which could adversely affect Malaysia's sovereignty, independence and integrity.

The primary objective of the National Defence Policy is to protect and defend national interests which form the foundations of Malaysia's sovereignty, territorial integrity and economic prosperity. To achieve this objective a requirement for a comprehensive strategy has been formulated as the underlying principles for national defence. The overriding principle of this strategy is Self Reliance, the prerequisite for which is total commitment from all sectors.

Malaysia renounces the use of threat and application of force as a means of settling international conflict and advocates and practice the peaceful resolution of disputes. The National Defence Policy illustrates this through the adoption of a defence strategy based on bilateral and multilateral defence diplomacy achieved through regional and international cooperation. In line with this philosophy Malaysia fully supports the efforts of the United Nations and the international community in preserving universal peace and security. As a member of the international community Malaysia has a moral responsibility and duty to ensure a just social and economic world order.

Therefore the MAF has to attain appropriate conventional warfare capabilities. A credible combined structure is important and attention needs to be given to develop the capabilities in all four dimensions of defence namely land, sea, air and electromagnetic.

The other strategic indicators to be considered are interservice cooperation and interoperability; geographical separation of territory and the possibility of a two-theatre conflict situation and the use of external military forces.

The development of defence support elements is an integral component of the effort to achieve defence self reliant. The primary consideration in this issue is the need to develop appropriate strategies to develop the capacity and capability of the local defence industry as well as defence science and technology.

The National Defence Policy reflects the continued commitment towards strengthening national defence and armed forces modernisation. The implementation timeframe for the policy is ten years and the Government will determine the mechanism to control the implementation and conduct periodic evaluation.

## **Chapter 1: National Interests**

Malaysia regards the defence of national interests as fundamental to its sovereignty and independence. In line with this the principal objective of the National Defence policy is the protection and defence of Malaysia's interests and territories from domestic and external threats.

Malaysia's geographical interests are divided into the following:

- Core areas;
- Offshore economic interests; and
- Strategic waterways and airspace.

The core areas encompass Malaysia's landmass of Peninsular Malaysia, Sabah and Sarawak; its territorial waters and airspace above them. These areas must be fully protected and defended to the best of Malaysia's ability from external threats.

The offshore economic areas are the nation's Exclusive Economic Zone (EEZ) and continental shelf. These areas in the South China Sea are abundant with fisheries and hydrocarbon resources which have contributed significantly to the nation's economy. Malaysia's strategic maritime and airspace lines of communication are as follow:

- The maritime and airspace lines of communication connecting Peninsular Malaysia with Sabah and Sarawak;
- Strait of Malacca and its approaches; and
- Strait of Singapore and its approaches.

The physical separation of Peninsular Malaysia from Sabah and Sarawak by the South China Sea imposes to Malaysia a special interest in sea and air lanes connecting both the land masses. Any threat or obstruction to these sea and airspace lines of

communication could jeopardise the integrity of the two territories and Malaysia as a whole.

The Strait of Malacca is one of the main international maritime routes and services almost the entire East-West maritime transportation. It also hosts Malaysia's major ports and business centres and is the transportation route for eighty percent of Malaysia's exports and imports. Malaysia explicitly regards any encroachment into the Strait of Malacca as a threat to its national interests, defence and sovereignty. Moreover the control of the Straits of Malacca by an external power would adversely affect the economic prosperity of most countries including major powers. The Strait has the potential to become a source of dispute for external powers resulting in it becoming a conflict "hotspot" which could negatively impact Malaysia's security and defence. Malaysia's standpoint is that the Strait of Malacca should be free from external powers' involvement and that it is the responsibility of the littoral States to defend the sovereignty of the Strait of Malacca.

The Strait of Singapore, parts of which falls within Malaysia's territorial waters is the world's most important and busiest waterway. The Strait of Singapore is not only important for international commerce but also for internal trade and sea communications between Peninsular Malaysia, Sabah and Sarawak. The Strait of Singapore is critical for Malaysia's maritime defence and like the Strait of Malacca is one of the country's strategic sea lines of communications.

Malaysia must have the defence ability to ensure that its primary areas premised on national interests are defended by all possible means. It also needs to defend and enhance its ability to defend its sovereignty over its terrestrial and maritime realms including the EEZ, continental shelf and all strategic sea lines of communication and airspace. Thus the MAF's development has to be based on the defence of these three areas. National defence however extends beyond preparing for an eventual conflict but is a guarantor of sovereignty and independence which providing a catalyst for national development programmes.

## **Chapter 2: Regional Strategic Perspectives**

The 21<sup>st</sup> Century is seeing more countries paying attention to asymmetrical threats as a new dimension in strategic defence. Traditional security issues will continue into the new century but threats such as terrorism and transboundary crime has also attracted attention and is given focus as parts of the national strategic perspective. As such Malaysia's and the region's security environment is shaped and determined by traditional and non-traditional security interests.

### **Traditional Security Factors**

- **Role of External Powers**

Developments in the Asia Pacific region will continue to be influenced by relations between the United States of America (US), China and Japan. Malaysia acknowledges that the US will remain the predominant power and plays an important role in shaping the regional strategic environment. In accordance with this current Malaysia-US defence cooperation provides the support needed for confidence building and for ensuring that Malaysia's national defence and economic interests. It should be noted that Southeast Asia has become more important to the US after the 11 September 2001 attack. This is evident in the US signing the Treaty of Amity and Cooperation in Southeast Asia 1976 (TAC) in 2009. The US is also expected to strengthen its presence through bilateral defence agreements with Japan, South Korea, Thailand, Philippines, Australia and Singapore whilst strengthening defence networking with other countries in the region.

China acknowledges its economic and political importance in Southeast Asia. China does not see ASEAN as a threat but needs as a stabilizing factor to the regional environment even as China emerges as an economic and military

superpower capable of influencing the strategic balance in the Asia-Pacific as a whole. The China-Japan strategic interplay will no doubt continue with both countries having different security objectives. Japan will remain as a world economic superpower but could be expected to pay more attention to regional security.

Russia which appears to have overcome its internal problems could potentially become more active in the region and playing an important role in regional security relations.

The balance of power and strategic interests noted above are not expected to hinder continued peace and stability in Asia-Pacific. Common focuses and interests would contribute to better relations among the major powers. Moreover the strategic focus of regional powers is in the area of economic cooperation instead of political and military confrontation.

- **East Asia**

A prolonged China-Taiwan issue could destabilise the East Asia region and any tension in the Taiwan Strait can worsen the situation. Malaysia welcomes any effort to alleviate the situation and hopes that both parties continue to seek a peaceful resolution to the issue.

The Six-Party Talks intended to end the Democratic People's Republic of Korea (North Korea) nuclear weapons programme has been ongoing since August 2003 and involves the US, China, Russia, Japan and South Korea. Although the Six Party Talks is viewed as the best avenue for resolving the issue it is often faced with obstacles resulting from Pyongyang's erratic responses. North Korea's withdrawal from the Treaty on the Non-Proliferation of Nuclear Weapons 1968 (NPT) and its threat to continue testing its long range missiles clearly indicates that Pyongyang views its nuclear programme as an essential component of its

security framework and as a negotiating tool to meet its demands and aspirations. It is unlikely that North Korea will end its nuclear programme. Instead the issue will be continuously exploited to North Korea's benefit.

- **South Asia**

India has a long term aspiration to play a wider role in the Asia Pacific. It has the economic and technological potential to develop its military strength to also encompass Southeast Asia. India's nuclear arms race with Pakistan has far reaching implications beyond the Indian sub-continent.

Because India and Pakistan possessed nuclear power capability, any conflict between the two could threaten peace and security in the region. Recent positive developments in bilateral relations between the two countries indicate an emphasis towards maintaining regional peace and stability. It is crucial for both countries to comply with the NPT and the Comprehensive Nuclear Test Ban Treaty 1996 (CTBT). The end of the ethnic strife in Sri Lanka would herald a new period of peace and the end of ethnic tension in South Asia.

- **Southeast Asia**

Overlapping claims of the Spratly Islands is an issue that still requires attention. Brunei Darussalam, China, Malaysia, the Philippines, Vietnam and Taiwan claim all of parts of the Spratly Islands. The area is of strategic importance as a vital commercial sea lane and is reportedly rich in economically important minerals and other marine resources. A breakout of conflict in the South China Sea could result in interventions by the major external powers because of its importance to regional security and maritime trade.

A resolution to the overlapping claims in the foreseeable future may be difficult as the dispute involves questions of national sovereignty. The Declaration on the

Conduct of Parties in the South China Sea (DOC) between ASEAN and China that was signed in Phnom Penh on 4 November 2002 has contributed to reducing the tension and build confidence among the claimants. The DOC is an indication of the willingness of the claimants to abide with the international norms and laws.

Regional diplomatic relations could also be affected by other maritime territorial disputes among ASEAN members in the South China Sea, the Sulawesi Sea and the Straits of Malacca. Diplomacy should be the preferred mean of resolving Malaysia's overlapping claims with its neighbours in the above areas. Malaysia remains committed to the 1982 United Nations Convention on the Law of the Sea and to its maritime boundaries as contained in the "Peta Baru 1979." However, the issue of the Philippines' claim over Sabah remains unresolved. The resultant maritime dispute and the claim over Sabah as a whole could undermine Malaysia's territorial integrity as a sovereign nation and ultimately weaken the ASEAN spirit and ASEAN Charter.

Indonesia's continued prosperity will only be achieved following the resolution of the main causes of its political and social conflicts. Friendship and mutual respect are important elements of the bilateral relation between Malaysia and Indonesia and is supported by the close historical and social links between the two countries.

Of late bilateral relations between Malaysia and Singapore are showing signs of improvement despite several outstanding issues. These issues however have not hindered cooperation between Malaysia and Singapore particularly in economics and defence.

Malaysia-Vietnam relations have improved significantly particularly following the signing of the defence cooperation agreement in 2008. This has contributed

towards preventing tension especially in the territorial dispute in the South China Sea.

The ongoing insurgency in Southern Thailand could impact Malaysia-Thailand bilateral relations. Malaysia considers the issue an internal problem of Thailand and is prepared to cooperate for mutual benefits. The security situation in Southern Thailand is a major concern for Malaysia and its resolution depends on the ability of the Thai Government to resolve the insurgency and improve the socio-economic well being of the Moslem populace. The insurgency however should not affect Malaysia-Thailand relations.

The internal problems in Myanmar, Thailand and Cambodia as well as other members of ASEAN are important to Malaysia's strategic interests and ASEAN's stability. The resolution of these issues is the foundation of regional stability, peace and prosperity. Malaysia regards the "prosper-thy-neighbour" concept as important to the creation of true stability within the neighbouring countries. In overall terms Malaysia's relation with ASEAN members is a critical mutual economic security net.

### **Non-Traditional Security Issues**

Traditional security issues remain the principal threats to Malaysia's sovereignty. However, non-military or asymmetric threats have become major concerns and have the ability to challenge government authority and the potential to undermine regional security and stability.

Terrorism has emerged as a long term threat to regional and international security after the terrorist attacks of 11 September 2001 on the US. Currently the two active and organised militant and terrorist groups are the Abu Sayyaf Group (ASG) and Jamaah Islamiah (JI). ASG carries out kidnapping -for-ransom to fund its activities in the Southern Philippines. ASG's activities have security implications to Malaysia especially

for Sabah. Authorities are also concerned over possible collaboration and cooperation network between JI and ASG in the Southern Philippines.

The JI network is still active in Southeast Asia especially in Indonesia with networks in the Philippines, Malaysia, Singapore and Thailand. Malaysia has successfully conducted operations to curb JI activities with a series of arrests including the apprehension of Mas Selamat Kastari and his two accomplices in Johor on 1 April 2009. Similarly efforts by Indonesia and Singapore to curb terrorism through the arrests or deaths of principal terrorist planners are regarded as parts of the ongoing efforts which clearly require cooperation at the regional level. JI's role in promoting terrorism still requires continuous and special monitoring as despite the deaths of several senior JI leaders, its splinters continue to recruit and conduct its activities which needs to be completely eliminated.

Suicide bombing is not a new phenomenon and the possibility of its being used in Malaysia should not be discounted. Malaysia adopts a proactive stance in the fight against regional terrorism. Those identified as terrorists have been apprehended under the Internal Security Act. Countries in the region through their respective enforcement agencies are continuously enhancing their comprehensive cooperation and exchange of information to curb terrorist groups' plans.

Although reports of piracy and armed robbery cases have declined recently such crimes need to be continuously monitored as it may resurface at anytime and as a result of continued economic crisis in some countries in the region; internal conflict; difficulties faced by maritime enforcement agencies to continuously and frequently monitor situations and increased sophistication of pirates. It is also believed that organised crime may also be involved in these illegal activities.

Piracy has been significantly reduced as a result of increased bilateral and multilateral cooperation and coordinated efforts by regional navies and enforcement agencies. The advent of the MALSINDO coordinated patrol cooperation and the Eyes in the Sky (EiS)

programme in the Straits of Malacca involving Malaysia, Singapore and Indonesia in 2005 has contributed to improved security in the Straits of Malacca.

Illegal supply and distribution of drugs is another non-military challenge faced by the region. The Golden Triangle which is one of the world's largest narcotics producers is located in this region. The drugs menace is worsening as a result of synthetic drugs which are easier and cheaper to produce in addition to natural drugs which continue to be distributed illegally in the market. The active involvement of insurgents in the drugs trade requires the full attention of countries in the region. Drugs smuggling has been identified as one of the main revenue sources for insurgents to fund their insurgencies.

### **Internal Security**

Malaysia's overall internal security situation is stable and manageable. Since the armed threat of the Malayan Communist Party ended with the Haadyai Peace Accord in 1989 there has been no serious internal security threat in Malaysia. However, Malaysia continues to face the possibility of threats which could break out at anytime and if not monitored and curbed at an early stage, it has the potential of jeopardising national security and prosperity.

The current political climate in Malaysia is seeing a widening of the racial gap. The unsettled political situation could threaten the social stability and community relation in Malaysia. In their desire to expand their influence there are leaders who took advantage of sensitive issues to a level that could affect public safety and harmony.

The situation worsens when non-governmental organisations also took advantage of the situation to make unreasonable demands which could also affect national security and peace.

The large influx of legal and illegal foreign immigrants to the country also has negative implications to Malaysia's internal security. The Immigrations department's records

showed a total of 1.85 million foreign workers in the country placing Malaysia in the top ten lists of countries with the most foreign workers. Their presence in the country while necessary has created many social problems including crime, spread of infectious diseases and a clash of culture.

## **Regional Initiatives Towards Enhancing Peace And Stability**

Any discussion on regional security would be incomplete without mentioning developments in the regional security cooperation. Such matters are becoming more prominent as inter-dependency and globalisation increases whereby countries apply international norms and practices for mutual benefits.

A major component of the regional security architecture is the ASEAN Regional Forum (ARF) which discusses sensitive regional issues while providing an avenue for member countries to exchange views on important security matters. The ARF has since the last few years succeeded to improve the level of transparency among regional countries and to manage regional relations in a more mature way. Other regional forums such as ASEAN, the Asia Pacific Economic Cooperation (APEC) and ASEAN + 3 while focusing more on economic cooperation also affect regional security. The prominence of these economic forums is expected to increase as economic prosperity becomes the foundation of peace and stability in the region.

## **Information and Communication Technology (ICT)**

Information technology development and application have changed how we live and advanced us from the industrial age to the age of information. Therefore domination of the information domain is critical towards protecting national sovereignty. ICT application is becoming a must to ensure information domination at all levels encompassing information at the strategic, operational and tactical levels. Excellence in ICT would ensure the strengthening of national defence capability and the weakening of the enemy's ability. This effort involves construction of related infrastructure and development of applications. The completion of a "Network Centric Operation

Infrastructure” capable of collective application and total analysis needs to be given priority to enable all elements in the defence infrastructure to exist in a seamless communications network system. This should be complemented by a centralised database development, supervised by every agency involved in the defence of national sovereignty. The database should be integrated and shared through the Network Centric Operation Infrastructure.

The development of a cyber-warfare capability is an important step towards counterbalancing the ability of other countries in the region and to defend important national targets from all forms of threats. It is important to stop any form of encroachment into national defence’s computer systems and networks. Concurrently, it also provides the room for developing offensive capabilities for conducting cyber-operations when necessary. This capability would provide room for information fathering at strategic, operational and tactical levels.

MAF needs to develop in tandem with global technology development particularly in ICT as Revolution in Military Affairs (RMA) sets the tone for modern warfare.

### **Implications To Be Considered In Defence**

The development of Malaysia’s strategic perspective needs to take into consideration the regional strategic environment. Conventional threats are now being overshadowed by non-conventional threats particularly those which are transboundary in nature. The MAF has to be flexible, mobile and possess a high degree of readiness to meet the National Defence Policy objectives of defending and protecting national interests. Its organisational structure has to be built in such a way that it is able to address conventional and non-conventional threats simultaneously.

The expansion and maintenance of constructive engagement with countries in the region have to be continued through bilateral and multilateral means. Multilateral

institutions within the regional security infrastructure need to be supported as a means of preventing conflicts and hostilities in this region.

The military's underlying principles. Culture and structure needs to be thoroughly examined to bring it in line with the rapid development of ICT and its impact on military technology. It is also important that defence acquisition take into consideration developments in the field of technology.

## **Chapter 3: Underlying Principles of Defence**

The National Defence Policy is the manifestation of Malaysia's aim to defend itself and protect areas of national interests. Hence a comprehensive approach has been formulated to achieve the aim. The approach encompasses the fundamental principles as shown in Figure 1.

### **Fundamental Principles of Defence:**

- Self-Reliance
- Total Defence (HANRUH)
- Commitment towards the Five Power Defence Arrangement
- Support for the United Nations' efforts towards universal peace
- Counterterrorism measures
- Defence Diplomacy

### **Self-Reliance**

Malaysia must depend on its own resources and capabilities to safeguard its sovereignty, independence and territorial integrity. Hence, the MAF must possess the ability to respond to any enemy military hostility. This ability also encompasses logistics support, human resources and defence industry. Therefore the development of a viable defence industry and the presence of defence science and research institution are critical.

### **Total Defence (HANRUH)**

Total and integrated defence involves many government agencies, the private sector, NGOs and the citizenry in all circumstances. National defence is not the sole responsibility of the MAF but the responsibility of all levels of society. All parties should know the role and contribution that they could play in times of disaster and conflict.

National defence has to be based on self-confidence and not depending on external parties. Within this context patriotism and nationalism among Malaysians always need to be nurtured and with the realisation that national prosperity and peace override individual needs and political ideology.

### **Commitment Towards The Five Power Defence Arrangement**

Malaysia views the FPDA as a “safety net” should events outside the capability of the MAF occur. Besides Malaysia, the other FPDA members are Australia, New Zealand, Singapore and United Kingdom. The FPDA is the only multilateral defence cooperation which Malaysia has been a member of since 1971. Although it remains untested at war or conflict, the FPDA is an effective conflict management tool and has contributed towards MAF’s development and enhancement of its professionalism.

### **Supporting The United Nations’ Efforts Towards Global Peace**

Malaysia fully supports the effort of the UN and the international community to preserve universal peace and security. Malaysia has adopted a proactive approach in addressing global issues in line with its foreign policy. Malaysia’s involvement under the UN’s banners started in 1960 in Congo. Now Malaysia is actively involved in UN Peacekeeping operations as Military Observers, Battalion Group, Headquarters Staff Group and UN Technical. MAF’s involvement in UN missions is not restricted to peacekeeping only but also peace enforcement and humanitarian assistance duties. Malaysia is a party to the UN Standby Arrangements 1996 and as stipulated in the arrangement, party shall have an infantry battalion on standby for deployment under the UN if necessary. Up to now more than 25,000 MAF members have been involved in UN operations.

Malaysia is fully supportive of the various treaties and conventions on global arms control and disarmament regime. As a party to the NPT and CTBT Malaysia observes the ban on all forms explosions and testing with a view for a total ban of such activities.

Malaysia's commitment is in line with the spirit of the Southeast Asia Nuclear Weapons Free Zone (SEANWFZ) which came into force in March 1997.

Malaysia also supports the ban on the manufacture, development and stockpiling of biological and chemical weapons in line with the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction 1972 and the Convention on the Prohibition of the Development, Production and Stockpiling, and Use of Chemical Weapons and on their Destruction 1993. Additionally Malaysia has taken the steps to ban the use, production, stockpiling and transfer of anti-personnel mines upon ratifying the Convention on the Prohibition of Use, Stockpiling and transfer of Anti-personnel Mines and on the their Destruction (Ottawa Convention) in April 1999. Subsequently this was followed by the gazettelement of the Anti-Personnel Mines Convention Implementation Act 2000 and the total destruction of anti-personnel mines stock in 2001.

### **Counter Measures Against Terrorism**

Terrorism remains a critical security issue for Malaysia. The transboundary activities of terrorist groups involve a variety of ethnic groups and nationalities. Therefore any country could potentially be the centre for terrorist activities. Malaysia is confident that comprehensive actions at all levels are important to address and counter terrorism in its infancy.

### **Defence Diplomacy**

Malaysia recognizes defence diplomacy as an important effort towards conflict prevention and escalation which could undermine peace and stability. Among the steps towards this are confidence building measures, transparency, construction of positive norms and establishment of channels of communication. These efforts are implemented through joint exercises, information sharing, senior officers' visits, exchange of officers and the provision of military education and training facilities.

Malaysia employs the defence diplomacy approach through bilateral and multilateral defence cooperation.

- **Bilateralism**

There are many similarities between Malaysia's strategic interests and that of the other countries in the region. As such Malaysia's defence is closely linked to developments in the regional security environment. Any regional geostrategic shifts could impact Malaysia's defence as any breakout of military conflict, humanitarian disaster or socio-economic problem could spread to Malaysia's boundaries. The principal aim of defence diplomacy is to maintain good relations with countries in the region especially members of ASEAN and to improve cooperation as a means of ensuring security and stability. Malaysia will also continue to enhance defence diplomacy efforts with extra-regional countries through constructive defence engagements. Among the efforts made to enhance diplomacy is the provision of opportunities for foreign military personnel to attend courses in Malaysia through the Malaysian Defence Cooperation Programme (MDCP).

- **Multilateralism**

Multilateral defence cooperation is an important principle in establishing and enhancing regional cooperation in the interest of peace and stability. It is now viewed as an important avenue for addressing common issues while promoting transparency in the region. With this in mind Malaysia has adopted multilateral cooperation as an approach that complements existing bilateral arrangements. Within this context Malaysia is committed to its involvement in two existing multilateral forums namely ASEAN and ARF. Malaysia's involvement in ASEAN and ARF is important as both forums are intended to ensure a peaceful and dynamic Southeast Asia. At the ASEAN level the ASEAN Defence Ministers' Meeting is being enhanced by taking into account other efforts including relations with non-ASEAN

countries. The ARF encompasses three levels i.e. confidence building measures, preventive diplomacy and conflict resolution as the basis for multilateral cooperation.

## **Chapter 4: External Defence Relations**

As a member of ASEAN Malaysia gives high priority to the effort to ensure regional peace and development and maintains strong defence cooperation with other ASEAN members. Malaysia recognises the significance of establishing defence cooperation with countries outside of ASEAN especially in Asia-Pacific and Europe. The defence cooperation between Malaysia and these countries is based on the interest of Malaysia's economy which is developing fast. Hence stability and prosperity in ASEAN and the Asia Pacific is beneficial to Malaysia.

### **Defence Cooperation with ASEAN Members**

Indonesia is an important country for Malaysia as both countries share land and maritime borders. The General Border Committee which was established in 1972 is a forum for the two countries to cooperate in upholding peace, security and development along common borders. Social, political and economic issues if not adequately addressed will worsen and affect bilateral relations. Consequently, Malaysia needs to maintain close bilateral relation with Indonesia while striving to improve cooperation and resolve differences through bilateral dialogue and negotiations.

Thailand also shares land and maritime boundaries with Malaysia. The 1965 Joint Border Agreement created the General Border Committee with many consequent activities contributing to the security and prosperity of both countries. Ongoing defence activities are not restricted to the border areas but include training, exchange of information and combined efforts to combat asymmetric threats.

Besides the FPDA Malaysia-Singapore defence relations is boosted by the 1995 Memorandum of Understanding on Defence Industry Cooperation. Malaysia-Singapore military cooperation involves courses and training, exchange of officers and visits at all

levels of the MAF. Additionally, active interaction and interpersonal relations between senior officers are important in preserving bilateral defence cooperation.

Brunei Darussalam which borders Sabah and Sarawak is critical for bilateral defence cooperation and in which it has been strengthened by the 1992 Memorandum of Understanding on Defence Cooperation. A variety of cooperative activities are being implemented such as military and defence officers exchange visits, logistical support and joint exercises.

Malaysia's defence cooperation with the Philippines was formalised in 1994. Defence cooperation through continuous dialogue and discussion and the implementation of a variety of efforts such as joint maritime patrol and surveillance is important to ensure security and stability along the maritime boundary shared between Malaysia and the Philippines.

Malaysia regards bilateral cooperation with other ASEAN members such as Cambodia, Laos, Myanmar and Vietnam as also important. While Malaysia has not established formal bilateral defence cooperation with these countries with the exception of Vietnam in 2008, interaction between military and defence officers has increased. Training programme under the MDCP involving military officers from these countries is a successful defence diplomacy approach especially within ASEAN.

Continuous interaction occurs during official visits by senior ASEAN defence leaders or during defence exhibitions such as the Defence Services Asia (DSA) and the Langkawi International Maritime and Aerospace Exhibition (LIMA). Malaysia regards the high level of involvement from many countries at these events as an approach which should be fully encouraged.

The establishment of ADMM in 2006 in Kuala Lumpur showed Malaysia aspiration to improve defence cooperation and relations among ASEAN members. However the meeting is not intended to turn ASEAN into a military bloc or alliance but to create

transparency and promoting confidence building measures through dialogue and defence cooperation areas which will be identified later.

### **Defence Cooperation With Non-ASEAN Countries**

Bilateral defence cooperation between Malaysia and Australia was established before the Second World War and was strengthened with the establishment of the FPDA in 1972. The defence cooperation was further enhanced with the signing of the Malaysia-Australia Joint Defence Programme (MAJDP) in 1992. A similar relation exists with New Zealand where long term cooperation was enhanced with the establishment of the FPDA. Malaysia's defence cooperation with Australia and New Zealand is important and in line with the spirit of the FPDA.

While Malaysia and the US differ on many global and regional issues, Malaysia is confident that the US will continue to play an active role in the region. Malaysia regards positively its relations with the US as it provides training in various professional fields, defence and science technology as well as a source of defence acquisition.

In line with the country's economic and political interests, Malaysia has established defence cooperation with several European countries such as the United Kingdom, Sweden, France and Italy. Malaysia regards its defence cooperation with these European countries which are known for their defence industry and technology as critical for the development of its defence capability. The MAF obtains exposure to the latest defence technology and training opportunities through its defence cooperation and relations with these countries.

Malaysia's defence cooperation with Russia in terms of training and technology transfer is aimed at developing the country's defence capabilities. Moreover, Russia is a source of defence acquisition and an important partner in Malaysia's quest for new technology and knowledge such as the space programme.

Malaysia realises the importance of establishing defence cooperation with China. Joint Statements between Malaysia and China in 1999 and 2004 outlined various objectives among others strengthening defence cooperation. Subsequently the Memorandum of Understanding on Defence cooperation was signed in 2005 to further enhance existing defence cooperation.

Malaysia-Republic of Korea defence cooperation began in 1987 and is focused on defence acquisition and defence technology and industry.

Japan's awareness of regional defence and security issues needs to be seen in a positive light. Activities such as exchange of information on strategic perspective and policy directions in areas of mutual benefit were held by defence officials from both countries.

Defence cooperation between Malaysia and India was established prior to independence and India is one of main venues for training MAF personnel. With the signing of the Memorandum of Understanding on Defence Cooperation in 1993 both countries have successfully improved cooperation in defence industry as well as science and technology.

Pakistan too is an important source of training for MAF personnel and defence equipment acquisition particularly with the signing of the Memorandum of Understanding on Defence Cooperation in 1997. The cooperative activities conducted under the Malaysia-Pakistan Defence Cooperation Committee involve military exercises and defence industry cooperation as well as defence science and technology.

Defence cooperation was also established with several other countries namely South Africa, Sweden, Ukraine and Spain. The relation focuses on defence acquisition and establishment of good relations with countries outside the region.

Developments in the Middle East have always attracted Malaysia's attention. The potential for establishing defence cooperation with Middle Eastern countries should not be discounted.

## **Chapter 5: Developing Defence Capability and Strategy**

The main objective of developing the nation's defence capability is to build an MAF that is integrated and balanced with the combination of assets and other resources for the purpose of national defence. Fundamentally MAF's development has taken into consideration all the dimensions of modern warfare capabilities i.e. land, sea, air and electromagnetic spectrum as current warfare involves all four spectrums.

MAF's human resource development objective is to create personnel that is trained in basic military skills and equipped with excellent equipment to fight under any operational situation. The human resources are MAF's most important and valuable asset.

The MAF human resource development focuses are to:

- Be able to attract and retain quality personnel; and
- Increase the professionalism of MAF officers and men

MAF also required a trained, dedicated and professional regular and reserve force for its three services. The reserve units are important components of the MAF. The MAF reservists are parts-and-parcel of the regular units and in addition to assisting the regular units through mobilisation plans also support national security maintenance efforts during operations as well as cooperate with civil authorities when necessary.

The professional development of human resources through a combination of education and training programme is in line with the concept of a K-Force. Continuous education and training is the key to the creation of a K-Force. A variety of theoretical, practical, full and part-time as well as short and long term courses are offered to MAF personnel. To this end the National Defence University of Malaysia (NDU) was established in 2006.

Improvements to the human resource management system that focuses on enhancing the quality of life of MAF personnel by providing better health and accommodation facilities is to ensure that the living environment of military personnel is holistic and integrated.

There is a need to improve management skills especially in Research and Development (R&D) and acquisition system. Hence the MAF needs to be equipped with the best affordable defence system. The acquired systems must meet the operational standards of all services and suited to operational and doctrinal concepts. The defence system will also be introduced into service following intensive tests and evaluation.

The military infrastructure is the basic platform to support military operations. Even though most infrastructure development is implemented by the public sector, the MAF still needs to improve its construction and engineering capability and skills. In addition to infrastructure specifically built for defence purposes of strategic national installations, assets and other infrastructure have to have the capability and capacity to meet future defence needs in line with the HANRUH concept.

An important consideration in national defence planning is to ensure that the MAF has access to national public resources as a way of enhancing any particular operation or mitigating a crisis. Modern warfare no longer restricted to the military but is all-encompassing in nature. The enemy could be expected to use all possible means to achieve its objective. To address the situation Malaysia needs to aspire to and be able to strengthen its defence capability using all available public resources and policies particularly HANRUH.

While the National Defence Policy espouses defence diplomacy as the main and fundamental principles of defence, it also recognises Deterrence and Forward Defence as pillars of the nation's strategic defence. A deterrence-based defence strategy is intended to reduce enemy self-confidence and prevent it from undertaking direct and indirect military action against Malaysia. To this end MAF's ability has to be

demonstrated at all times whilst displaying a high level of readiness either in training, action preparedness and mobilisation ability to defend national interests and react against any possibility at any time.

Forward Defence on the other hand is intended to prevent conflicts from happening in Malaysia by preventing them from happening or ensuring that the conflict occurs away from Malaysian territory. Forward Defence encompasses the concept of armed forces capable of power projection beyond Malaysia's national boundaries. This defence strategy requires the MAF to construct a force that can be mobilised rapidly and equipped with adequate arms and logistical support. The MAF's Forward Defence tasks require a strategic rapid reaction force responding at any given time to any signs of encroachment or violation of Malaysia's sovereignty and seizing the tactical advantage in times of war.

The development of a highly capable force is needed for rapid deployment to any trouble spots to conduct military operations. To strengthen both defence strategies information technology capabilities need to be created, updated and applied for gathering, dominating and accurately providing information within the electronic spectrum. The operational "jointness" among the three MAF services is the key to its operational success.

### **Air Superiority**

Airspace command is the prerequisite for the success of land, sea and air operations. The MAF requires defensive and offensive capabilities to ensure complete air superiority at all times within all three areas of national interests.

### **Maritime Operations**

MAF has to be able to maintain superiority over Malaysia's maritime territory to defend the nation's maritime sovereignty. Maritime superiority also includes the Royal

Malaysian Air Force's (RMAF) and the Royal Malaysian Navy's (RMN) ability to repel any encroachment into Malaysian maritime realm. This includes the control of port entry points and critical choke points such as the Straits of Malacca and Straits of Singapore as well as the sea lanes of communication between Peninsular Malaysia and Singapore.

## **Land Operations**

The strength of land operations depends on the Malaysian Army to operate jointly with RMAF and RMN. The completion of the mission requires capable weapons systems, firepower, mobility, protection and logistics support. Malaysia's long borders require the MAF to possess rapid reaction capabilities as a combined force to face any threats.

In peacetime the MAF practices peacetime engagements encompassing good relations with other countries especially regional neighbours. Additionally, MAF needs to be involved in national development and cooperate with civilian enforcement agencies in addressing national security issues.

Malaysia also needs to establish close defence relations with ASEAN members and other countries especially in the Asia Pacific. The cooperation and interaction would contribute to a common sense of responsibility towards strengthening commitments in protecting regional security and interests.

Information dominance is an important requirement for enhancing national operational and battle readiness. This is achieved through the ability to acquire, process and analyse information from multiple sources and the timely dissemination of accurate information. Information dominance will determine the quality of decision-making within MAF thus enabling it to use the information as an element of firepower to face any enemy.

## **Chapter 6: Supporting National Defence Industry**

Two vital elements are needed to support Malaysia's defence capabilities. These elements are the local defence industry and defence science and technology. The contribution from these sectors is critical to ensure Malaysia achieves defence self-reliance.

The defence industry is the main conduit for accessing sophisticated technology and defence systems as well as to provide life support structure and services which plays a role in increasing the serviceability rate of defence equipment. A highly developed local defence industry will reduce the country's dependence on overseas original equipment manufacturers.

At the same time the role of the defence industry in the country's socio-economic development needs to be recognised. The defence industry contributes towards job creation, savings in foreign exchange, technology transfer, foreign direct investment, dual-used technology and developing downstream industries for other economic sectors. Malaysia's defence industry is currently able to partially meet the demand for military equipment including assault weapons, ammunitions of different calibres, unmanned aerial surveillance vehicle, patrol crafts, trucks, ICT solutions and daily rations for troops. The local defence industry is also capable of carrying out maintenance works, repair, rehabilitation, upgrading and modernization besides producing parts and components for military equipment for local and domestic markets.

The Offset Programme Guidelines and Policy for defence equipment acquisition was published in 2004 to ensure the success of the Ministry of Defence's offset programmes. The objectives of the offset programme include the following:

- Encourage international strategic partnership that could contribute towards industrial enhancement activities towards developing and strengthening potential for expertise, ability and marketing of the national defence industry;
- Maximise the use of local content to reduce foreign exchange outflow;
- Establish the foundation for national defence industry and economy based on the provision of strategic logistics support;
- Promotion of technology transfer;
- Promote cooperation in research and development; and
- Human resource development and local expertise and skills enhancement

A defence Industry Blueprint was published in 2004 to provide guidance for the national defence industry. It emphasis among others issues related to capability development levels, new approaches to the offset programme and technology transfer, new approaches to defence acquisition, industry incentive, role of government agencies and the Malaysian Council for Defence and Security industry, universities, research and design institutions, R&D activities, bilateral defence industry cooperation, establishment of strategic business alliances and smart partnership, marketing enhancement, human resource and competency development and the different levels of defence industry development. In conclusion, the contribution of the defence industry to national defence capability development in significant and meaningful.

## **Chapter 7: Defence Funding**

A defence allocation based on the country's financial capability is needed to ensure that the MAF continues to be able to meet any challenges against national interests. In order to achieve the desired effectiveness, decisions on defence allocation are made based on the following principles:

- **Affordability**

The Government recognises defence as an important function of governance. Notwithstanding this the defence sector is capital-intensive and meeting its requirements depends on national funding ability. The principle of affordability is the basic consideration for deciding on the types of assets to be acquired and projects to be implemented.

- **Allocation not based on GDP**

The allocation for the defence sector is not based on certain fixed percentages in the national budget but on priorities and national funding availability. In the interest of transparency all details of the defence sector allocation is debated in Parliament during the tabling of the Supply Bill. Both the Dewan Rakyat (Parliament) and the Dewan Negara (Senate) debate the defence allocation prior to its approval.