# STATEMENT OF ADMIRAL JOHN C. AQUILINO, U.S. NAVY COMMANDER, U.S. INDO-PACIFIC COMMAND

# U.S. INDO-PACIFIC COMMAND POSTURE

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# **Introduction / Opening Statement**

Chairman, Ranking Member, and distinguished members of the Committee, thank you for the opportunity to appear before you to discuss the Indo-Pacific region. I also want to extend my thanks for your continuous support to the men and women of U.S. Indo-Pacific Command (USINDOPACOM) and their families. It is my distinct honor and privilege to serve alongside the dedicated Soldiers, Sailors, Airmen, Marines, Guardians, Special Operators, Guardsmen, and Civilian warriors that execute our deterrence and defense missions selflessly every day. Your support is instrumental in our ability to accomplish these missions. But there is much more to do, and we must act with a greater sense of urgency.

The men and women of USINDOPACOM work tirelessly every day to prevent conflict in this region, not to provoke it. War is not inevitable. However, this decade presents a period of increased risk as illustrated by Russia's illegitimate, unprovoked war in Ukraine; the People's Republic of China (PRC)'s nuclear and conventional buildup; the PRC's malign behavior, including its "No Limits" expanding partnership with Russia; the Democratic People's Republic of Korea (DPRK)'s continued missile provocations and nuclear rhetoric; and the risk of violent extremism. Our National Defense Strategy (NDS) identifies the PRC as the most consequential strategic competitor to the United States and the only competitor capable of combining its economic, diplomatic, military, and technological capabilities to mount a sustained challenge to the rules-based international order.

Seize the Initiative is USINDOPACOM'S approach to implement the NDS and accomplish our defense priorities - defend the homeland, deter strategic attacks, deter aggression, and build a resilient joint force. By design, this approach prevents conflict through integrated deterrence, ensures we can fight and win should deterrence fail, and provides the Secretary of Defense and President with options for any contingency. It aims to deliver a robust theater posture; campaign with lethal, persistent forces forward; technologically superior capabilities to maintain our warfighting advantages in the near, mid, and long-term; and stronger relationships with our allies, partners, and friends.

- ability to seamlessly operate with our allies and partners, and demonstrates U.S. commitment to a stable and peaceful security environment. The access agreements and military construction (MILCON) requests outlined in our Independent Assessment (1254 Report) prioritize the locations and the required capacity at each. Given the time needed to complete the planning, design, and construction of each project, we must look for ways to accelerate our actions today to be prepared for future contingencies.
- 2) A Joint and Combined Operations Campaign synchronizes full spectrum military operations in all domains to build warfighting advantage and accelerate our ability to respond immediately. Persistent forces positioned west of the International Date Line (IDL), combined with our exercise and experimentation program, and synchronized with our allies and partners is an effective means to deter potential adversary aggression. Our globally coordinated efforts allow us to compete with our security challengers and positions the joint force to be able to rapidly transition from competition, to crisis, to conflict if required. This persistent, forward force operates throughout the region with our partners every day to demonstrate our commitment to the rules based international order and to provide options for our civilian leadership.
- 3) <u>Delivering Advanced Warfighting Capabilities</u> that outpace our challengers immediately improves our lethality and enhances our deterrence mission. The Guam Defense System (GDS) is our top homeland defense priority and our vision for the future includes offensive fires as well as robust theater logistics. Capabilities that enhance our command and control decision superiority in the near term are of equal importance. We must maintain the ability to safely operate in contested space, sustain our target quality, real-time battlespace awareness, and deliver advanced multi-domain joint fires munitions utilizing a Joint Fires Network (JFN) while integrating our allies and partners. The 1254

Report provides specificity on the capabilities and munitions to enhance combat credible deterrence in the near and mid-term.

4) A Robust Network of Allies and Partners, built on the strength of our shared interests, is our greatest advantage. USINDOPACOM is strengthening all layers of our security network: allies, multilateral arrangements, partners, friends, and the Five Eyes nations. We execute security cooperation activities, training, and exercises to strengthen those relationships, build partner capacity, and enhance interoperability. Security arrangements such as AUKUS (Australia, United Kingdom, and the United States) and other mini and multilateral opportunities allow us to pull together like-minded nations to improve our training. While not a military alliance, the Quad diplomatic partnership between Japan, Australia, India, and the United States enhances regional security and stability. We continue to develop our Mission Partner Environment (MPE) to facilitate information sharing, coordinate our operations, and enable high-end weapon system integration.

Advancing these four, critical areas are mutually reinforcing and each is foundational to USINDOPACOM's ability to deter and defend. Defense of the homeland and deterrence of threats in the Indo-Pacific requires significant, sustained investments, supported by a strong industrial base, reliable supply chains, and predictable budgets. We respectfully request your continued support to deliver the end states of our four focus areas, recognizing that any delay in one area directly affects the others and puts at risk the overall success of our deterrence efforts.

USINDOPACOM thanks the Congress, the American people, and our partners for their continued support. We must act together and with urgency to maintain the rules-based international order that delivers the peace, stability, and prosperity of a free and open Indo- Pacific.

# **Key Adversarial Challenges**

As stated in the 2022 U.S. National Security Strategy, the Indo-Pacific is the epicenter of 21<sup>st</sup> century geopolitics. The region features authoritarian regimes using military threats to subvert the existing rules-based international order while seeking to undermine confidence in U.S. commitment to the region. The PRC is taking increasingly coercive actions to reshape the Indo-Pacific region in its favor, supported by a rapidly modernizing People's Liberation Army (PLA) that is executing the largest military buildup since WWII. Russia's irresponsible behavior, exemplified by its illegal, illegitimate invasion of Ukraine, continues to pose an acute threat. The DPRK is increasing its bellicose behavior through development of ballistic missile and nuclear technology threatening the U.S. homeland and placing regional partners at increased risk. Violent extremism also remains a threat in this theater.

# **People's Republic of China (PRC)**

# **Strategic Intent**

The PRC aspires to become the world's leading power in its drive toward "national rejuvenation," to replace the existing international order with a system that benefits authoritarian regimes at the expense of all other nations. Militarily, the Chinese Communist Party (CCP) has directed the PLA to develop the capability to seize Taiwan by force and surpass the United States as the dominant power in the Pacific. The PRC further seeks a network of overseas military installations and expeditionary capabilities to expand the PLA's ability to project power globally.

The CCP uses all elements of national power to create an international environment favorable to authoritarian regimes that furthers their totalitarian reach. The PRC is implementing a trifecta of global initiatives to reshape international norms for development, trade, and security under the Global Security Initiative (GSI), Global Civilization Initiative (GCI), and the Global Development Initiative (GDI). While each includes deceptively attractive language and concepts, they suffer from lack of specificity, vague implementation plans, and unclear goals allowing for PRC interpretation and enforcement. These initiatives seek to undermine the existing fair and respected

international architecture and replace it with a system that encourages repressive, authoritarian governance and protectionist economics that distort markets by avoiding openness and transparency.

CCP representatives exploit, distort, and misrepresent international law for their own benefit and at the expense of all other nations. The CCP is attempting to portray troubling aspects of its own domestic legal framework as globally accepted international law to assert regional dominance. Domestic laws such as the Anti-Secession Law, China Coast Guard Law, Maritime Traffic Safety Law, Civil-Military fusion legislation including the National Defense Transportation Law, and so-called emergency fast-track laws provide the CCP with the domestic legal architecture to advance its ambitions and streamline political decisions under a veneer of international legal legitimacy. The CCP is also engaging in a large-scale campaign to influence media outlets around the world in an effort to advance their narratives while mischaracterizing or obfuscating facts.

# **Military Modernization**

The PLA continues the largest, fastest, most comprehensive military buildup since World War II in both the conventional and strategic nuclear domains. In spite of economic and manufacturing challenges brought on by the COVID-19 pandemic, the accelerated pace at which the PLA has added advanced capabilities is concerning. In 2022 alone, the PLA added to its operational inventory 17 major warships, including four guided missile cruisers, three destroyers, five frigates, two attack submarines, and a large amphibious assault ship, plus scores of support and specialty ships. The air forces have doubled the production capability for its 5th Generation J-20 fighter with an estimated 150 of these aircraft now operational, many of them fielded last year. In 2022, the PRC completed 64 successful space launches that placed at least 160 satellites into orbit. And perhaps most stunning of all, the PLA Rocket Force continues to massively expand its arsenal of conventional and nuclear missiles, building hundreds of silos for nuclear missiles and fielding several hundred ballistic and cruise missiles. This almost certainly includes a large number of hypersonic missiles, some of which may be nuclear-capable.

The PRC may also be developing nuclear-armed hypersonic glide vehicles for use in a fractional orbital bombardment system (FOBS).

The CCP has now directed 2027 as the target for the PLA to deliver the capabilities needed to counter the U.S. military in the Indo-Pacific and project power across the globe. In October 2022, the 20th National Congress of the CCP set objectives focused on accelerating the PLA's modernization goals over the next five years, including strengthening its "system of strategic deterrence." With the 14<sup>th</sup> Five-Year Plan, the Chinese government has doubled-down on multiple national strategies already being implemented to ensure China achieves a globally dominant position in the emerging technologies that it believes are necessary for enabling complex modern military operations. The PRC continues to target technology and talent around the world to secure these technologies in pursuit of advanced military capabilities.

The PLA Navy (PLAN) consists of ~350 battle force ships and an additional ~85 patrol combatants and craft. The PLAN is on track to deliver 440 battle force ships by 2030 including significant increases in aircraft carriers and major surface combatants. The PLAN continues to expand their area of maritime operations emphasizing the development of expeditionary capabilities enabling their global aspirations. While much of the world expects the PLA to build- out a large dedicated amphibious fleet for a potential Taiwan invasion, in the near-term, we see use of modified civilian roll-on/roll-off (RORO) ferries as a means of troop transport and logistics support.

The PLA's aviation force is rapidly fielding technologically advanced, domestically built aircraft and a wide range of Unmanned Aerial Systems (UAS). More than half of its fighter force is 4<sup>th</sup> generation or better, a ratio quickly growing with the rapid fielding of its 5<sup>th</sup> generation J-20 stealth fighter. The PLA is also developing jet-powered and supersonic UAS systems, as well as stealth, Unmanned, Combat-Aerial Vehicles (UCAV).

PLA ground forces have received equipment upgrades and project a new 4<sup>th</sup> generation main battle tank in the near future. The PLA increasingly incorporates amphibious military and civilian vessels in its ground forces' training for potential

amphibious operations and has significantly increased the number and roles of a variety of helicopters.

The PLA is developing a host of nuclear and conventionally-armed long-range missiles and advanced weapons at a pace faster than expected. PLA Medium and Intermediate Range Ballistic Missiles (MRBM/IRBM), as well as Chinese cruise missiles can range U.S. bases, forces, and the homeland. The PRC continues developing longer range capabilities such as the DF-27 ballistic missile that will be able to reach targets well beyond the second-island chain. Additionally, China is developing hypersonic glide vehicles (HGVs) and a new generation of nuclear-armed mobile missiles that employ multiple independently targetable reentry vehicles (MIRVs) with the intent to evade U.S., ally, and partner missile defenses.

The PLA is rapidly advancing its space and counter-space programs. In 2022, the PRC executed 64 space launches, probably meant to expand intelligence, surveillance, and reconnaissance (ISR), telecommunications, and navigation capabilities. For counter-space, the PRC is delivering capabilities that seek to deny use of our own space architecture despite their statements opposing the weaponization of space.

The PRC's cyber capabilities deliver both gray zone coercion and an enabling function to achieve decisive military advantage. PLA cyber efforts remain focused on developing capabilities to enable warfare activities targeting US and partner critical civilian electric, energy, and water infrastructure to generate chaos and disrupt military operations. The PLA also actively pursues espionage operations and intellectual property theft through targeted cyber operations.

The PLA has embarked on a rapid and opaque expansion, modernization, and diversification of its nuclear forces. Construction of silo fields across northern China, coupled with modern ballistic-missile submarines and the H-6N nuclear-capable, air-to-air refuelable bomber, underscore China's focus on developing a survivable, nuclear triad. The PRC has not declared an end goal nor acknowledged the scale of this nuclear force expansion. The PRC likely will possess at least 1,000 deliverable nuclear warheads by 2030. This larger arsenal could provide the PRC with new options before and during a

crisis or conflict to leverage nuclear weapons for coercive purposes, including military provocations against U.S. allies and partners in the region.

## **Destabilizing Actions**

#### Taiwan

The PRC sees unification with Taiwan as "indispensable for the realization of China's great rejuvenation" and a top priority. To this end, the PRC uses all elements of national power, most notably a mix of military, economic, legal, information, and diplomatic tools, in pursuit of this goal. Beijing publicly claims a preference for peaceful unification over conflict; however, its consistent pressure tactics and coercive behavior demonstrates a significant disconnect between their words and their deeds.

During the CCP's 20<sup>th</sup> Party Congress, Xi Jinping unequivocally stated China will never renounce the right to use force as a means to achieve unification with Taiwan. Such rhetoric accompanies a concerted effort to develop military capabilities the PRC sees as necessary to seize Taiwan by force.

Beijing significantly increased its military pressure against Taiwan in 2022, in response to a perceived policy shift in U.S.-Taiwan political and military ties. Following the U.S. Speaker of the House's visit in August 2022, the PLA deployed its most capable assets around Taiwan and conducted ballistic missiles launches in a show of force. Since August, the PLA has normalized warship patrols around Taiwan and increased the number of military flights crossing into Taiwan's self-declared Air Defense Identification Zone. They have in effect erased the unofficial Taiwan Strait centerline, a mutually observed boundary designed to avoid unintended friction, to pressurize the people on the island.

# Unsafe Intercepts of U.S. and Allied Aircraft

As Secretary Austin has noted, "we've seen an alarming increase in the number of unsafe aerial intercepts" of U.S. and allied aircraft throughout 2022. These included a February incident where a PLA Navy vessel directed a military-grade laser at an Australian P-8A patrol aircraft that could have permanently impaired the vision of the P-8A's crew. In May of 2022, another Australian P-8A was intercepted by a PLA aircraft that maneuvered in front of the P-8A and ejected chaff into the Australian aircraft's

engine. Days later, the Canadian armed forces issued a statement that PLA aircraft attempted to divert the flight path of one of their CP-140 long-range patrol craft, conducting a UN sanction enforcement mission, forcing the Canadian pilots to modify their flight path to avoid collision. Canada has noted such interactions are occurring with increased frequency. On December 21<sup>st</sup>, a US RC-135 surveillance aircraft, operating in international airspace was intercepted by a PLA fighter that unsafely maneuvered to within 20 feet of the cockpit of the RC-135, forcing our aircraft to take evasive action to avoid a collision.

All of these aircraft were operating in international airspace in accordance with international law when these dangerous intercepts occurred. In just over a year, the number of increasingly close intercepts against U.S. aircraft increased by 600%. Conducting destabilizing and coercive intercepts increases the potential for an accident, loss of life, or miscalculation.

# Line of Actual Control (LAC)

Tensions between the PRC and India along the LAC, the de facto border between India and PRC, have remained high since a significant clash in June 2020, and an additional incident in December 2022. A 2021 PRC land borders law that allows for greater PLA involvement in border security represents a continuation of PRC's "lawfare" strategy to justify military action in territorial disputes. China's consistent attempts to expand its border has resulted in two physical confrontations between PLA and Indian soldiers. The PLA has also significantly expanded its military infrastructure along the LAC to maintain pressure on India and better posture forces for future contingencies. These actions are designed to expand their borders and consolidate their gains. The PRC's provocative behavior creates instability and increases the risk of unintended incidents.

#### **Excessive Maritime Claims**

The PRC's expansive maritime claims in the South China Sea are inconsistent with international law as reflected in the 1982 United Nations Convention on the Law of the Sea. Yet the PRC continues its coercive activities to reinforce these legally baseless claims and undermine the rules-based international order. The PRC has militarized its South China Sea outposts to

expand its military reach, arming these features with anti-ship and anti-aircraft missile systems, laser and jamming equipment, and fighter jets that threaten all nations operating nearby. The PRC continues to explore and exploit the region's vast natural resources, including hydrocarbons, fish stocks, and minerals, including those inside other nations' Exclusive Economic Zones (EEZ).

The PRC uses domestic laws as justification to enforce its expansive maritime claims. In 2021, the PRC passed both a China Coast Guard (CCG) Law and a Maritime Traffic Safety Law (MTSL). The first authorizes its coast guard to fire upon or tow foreign ships it sees as violating China's domestic laws. The MTSL requires all specified vessels entering territorial sea areas "under the jurisdiction of China" to notify maritime authorities, carry required permits, and submit to Chinese command and supervision.

The enforcement of these domestic measures intimidates South China Sea nations from enjoying their rights to natural resources in the exclusive economic zones and continental shelf while infringing upon rights and freedoms guaranteed under international law as reflected by the United Nations (U.N.) Convention on the Law of the Sea (UNCLOS), a treaty to which the PRC is a party. These laws could provide the pretext for the use of force that could spark a wider conflict. More broadly, these laws and other unilateral actions, such as its annual, unilateral summer fishing ban, threaten China's neighbors and clearly illustrate an attempt to change the existing international order in its favor.

# **High Altitude Balloons**

The February high altitude balloon incursion into U.S. territorial airspace, and similar incidents across the globe, demonstrated the CCP's intent to develop and deploy additional intelligence collection platforms. Such actions are in direct violation of the sovereignty of the nations overflown and further highlight the CCP's irresponsible behavior. This is a clear example of the disconnect between CCP words and actions.

# PRC-Russia Cooperation

In February 2022, Chairman Xi and President Putin announced a "no limits" strategic partnership rooted in a common opposition for democratic systems and an international order both believe constrain their authoritarian governments. Just last month, Chairman Xi stood alongside President Putin in Moscow and jointly reiterated their mutual goal of a new world order. Xi once again failed to condemn Russia's unprovoked, illegal, and illegitimate invasion of Ukraine. CCP leaders and media continue to amplify Russian propaganda, and we diligently monitor the situation for any evidence of the PRC providing material aid. Additionally, Russia is transferring highly enriched uranium to the PRC, which will be used in fast-breeder reactors and could support the PRC's nuclear force expansion through the production of weapons-grade plutonium. Militarily, the relationship has incrementally grown over the past decade. In 2022, the PLA participated in VOSTOK 22, a multinational Russian exercise, and the two countries conducted multiple combined naval and strategic bomber patrols. Some of those highly symbolic events occurred in the air and sea spaces around Japan and near Alaska and Guam. These developments are especially troubling given the PRC's ongoing nuclear and conventional military build-up. By the 2030s, for the first time in its history, the United States will face two major nuclear powers as strategic competitors and potential adversaries, creating new stresses on stability and new challenges for deterrence, assurance, and risk reduction.

#### Russia

#### **Strategic Intent**

Russia represents an acute threat that desires to maintain its status as a global power and influence by using all elements of national power. Russia seeks to upend the international order's status quo in favor of a multipolar system that advantages its authoritarian regime. Russia's illegal, illegitimate war against Ukraine is the most blatant example of its contravention of international law and norms. Moscow's ongoing support of Burma's military regime and its continued assistance to the DPRK, are less publicized

but nonetheless concerning. Russia's actions are an attempt to demonstrate a global position of strength even in the midst of diplomatic, economic, and military struggles.

## **Military Modernization**

Despite Russia's brutal war in Ukraine, Russia's updated 2022 Naval Doctrine prioritizes the Pacific region, establishes a primary goal of "strategic stability," and describes the Sea of Okhotsk as an "area of existential importance," alongside Russian territorial seas and its EEZ. As such, Russia is upgrading strategic assets in the Eastern Military District. Such improvements are designed to bolster Russia's ability to threaten the United States and our allies, including Japan.

In 2022, Russia transferred multiple naval assets to the Pacific including a Dolgorukiy II-class nuclear-armed, nuclear-powered ballistic missile submarine, a Severodvinsk-class nuclear-powered cruise missile submarine, and upgraded Kilo -class cruise missile-capable diesel submarines. Another eight advanced cruise missile capable vessels will likely arrive before 2026. Armed with dual nuclear and conventional capable Kalibr cruise missiles and the Tsirkon hypersonic cruise missile (still in testing), the Russian Pacific Fleet is increasing its ability to threaten U.S. and allied land and maritime targets.

Russia executed its quadrennial VOSTOK capstone exercise in early September 2022 with the naval component conducting simulated cruise missile and bomber strikes to message they are still capable of defending their far-eastern region.

President Putin vowed to modernize Russia's nuclear forces, which he described as "the main guarantee of our sovereignty and territorial integrity, strategic parity and the global balance of forces," and indicated the Sarmat Intercontinental Ballistic Missile (ICBM) will enter service shortly.

# **Destabilizing Actions**

# Power Projection

In the Pacific, Russia increasingly relies on its Pacific Fleet, particularly its submarine force, to shoulder the burden of defense for Russia's eastern regions. The

Pacific Fleet, long-range aviation forces, and strategic capabilities remain mostly unaffected by Russia's illegal war in Ukraine. We expect Moscow to use these forces to demonstrate Russian power and presence through expeditionary air and maritime operations that threaten the homelands of the United States and several of our allies.

#### **Bomber Patrols**

Russia continues to send strategic bomber patrols near U.S. airspace, having executed patrols near Alaska, Hawaii, and Guam in recent years. These patrols are meant to message Russia's ability to threaten the U.S. homeland. Russian forces, which also routinely patrol airspace off the coast of Japan, are increasingly collaborating with the PLA to execute combined air patrols that regularly cross into Japan and the Republic of Korea's Air Defense Identification Zones (ADIZ), further threatening our allies.

## Naval Exercises

Russia also employs its Navy to demonstrate reach and showcase some of its newest capabilities. In 2021, a large naval deployment operated in the vicinity of Hawaii for this very purpose, an event that could be repeated this year with some of the new capabilities recently fielded in the Pacific Fleet.

#### Combined Exercises with the PRC

The PRC participated in VOSTOK 2022 sending more than 2,000 troops, 300 vehicles, 21 fixed-wing aircraft and helicopters, and 3 ships. Additionally, the two countries also conducted multiple combined air patrols, and naval exercises. While the increase of combined military maneuvers does not translate to an integrated force, deepening cooperation poses an increased risk to the United States and our partners in the region.

#### Arms Transfers from DPRK

Russia is procuring ammunition and other military equipment from the DPRK, which has significant experience obfuscating shipments in the face of international sanctions. Russia, through its private military company the Wagner Group, has reportedly

purchased infantry rockets and missiles from North Korea to restock its diminished reserves.

# Territorial Dispute with Japan

The territorial dispute over the southern Kuril Islands / Northern Territories dominates Russia-Japan relations. In December 2021, Russia positioned Bastion coastal defense missile systems on Matua Island to underline Moscow's firm stance on disputed territory with Japan. These missiles are part of a newly formed permanent missile brigade, which demonstrated live-fire events as part of VOSTOK 22.

# Democratic People's Republic of Korea (DPRK)

# **Strategic Intent**

The DPRK prioritizes regime security above all else and views its strategic weapons programs and vast conventional military force as keys to deterring external aggression and invasion. Pyongyang's forces pose a threat to United States and Republic of Korea (ROK) forces on the peninsula, to Japan, and across the Indo-Pacific. Its investment in ballistic missiles, nuclear technologies, and other weapons of mass destruction (WMD), are in direct violation of U.N. Security Council resolutions, and consistent with the regime's goal of achieving strategic deterrence. Underscoring this point is DPRK leader Kim Jong Un's December 2022 call for an exponential increase in the country's nuclear arsenal and mass production of tactical nuclear weapons. In September 2022, the DPRK passed a law reaffirming its self-proclaimed status as a nuclear power and establishing conditions for nuclear use and rejecting de-nuclearization.

#### **Military Modernization**

The DPRK is prioritizing upgrades to its nuclear and other WMD programs as well as its conventional military capabilities. The majority of Pyongyang's modernization efforts focuses on its WMD forces, underscored by an unprecedented number of missile tests in 2022. The DPRK is increasing its missile inventory and is testing new, more advanced ballistic and cruise missile systems capable of launching from diverse platforms, including sea-based and rail-launched systems. In 2022, the regime conducted

a test flight of the Hwasong-17 ICBM, which it claimed demonstrated the capability to strike the entire continental United States with nuclear weapons. The DPRK is also testing a series of increasingly capable short range missiles that Pyongyang claims are capable of delivering tactical nuclear warheads. Kim Jong Un appears ready to conduct the first nuclear test since 2017.

The DPRK's modernization of its conventional forces is muted in comparison to its WMD force developments. The naval modernization program is pursuing submarine-launched ballistic missile technology. The DPRK is upgrading some air defense systems and is pursuing unmanned aerial vehicles for military missions. Modest upgrades to DPRK ground forces include tanks and artillery pieces that made appearances in parades since 2020.

The DPRK continues to advance aggressive cyber programs as a low risk, cost effective tool to influence and intimidate adversaries. Pyongyang also uses cyber programs to steal intellectual property and generate revenue, which includes the theft of crypto assets that helps finance weapons research and development.

## **Destabilizing Actions**

#### Missile Launches

The DPRK conducted over 70 ballistic and cruise missile launches in 2022, more than tripling the amount in any previous year, including an IRBM that overflew Japan. 2022 marked the DPRK's first ICBM launch since 2017. The DPRK launched a Hwasong-17 ICBM at a deliberately steep angle making it difficult to analyze its true capability. Finally, the DPRK tested a solid-fuel-powered rocket engine that, if effective, would allow the DPRK to transport and launch missiles faster than current liquid fuel-powered variants.

## **Nuclear Program**

Over the last year, the DPRK increased its threatening rhetoric and took steps to expand and improve its nuclear capabilities. In September, Pyongyang codified its nuclear use policy stating its nuclear forces have a deterrence and a wartime-use mission. Pyongyang also carried out what it termed "tactical nuclear warhead" training and

"ballistic missile launching drills" in support of the regime's goals to operationalize its nuclear weapons program.

In 2022, the regime reconstituted its nuclear test site at Punggye for potential future use. Additionally, an International Atomic Energy Agency (IAEA) report highlighted indications of ongoing operations at the DPRK's plutonium enrichment facility, which produces fissile material that could be used in nuclear weapons.

#### Support to Russia

North Korea is using Russia's war against Ukraine war to strengthen its relations with Russia. In addition to its vote against the UN General Assembly's resolution demanding Russia's withdrawal and its recognition of Russian's illegal referendum of Ukrainian provinces in the Donbas region, the DPRK has supplied Russia with a significant amount of ammunition.

#### **Sanctions Evasion**

The DPRK continues to evade U.N. imposed sanctions intended to curtail funding for its nuclear and other WMD and ballistic missile programs. A U.N. Panel of Experts found continued sanctions evasion by entities, networks, and vessels that persistently fund these programs in defiance of UN Security Council Resolutions.

# **Violent Extremist Organizations (VEOs)**

Transnational and ethno-nationalist violent extremist organizations continue to pose a threat to safety and stability across the Indo-Pacific region. We continue to defend the United States and our many regional allies and partners from this destabilizing threat. Additionally, we monitor the potential return of foreign fighters from distant conflicts, and seek ways to prevent violent extremists from planning and executing violent attacks.

# **Implementing** Seize the Initiative

Seize the Initiative is USINDOPACOM's approach to defend the nation and deter conflict. If deterrence fails, this approach ensures our forces are prepared to fight and win. Seize the Initiative consists of a distributed force posture that facilitates a

campaign of joint and combined operations utilizing advanced warfighting capabilities with an enhanced network of allies and partners.

# **Distributed Force Posture**

Forward-based and rotational joint forces armed with lethal capabilities demonstrate resolve, support the security of our allies and partners, and provide the Secretary and President with multiple options if required. Definitive access, basing, and overflight (ABO) arrangements enable the joint force, improve interoperability with host-nations, and position capabilities forward in the event of a crisis. A widespread and distributed force posture west of the IDL gives us the ability to more easily exercise and operate with our partners, increases survivability, reduces risk, and sustains the force with a network of stores, munitions, and fuel to support operations in a contested environment.

USINDOPACOM is pursuing operating locations, both permanent and rotational, across "clusters" throughout the Indo-Pacific. Funding provided by the Congress in 2023 and the requests in the President's Budget Request (PBR) for 2024 will allow USINDOPACOM to continue the necessary planning and implementation efforts to disperse the joint force, enhance interoperability, and build capacity with allies and partners. The classified 1254 Report describes and prioritizes the specific locations and capabilities at each location.

#### The Guam Cluster

As the most-forward U.S. territories in the Pacific, Guam and the Commonwealth of Northern Mariana Islands (CNMI) are critical to U.S. regional security in the theater. The Department, along with the Government of Japan, has committed more than \$7Bn for military construction and family housing projects on Guam in FY22-FY28 to meet our commitment with Japan under the Defense Policy Review Initiative (DPRI). This investment in Guam, which is home to 170,000 American citizens, highlights the importance of the island for sustaining the joint force as a main operating base.

Several upcoming key posture projects in Guam and the CNMI will require historic levels of military construction. While Guam has the third highest construction workforce

per capita nationally, current military construction demands require a workforce more than three times as large as what currently exists in Guam. Anticipated levels of future military construction will further exacerbate consistent labor shortages that have already left private construction projects unable to meet their baseline needs. The Department requires relief from the H-2B visa restrictions through at least 2029 to be able to provide the workforce required for our construction needs. A longer-term extension, beyond the current date of December 31, 2024, helps meet the Department's requirements and deliver critical military construction projects on time.

To execute our command and control responsibilities, USINDOPACOM has requested support for Joint Task Force (JTF) Micronesia forward stationed in Guam. The JTF's area of responsibility will be the Guam cluster, which includes U.S. Territories (Guam, CNMI, Wake Island, and Midway Island) and the Freely Associated States (FAS), which consist of the Federated States of Micronesia (FSM), Republic of Palau, and the Republic of the Marshall Islands (RMI).

# The Japan Cluster

The United States is working to strengthen our alliance and optimize our force posture with Japan through the forward-deployment of more versatile, resilient, and mobile capabilities. An optimized U.S. posture in Japan, alongside enhanced Japan Self-Defense Forces (JSDF) in areas including Japan's Southwest Islands, will substantially strengthen deterrence and response capabilities. The United States deployed MQ-9 remotely piloted aircraft to the Kanoya Japan Maritime Self-Defense Force (JMSDF) Base, and we will establish the Composite Watercraft Company at Yokohama North Dock this year. We are also working closely with Japan to expand joint/shared use of U.S. and Japanese facilities and are increasing bilateral exercises and training.

# The Philippines Cluster

We have made significant progress to improve interoperability of U.S. and Philippines forces through utilization and expansion of the Enhanced Defense Cooperation Agreement (EDCA). EDCA permits the United States to build infrastructure and preposition equipment at agreed upon locations. Under EDCA, U.S. infrastructure

investments help meet our alliance requirements, fill short-term Armed Forces Philippines (AFP) capability gaps, support long-term AFP modernization, and better position the Department of Defense to respond to Humanitarian Assistance / Disaster Relief (HA/DR) events. In February 2023, our governments announced the addition of four future AFP sites as EDCA agreed locations, bringing the total to nine sites and ~\$82 million in US investments to date.

## The Australia Cluster

The United States and Australia have agreed to continue the U.S. rotational presence across air, land, and maritime domains, including U.S. Bomber Task Force rotations. Leaders identified priority locations in Australia to support enhanced U.S. force posture to enable our combined exercises and presence. Assessments are underway for the potential use of various Australian locations for logistics, increasing the prepositioning of munitions and fuel. The 1254 Independent Assessment identifies several significant posture initiatives in Papua New Guinea (PNG), where negotiations on a bilateral Defense Cooperation Agreement are underway.

# **Campaign of Joint and Combined Operations**

Campaigning involves persistent and synchronized joint operations in tandem with our allies and partners, linked over time and space, to build warfighting advantage and deter our security challengers. Persistent day to day joint operations aligned with our combined exercises are critical to our ability to deter conflict. Campaigning normalizes our operations throughout the AOR, delivers interoperable and confident warfighting partners and gives us the ability to rehearse warfighting concepts together. In 2022, key highlights included ground forces operating in Northern Luzon and Japan's Southwest Island, the Rim of the Pacific Exercise (RIMPAC), and a new 14 nation combined exercise initiated by Indonesia titled Super Garuda Shield.

# Exercise, Experimentation, and Training

Joint, all-domain exercises demonstrate combat credibility by bolstering the joint force's interoperability with our allies and partners and deliver warfighting proficiency. USINDOPACOM's robust exercise program demonstrates our commitment to defending the rules-based international order, facilitates capability development, and builds relationships across the region with our partners. USINDOPACOM seeks to further expand multilateral participation in our exercise program, and train in contested, all-domain environments. These desired effects require continued investment in the Joint Training Exercise and Evaluation Program (JTEEP).

USINDOPACOM is facilitating experimentation with advanced concepts and technologies to deliver warfighting outcomes at speed. This requires the ability to conduct high-end, multi-domain experimentation events in a continuous campaign. A real world environment enables proper evaluation of promising technologies for potential implementation in the near term.

High-end training is an advantage for U.S. forces and our allies and partners. To maximize our training effectiveness, we are linking our ranges across all domains via a federation of interconnected live, virtual, and constructive effects, simulation centers, and mobile training support systems with the Pacific Multi-Domain Test and Experimentation Capability (PMTEC). PMTEC provides the combatant commander the capability to train joint and combined forces forward in theater at the highest levels. This initiative creates the largest coalition range complex in the world with the most advanced capabilities to support operational rehearsals and deliver integrated deterrence.

# **Advanced Warfighting Capabilities**

The joint force currently enjoys the ability to deliver effects throughout the AOR, but we must continue to maintain and expand this advantage with new technologies across all domains. Maintaining our joint warfighting advantages will deter conflict and fulfill a decisive role should we need to fight and win. Advanced capabilities delivered by our maritime, air, expeditionary, land, cyber, space, and special operation components enabled by advanced concepts with our allies and partners deliver peace and stability

throughout the AOR. To effectively counter competitor's anti-access/area denial (A2/AD) strategy, USINDOPACOM requires joint capabilities that provide overmatch in the near, mid, and long-term.

## Guam Defense System (GDS)

USINDOPACOM's priority mission is to defend the homeland. Establishing the GDS, a 360-degree, integrated air and missile defense on Guam, remains the highest priority. Funding for a single integrated weapon capability must be uninterrupted to provide an advanced, integrated, persistent, and enduring, layered defense against ballistic, cruise, and hypersonic missiles. This system must also be prepared to incorporate offensive capabilities as needed, and synchronize our logistics requirements from the island.

## **Decision Superiority**

Decision superiority means the joint force can see, think, and fight faster than its adversaries. This requires an ability to operate in contested spaces, maintain persistent, all-domain battlespace awareness, and close kill chains with advanced munitions enabled by a Joint Fires Network.

To achieve decision superiority, the joint force must possess an ability to operate in contested spaces and deliver effects across multiple domains to deny, degrade, or defeat any threat. Our adversaries are developing and fielding A2/AD capabilities to constrain the U.S. military's ability to dominate all domains. To effectively deter our adversaries and counter any A2/AD strategy, USINDOPACOM requires joint warfighting capabilities in the near, mid, and long-term to ensure we can continue to operate our force anywhere we desire at the time and place of our choosing.

The joint force requires persistent, all-domain battlespace awareness through a suite of all domain sensors, distributed via a Persistent Targeting-Quality Common Operating Picture (PT-COP) to multiple nodes. An effective PT-COP requires exquisite intelligence to achieve its full potential. FISA Section 702 is a vital authority to keep our nation safe and will lapse on 31 December 2023 if not reauthorized. Section 702 allows

targeted collection on the communications of our most critical foreign intelligence targets outside of the United States who use U.S. infrastructure and services to communicate. A lapse of Section 702 authority will have a significant detrimental effect on foreign intelligence collection specific to USINDOPACOM's mission and result in a decrease of battlespace awareness.

A final, critical component of decision superiority is an upgraded network of all-domain sensors linked to an integrated fires network with advanced weapons capable of engaging all threats in the battlespace. JFN provides decision superiority by fusing land, maritime, air, and space-based sensors with nationally derived information to provide target guidance over a resilient and adaptable information technology-based architecture. JFN allows geographically dispersed commanders to simultaneously share a common understanding of the battlespace, fed by sensors from any platform which can provide targeting guidance to any weapons system. JFN, coupled with the lethality of current and future munitions, underpins conventional deterrence and provides the joint force with the necessary lethality to maintain combat credibility.

#### Mission Partner Environment (MPE)

Combined warfighting interoperability requires rapid, widespread sharing of information with like-minded nations to operate with our joint force. The MPE modernizes 13 separate coalition command, control, communication, computer, and information technology (C4IT) network systems into a single cyber safe system to deliver combined command and control (C2) capability throughout the theater. USINDOPACOM's MPE provides a resilient, secure, interoperable digital architecture that supports all-domain operations, provides real- time intelligence, and allows all participants to share a common operational picture.

# Integration of Space and Cyber Domains

Our competitors seek to challenge U.S. dominance in all domains, including space and cyber. To maintain our warfighting advantages, USINDOPACOM requires resilient

and flexible space and cyber capabilities, and we continue to integrate these capabilities into activities and exercises with our allies and partners.

# **Enhanced Network of Allies and Partners**

The U.S. network of allies and partners is our greatest asymmetric advantage, built upon shared values, mutual trust, and respect. Our alliances, multilateral arrangements, partnerships, friendships, and Five Eyes relationships are all essential components of this network and play an important role in regional security. USINDOPACOM continues to strengthen all layers through increased security cooperation, advanced training, and more complex, multilateral campaigning. These activities in turn increase interoperability, build capacity, and enhance our shared security while reinforcing the rules-based international order. We are deliberately building theater-wide capabilities through information sharing that strengthen our alliances and partnerships.

## Five Treaty Alliances

#### Australia

The U.S.-Australia alliance has never been stronger or more vital to regional security. Australia is a critical ally and an important leader in international efforts to promote a free and open Indo-Pacific. Similar to the United States, Australia communicates the importance of transparency and the maintenance of rules-based behavior and international law in its interactions with the PLA. Australia helps maintain regional and global security through U.N. sanctions enforcement against DPRK, and the hosting of U.S. forces.

Australia is increasing its collaboration across the region, building stronger relationships with India, Japan, and Indonesia. Australia's recently signed Joint Declaration on Security Cooperation with Japan, as well as its leadership in supporting the security and stability of Blue Pacific nations, exemplifies the country's priorities on collaboration.

Australia and the United States enjoy a robust relationship, and actively seek to deepen our partnership through military engagements, defense acquisitions, and force

posture initiatives. The U.S. and Australia are working to enhance all-domain cooperation, integrate ranges, improve posture, and expand multilateral exercises across the theater. Australia and the United States have increased our cooperation throughout the Indo-Pacific, greatly improving our interoperability. Australia hosts the Marine Rotational Force-Darwin (MRF-D), and recently commenced deployment for its eleventh rotation through Northern Australia, demonstrating combined operational capability, to include two Bomber Task Forces.

## Japan

The U.S. – Japan alliance remains the cornerstone of peace and prosperity in the Indo-Pacific Region. Japan's decision to significantly increase its defense budget will enhance the alliance's ability to deter conflict and set the example for other like-minded nations to defend the rules-based international order. Our nations are well aligned in our views of security challenges in the region, and in our efforts to deter conflict. To preserve our strategic alignment with Japan, we are working to complete the realignment of U.S. forces outlined in the DPRI.

At the January 2023 U.S.-Japan Security Consultative Committee meeting, our nations bilaterally announced the revision of the 2012 Roadmap for Realignment Implementation, which will transition the 12th Marine Regiment to the 12th Marine Littoral Regiment in Okinawa by 2025, optimizing alliance force posture.

The JSDF is highly capable and employs a large percentage of U.S. defense equipment, which is completely interoperable with U.S. forces. Additionally, Japan formally announced its decision to acquire defensive counterstrike capabilities and is currently looking at delivery platforms and munition options.

Japan is also a key security contributor in bilateral and multilateral efforts with partners across the region that support a free and open Indo-Pacific. In 2022, Japan signed a Joint Declaration on Security Cooperation with Australia, and a Reciprocal Access Agreement (RAA) with the U.K. to help facilitate military-to-military activities.

#### Republic of Korea (ROK)

The U.S-ROK alliance has been the linchpin for maintaining a stable, security environment since 1953 and we remain ready to deter and respond to the DPRK regime's threats. A multinational, whole-of-government approach is required to effectively deter DPRK provocation and enforce U.N. Security Council Resolution (UNSCR) sanctions.

The military-to-military relationship between the United States and the ROK remains steadfast, and the alliance continues to focus on maintaining military readiness and a combined defense posture suited to address the dynamic challenges on the Peninsula. The return of the Extended Deterrence Strategy and Consultation Group (EDSCG), return of major exercises on the Korean Peninsula, the first U.S. deployment of 5th generation fighter aircraft to the Korean Peninsula, and first U.S. aircraft carrier port visit to Korea in four years were positive demonstrations of U.S. commitment. USINDOPACOM is resolute in executing routine deployments of strategic assets to demonstrate the United States' unwavering extended deterrence commitment to the ROK.

At nearly \$46.3 billion USD, the ROK's 2022 Ministry of National Defense budget is the ROK's largest defense budget ever, and reflects plans to restructure and modernize the ROK military and acquire the capabilities needed for wartime operational control (OPCON) transition. Progress continues to be made in meeting the bilaterally agreed upon conditions for OPCON transition and, once achieved, will yield a historic restructuring of the alliance and our combined defenses.

# **Republic of the Philippines**

The Philippines is a strategic treaty ally, and our strong bilateral defense relationship is critical to our network of allies and partners in the Indo-Pacific. The United States is committed to continuing our persistent counter-terrorism efforts with the Philippines and is also increasing support for maritime security, a national security priority for the Philippines.

A U.S. firm, Cerberus, signed an asset purchase agreement in 2022 for the Hanjin Shipyard, now called Agila Subic, and finalized several lease agreements for the shipyard

facilities. One of the agreements enables the Philippine Navy to use the shipyard and host U.S. ships for maintenance and voyage repair in this key strategic location.

We have made significant progress to improve interoperability of U.S. and Philippines forces through utilization and expansion of the EDCA. In April 2023, our governments announced four new EDCA sites. The EDCA expansion makes our alliance more resilient, and accelerates the modernization of our combined military capabilities.

This month, Balikatan 23 begins a three-week, annual, joint command and control exercise (C2X) and field training exercise (FTX) with humanitarian civic assistance events conducted in the Philippines. It features Armed Forces of the Philippines (AFP) and U.S. forces exercising a mutual defense scenario with a focus on tactical interoperability. Its purpose is to demonstrate U.S. commitment to the 1951 U.S. - Philippine Mutual Defense Treaty.

#### **Kingdom of Thailand**

The U.S.-Thailand alliance, built upon a mutual interest in maintaining stability in Southeast Asia and throughout the region, continues to progress. The U.S. is working to build partner capacity in Thailand and support modernization of the Royal Thai Army, Navy, Air Force, and Special Operations Forces. USINDOPACOM supports Thailand's military modernization efforts to enhance Thai capacity and U.S.-Thai interoperability. Most notably, the United States is currently reviewing Thailand's request to purchase our most advanced fighter, the F-35.

Thailand is a critical partner for regional security and provides logistical nodes essential to U.S. military operations throughout the Indo-Pacific region. Efforts are underway to expand access to Utapao Air Base and additional new sites to support airfield dispersal, including Hat Yai and Nam Phong airfields.

Exercise COBRA GOLD (CG) has returned to full scale participation after reductions in previous years due to COVID-19. CG23 allowed us to improve the training and readiness of our forces by participating in a large multilateral exercise in Thailand. We expect CG to continue to expand in complexity and scale, as over 20 nations joined the

exercise in an observer status this year. CG is the largest exercise in Southeast Asia, and highlights the multinational security architecture standing ready to meet future challenges.

## Multilateral Cooperation

#### AUKUS

The 2021 establishment of AUKUS (Australia, UK, and U.S.) intends to build upon longstanding bilateral ties through the establishment of a trilateral, security partnership based on defense capabilities that support our mutual national defense objectives. The first initiative under AUKUS Pillar I was to determine the Optimal Pathway to deliver a conventionally armed, nuclear-powered submarine capability to the Royal Australian Navy, which concluded and findings were formally announced on March 13, 2023. AUKUS Pillar II efforts focus on building trilateral capabilities in areas of shared interest including undersea warfare, cyber, artificial intelligence, and quantum computing to provide pivotal, future high-end warfighting and enhance our combined force posture.

# U.S.-Japan-ROK

The United States has strengthened our trilateral exercises and operations with Japan and the ROK to enhance interoperability, advance our intelligence sharing, and bolster efficient communication as we work to deter and respond to increasing DPRK provocations. Our ballistic missile defense exercises included detecting, tracking, and intercepting simulated targets. The U.S., Japan, and the ROK also participated in an integrated air and missile defense exercise with Canada and Australia off the coast of Hawaii, which included a live fire intercept of a short-range ballistic missile. Additionally, we increased our anti-submarine warfare exercises to improve interoperability against undersea threats.

The United States remains dedicated to the complete and verifiable denuclearization of the Korean Peninsula, and USINDOPACOM will continue to focus on strong trilateral cooperation to this end.

#### The Quad

The Quad, comprised of Japan, Australia, India, and the United States, is an important diplomatic partnership in the Indo-Pacific region. While not a military alliance, the Quad nations cooperate on advanced technologies, developing better infrastructure, and improving cybersecurity as a demonstration of how four mature democracies can favorably shape the security environment for the region. All four nations participate in exercise MALABAR to advance the collective planning, integration, and employment of advanced warfare tactics between nations.

# **Strategic Partnerships**

#### India

The United States and India continue to strengthen our strategic and unique Major Defense Partner relationship based upon our shared vision for maintaining a free and open Indo-Pacific and sustaining the rules-based international order. We are building an increasingly robust level of defense cooperation through exercises, information sharing, and efforts to establish greater co-development and co-production of military technology. With respect to the Line of Actual Control, we continue to support direct dialogue and the peaceful resolution of border disputes amid provocative Chinese behavior.

USINDOPACOM is cooperating with the Indian Navy on increasing maritime domain awareness, specifically in the underwater domain, in order to address the growing threats in the Indian Ocean. Furthermore, we are supporting the India Navy's Information Fusion Center- Indian Ocean Region (IFC-IOR) with a Liaison officer to increase our information sharing. Our air domain cooperation is developing as B-1B Bombers participated in this year's AERO India and we look forward to participating in exercise COPE India as the bomber's presence sends a strong signal regarding the growth of our bilateral relationship.

Exercises like TIGER TRIUMPH, COPE India, YUDH ABHYAS and MALABAR facilitate progress toward interoperability and enhance our information sharing as we increase the complexity and scope of our training.

USINDOPACOM also seeks to deepen cooperation under the Logistics

Exchange Memorandum of Agreement to enable more regular and flexible reciprocal

access in the Indian Ocean Region, to include U.S. ship repair in Indian yards. In August 2022, the USNS Charles Drew became the first U.S. Navy ship to conduct a mid-voyage repair in an Indian shipyard.

India is currently considering purchases of the F-21 (formerly F-16), F/A-18 Super Hornet, F-15EX Eagle, MQ-9B Guardian, and P-8I aircraft. In support of India's efforts to grow its defense industrial base, the Department has offered to explore proposals for coproduction and co-development projects. These potential projects would support India's defense modernization and improve its capacity as a net security provider in the Indo-Pacific.

# Singapore

Singapore is a highly capable partner, providing critical support for our air and naval forces in the vicinity of the Strait of Malacca and South China Sea, anchoring our presence in Southeast Asia. Demonstrating incredible flexibility, Singapore supported a short-notice U.S. aircraft carrier port visit in July enabling required ship maintenance and crew rest. The Singapore Armed Forces use four continental U.S. locations for training and in 2019, we signed a non-binding MOU for Singapore to establish a permanent fighter detachment on Guam.

Singapore also supports regional and global security initiatives, including hosting a multinational maritime Information Fusion Center, as well as a regional Counterterrorism Information Facility (CTIF). The CTIF represents USINDOPACOM's first collaborative, operational partnership with regional states to use network analysis and multilayer analytics to identify terrorist threats.

USINDOPACOM looks forward to identifying opportunities to collaborate with Singapore's fourth uniformed service, the Digital and Intelligence Service, inaugurated in October 2022.

# **Developing Regional Partnerships**

#### **Northeast Asia**

#### Mongolia

Mongolia engages with the United States and other like-minded nations as part of its "Third Neighbor Policy," to balance Russian and PRC influence by developing relationships with democratic nations. Mongolia is a dedicated partner in global Peacekeeping Operations (PKO). Through their extensive UN PKO contributions and deployments, the Mongolian Armed Forces (MAF) have gained significant operational experience and increased interoperability with the United States.

Our active defense relationship with Mongolia is a key component of the Strategic Partnership, and contributes to shaping the regional security environment.

USINDOPACOM continues to assist MAF with their defense reform: enhancing UN PKO capabilities, improving HA/DR response, developing a professional military education program for officers and Noncommissioned Officers, and expanding their Special Operations Forces capability growth. USINDOPACOM also co-sponsors Mongolia's KHAAN QUEST, an annual, multinational exercise designed to promote regional peace and security.

#### **Taiwan**

U.S. policy on Taiwan remains unchanged. We will continue to uphold our support for Taiwan's self-defense capabilities, consistent with the Taiwan Relations Act. Our support for Taiwan remains strong, principled, and in line with our one China policy, which is guided by commitments enumerated in the Taiwan Relations Act, the three U.S.-PRC Joint Communiques, and the Six Assurances. The United States will continue to support a peaceful resolution of cross-Strait issues, consistent with the interests and best wishes of the people on Taiwan. Our defense engagement with Taiwan helps ensure that Taiwan remains secure, confident, free from coercion, and able to engage in a peaceful and productive dialogue.

#### **Southeast Asia**

The United States' engagement with Southeast Asia and with Association of Southeast Asian Nations (ASEAN) strengthens relationships and conveys the United States' commitment to the region and building multilateral partnerships. ASEAN currently consists of ten member states and in November 2022, they agreed in-principle to admit Timor-Leste as the 11<sup>th</sup> member.

ASEAN is the most influential multilateral institution in the Indo-Pacific. We support the principle of ASEAN centrality and understand its importance to building trust, avoiding conflict, and reinforcing the rules-based international order.

We continue to express our concern over the PRC's pressure on ASEAN members to conclude negotiations on the Code of Conduct in the South China Sea in a way that would impede lawful activities and undermine ASEAN parties' ability to engage in governmental or economic activities with foreign partners of their choosing. At the 2022 U.S.- ASEAN Summit, President Biden announced the launch of the U.S.-ASEAN Comprehensive Strategic Partnership. USINDOPACOM is integral to ASEAN's multilateral capacity building efforts and will continue to invest time and resources to enhance the U.S.-ASEAN Comprehensive Strategic Partnership.

#### Brunei

The U.S.-Brunei defense relationship is very strong with an expanding level of military cooperation. Brunei seeks increased cooperation with USINDOPACOM, and 2022 saw the establishment of the first U.S.-Brunei Land Forces Talks.

In September 2022, Brunei approved the first multilateral training event to occur on Brunei soil. The U.K. Special Boat Service joined U.S. Navy SEALs and the Brunei Special Forces Regiment during Exercise NEPTUNE WARRIOR.

USINDOPACOM is collaborating with Brunei and deepening cooperation in mutually beneficial areas, to include enhancing maritime domain awareness. Brunei's Integrator UAS, a Direct Commercial Sales purchase, is now operationally capable. The system will bolster maritime domain awareness and border security. Brunei has received six Integrator UAS platforms, and will receive a final three early in 2023. Bilaterally, we

incorporated UAS into our exercises for the first time in 2022 via PALAWAN WARRIOR and the Southeast Asia Cooperation and Training (SEACAT) Exercise.

## **Burma (Myanmar)**

The Department of Defense condemns the Burmese military's 2021 coup deposing the democratically elected government in Burma, and the detention of government officials, journalists, human rights activists, and members of civil society. The military uses brutal and excessive violence while continuing to restrict basic freedoms.

Russia has taken advantage of the coup to increase its long-standing engagement with the Burmese military, through high-level visits, military-to-military exchanges, and sustained weapons and equipment sales.

USINDOPACOM does not engage with the Burmese military.

The fallout from the coup has stalled efforts by ASEAN to resolve the resulting political and humanitarian crises and has led ASEAN to downgrade Burma's attendance at high-level ASEAN events.

#### Cambodia

In early 2017, Cambodia suspended all military-to-military exercises with the United States. USINDOPACOM continues to cooperate with Cambodia on humanitarian mine clearance and Missing-in-Action (MIA) personnel accounting.

USINDOPACOM holds serious concerns about the PRC's military presence and construction of facilities at Ream Naval Base in the Gulf of Thailand. While USINDOPACOM desires to engage military-to-military with Cambodia when and where policy allows, Cambodia's actions to limit democracy and its lack of transparency with regard to Ream Naval Base provide a weak foundation for rebuilding trust.

#### Indonesia

Indonesia occupies a key strategic position as regional leader and the third largest democracy in the world. Defense ties with Indonesia are strong. Indonesia is advancing

its status as a regional maritime leader, increasing enforcement against illegal fishing and investing in defense articles to update and replace equipment.

Our exercise program continues to grow as demonstrated during GARUDA SHIELD 2023, the largest multilateral event to date designed to deliver joint and combined training. Future iterations will support Indonesia's newly developed Joint Transformation Initiative and is likely to include more like-minded allies and partners. We have expanded the Joint Exercise Program to include GARUDA SHIELD and will continue to build partner capacity with the Indonesian military.

#### Laos

Laos is one of the least developed countries in the region, with the PRC owning about 50 percent of its external debt. Laos seeks balance between its traditional relationships with Vietnam, the PRC, and Russia, and is seeking stronger ties with other ASEAN members and regional partners.

Reconciling legacy of war issues remains a focal point in our relationship with Laos as we aim to resolve Unexploded Ordnance and Prisoner of War/Missing in Action (POW/MIA) recovery issues by 2030. Laos repatriated two sets of remains in 2022.

## Malaysia

The U.S.-Malaysia military-to-military relationship has steadily grown over the last decade. In recent years, Malaysia has transitioned the focus of its military towards external security, developing a viable coast guard, and improving maritime domain awareness through intelligence, surveillance, and reconnaissance (JSR) capabilities. We support Malaysia's maritime domain awareness by providing capabilities that can be dual-purposed for use in Counter-Terrorism (CT) and Maritime Security (MARSEC) contexts. Since 2017, the United States has invested approximately \$220 million in Maritime Security Initiative/Building Partner Capacity (MSI/BPC) programs in support of MARSEC objectives. During the 2022 CARAT exercise, Malaysia hosted 7<sup>th</sup> Fleet Sailors and Marines, and the Malaysian Armed Forces operated their newly acquired Link-16 ground stations with U.S. forces.

#### **Timor-Leste**

Timor-Leste is a geographically strategic country within the Second Island Chain and an emerging partner that welcomes expanded U.S. security cooperation. The 5-year, \$23 million Baucau airfield joint rehabilitation effort will provide expanded access to the airfield in support of military exercises. Additionally, the MARSEC program opens doors for expanded access and presence.

Timor-Leste was granted ASEAN special observer status in November 2022 and ASEAN has agreed in-principle to admit Timor-Leste as the 11<sup>th</sup> member of ASEAN.

#### **Vietnam**

Vietnam is a vocal supporter of adherence to international laws, freedom of navigation for all, and adherence to the rules-based international order in the South China Sea. The United States and Vietnam signed a Three Year Defense Cooperation Plan of Action for 2022-2024 as well as an updated Defense Memorandum of Understanding (MOU) Annex codifying new cooperation areas including defense trade, pilot training, cyber, and personnel accounting (POW/MIA).

#### **South Asia**

# Bangladesh

Bangladesh is an important security partner to enhance regional stability. We are seeking to conclude a General Security of Military Information Agreement (GSOMIA) that will facilitate cooperation between the United States and Bangladesh on defense matters. Conclusion of the GSOMIA will advance opportunities for Bangladesh to access high-end U.S. military equipment and we are investigating other ways to strengthen security cooperation. This creates an opportunity to increase bilateral engagement in areas such as information sharing, military hardware, maritime security training, doctrine development, communications training, and joint planning and operations. Bangladesh has prioritized the development of maritime domain awareness capabilities and is seeking to modernize and diversify its military equipment.

#### **Maldives**

Maldives is a valuable partner for the United States and an integral part of a free and open Indo-Pacific. In 2022, the Maldives National Defense Force (MNDF) sought increased engagement with the U.S. military and like-minded partners. Maldives co-hosted the 2022 USINDOPACOM Intel-Chiefs Conference, the USINDOPACOM Environmental Security Forum, and the Special Operations Command Tempest Wind exercise. Countering terrorism is an enduring area of mutual cooperation. In 2022, the MNDF affirmed they would participate in a trilateral CT exercise with the United States and the United Kingdom. Maldives also signed an arrangement with the Montana National Guard to join the State Partnership Program. The addition of a Deputy Security Cooperation Chief at U.S. Embassy Colombo dedicated for U.S. Mission Maldives will enhance this partnership even more.

#### Nepal

The U.S. has a strong partnership with the Nepali Army and conducts a range of security cooperation activities focused on HA/DR, PKO, military professionalization, and border security. Nepal is a regional and global leader in U.N. PKO. USINDOPACOM supports the development of Nepal's PKO cadre through Global Peace Operations Initiative (GPOI) funds provided by the Department of State.

#### Sri Lanka

USINDOPACOM seeks to ensure Sri Lanka is a capable regional partner with a professional military force supportive of the rules based international order. The Department of Defense continues to seek opportunities to expand exercises with Sri Lanka and encourages them to work with other like-minded nations to build partner capacity. Sri Lanka will host the FY23 USINDOPACOM Environmental Security Forum to identify areas of cooperation and security impacts of climate change. Sri Lanka's recent announcement to reduce and restructure their Armed Forces suggests excellent opportunities for future security cooperation activities that focus on defense professionalization and building capacity in maritime security, HA/DR, and UN PKO.

#### **Blue Pacific**

In 2022, Australia, Japan, New Zealand, the United Kingdom, and the United States established the Partners in the Blue Pacific, an inclusive, informal coordination initiative that effectively supports the Pacific region. Our efforts are informed by the 2050 Strategy for the Blue Pacific Continent, the Pacific Islands Forum's long-term strategy to achieve a free, safe, and prosperous region.

Blue Pacific cooperation is critical to a free and open Indo-Pacific, enabling coordination with allies and partners in the AOR through strategic sea lines of communication. Blue Pacific nations highlight the security impacts of climate change as the single greatest threat to their livelihoods, security, and well-being. Other security priorities for the Blue Pacific nations are countering illegal, unreported, and unregulated (IUU) fishing, transnational crime, cybersecurity, maritime domain awareness, and drug trafficking.

# The Freely Associated States (FAS)

The Freely Associated States of RMI, FSM, and Palau, are the cornerstone of the U.S. security architecture in Oceania, linking the United States with the Blue Pacific and Southeast Asia. RMI, FSM, and Palau have the highest military service per capita in the U.S. military, and make significant contributions to our operations. Our Compacts of Free Association (COFAs) agreements with the FAS, establish U.S. economic assistance for the FAS, and provide defense posture opportunities in the Indo-Pacific. Under the COFAs, the United States has full authority and responsibility for security and defense matters related to each of these three countries, including special and extensive access to operate in these territories and the ability to deny access to these three countries by any third country militaries. MOUs supporting the COFAs were signed with RMI, FSM, and Palau in early 2023. USINDOPACOM engages in military construction projects throughout the FAS to improve air and maritime infrastructure, enhance domain awareness, and support FAS efforts to protect their economic interests.

#### Fiji

As a regional economic and defense leader, Fiji is integral to the security of the Southwest Pacific. We work with the Fijian forces through exercises, security cooperation, and activities with the Nevada National Guard State Partnership Program (SPP). Fiji's new training center, Blackrock, supports their U.N. PKO deployments across the globe. The Republic of Fiji Military Forces (RFMF) sent security forces in support of the Solomon Islands after riots in early 2022 and to the Sinai as members of the Multinational Force as well as other U.N. missions. Additionally the RFMF hosts USARPAC's multilateral exercise CARTWHEEL and will co-host the 2023 Chiefs of Defense Conference in Fiji.

#### **New Zealand**

New Zealand remains a steadfast partner and important leader in the Blue Pacific. The U.S.-New Zealand bilateral defense relationship is strong and continues to grow. In 2022, in coordination with our campaign plan, the RNZN HMNZS *AOTEAROA* participated in the RIMPAC exercise, conducted regional maritime patrols and Pacific Island engagements, and provided logistical support to U.S., U.K., Australian, and JMSDF vessels sailing throughout the region. New Zealand also augments the DPRK U.N. Security Council Resolution enforcement efforts by providing maritime patrol aircraft and personnel to staff the Enforcement Coordination Cell.

#### Papua New Guinea (PNG)

PNG is an important emerging partner for the United States, with a shared history dating back to World War II. USINDOPACOM is in discussions with PNG leadership regarding several significant posture initiatives that are contingent on the signing of a bilateral Defense Cooperation Agreement (DCA). Negotiations with PNG on a DCA and a ship rider agreement are currently underway.

Security cooperation initiatives in PNG, though limited in scope, are important to grow the capability of the PNG Defense Forces (PNGDF), strengthen security ties with its institutions, and assist in military development. USINDOPACOM is supporting State Department implementation of the strategy under the Global Fragility Act by providing

disaster response and gender equity training to PNGDF. We also support the burgeoning relationship between the Wisconsin National Guard and PNGDF.

#### **Tonga**

Tonga is a partner with a history of coalition participation and ties to the Nevada National Guard through the SPP. Defense engagement has returned to pre-COVID levels to build partner capacity. A leader in the region, Tonga hosted the 2022 Southwest Pacific Defense Minister's Meeting in November with senior defense delegations from Fiji, Papua New Guinea, Australia, New Zealand, Chile, and France including observers from the U.S. and Japan.

## Other Indo-Pacific Nations

#### Canada

Canada is a key Indo-Pacific ally and staunch supporter of the rules-based international order who deploys highly capable forces to the Pacific to support UNSCR enforcement efforts. To support the principle of sovereignty and uphold freedom of navigation rights, Canada executed combined Taiwan Strait Transits with the United States. Canada recently released its new Indo-Pacific Strategy aligned to the principles of like-minded nations to ensure a free and open Indo-Pacific.

#### **France**

The U.S. maintains defense cooperation activities in the Indo-Pacific with France, America's oldest ally. France has the largest EEZ in the region, including commands located in French Polynesia (FAPF), New Caledonia (FANC), and South Indian Ocean Zone (FAZOI). France is a pivotal contributor to regional security efforts such as protecting fisheries, building community resilience, countering transnational crimes including trans-Pacific narcotic trafficking, and HADR. With key leader engagements and multiple deployments to the theater, France is increasing interoperability with the United States and other key allies throughout the theater. Additionally, the French-led multilateral exercise MARARA included participation by Australia, France, Japan and the United States in Bora Bora in 2022. Last month, France held the third LA PEROUSE exercise in

the Indian Ocean Region to enhance naval planning and operations, with participation from Australia, India, Japan, the United Kingdom, and the United States. France also supports UNSCR sanction enforcement activities against North Korea. In 2022, France updated their Indo-Pacific Strategy to focus on increased cooperation with like-minded regional partners throughout the region.

# **United Kingdom (U.K.)**

The U.K. remains committed to the region as a champion of the free and open Indo-Pacific. They continue to sustain a healthy defense posture in the region, having renewed the Brunei Garrison Agreement to maintain around 700 troops in the Sultanate since September 2019. In 2022, the U.K. continued its deployment of two Royal Navy offshore patrol vessels to the region through exercises in support of the Five Power Defense Arrangement (FPDA) with Australia, New Zealand, Malaysia, and Singapore, as well as a multitude of other bilateral and multilateral Operations, Activities, and Investments (OAIs). The U.K. also signed a Reciprocal Access Agreement with Japan in 2022. USINDOPACOM continues to benefit from basing and access to the British Indian Ocean Territory at Diego Garcia.

# Other Areas of Cooperation

# Women, Peace and Security (WPS) Program

WPS is codified in law as a national security imperative, and USINDOPACOM is focused on WPS implementation. USINDOPACOM appreciates Congress' continued support of our WPS efforts. The command's WPS program is a unique and unmatched competitive advantage that promotes a free and open Indo-Pacific by upholding international human rights and the rules-based international order.

In 2022, we continued to expand *our* work to meet the growing appetite for WPS training, engagements, and integration of WPS concepts into existing activities. To support an upcoming PKO deployment, USINDOPACOM conducted two WPS seminars with the Mongolian Armed Forces as part of exercise KHAAN QUEST.

USINDOPACOM supported several ASEAN events, engaging with diverse stakeholders

focused on a human security approach. We have also increasingly focused on supporting WPS work with Blue Pacific partners including the development of a WPS National Action Plan in Fiji and are similarly looking to assist the Solomon Islands this year.

In August 2023, USINDOPACOM will deliver a 10-day regional Gender Advisor training in coordination with Australia, New Zealand, and Japan and will continue tailored WPS initiatives with the Pacific Islands countries, including a multi-year program for Papua New Guinea, as well as Thailand, Malaysia, the Philippines, and others.

#### **Red Hill**

In the last year, Secretary Austin tasked USINDOPACOM to establish Joint Task Force Red Hill in recognition of the imperative to safely and efficiently defuel the Red Hill Bulk Fuel Storage Facility on Oahu. Through cooperation, openness, and transparency with the Environmental Protection Agency and the Hawaii Department of Health, we have made steady progress throughout the year. Our actions will continue to be guided by uncompromising commitments to the health and safety of the people of Hawaii, including our military families, protecting the natural environment, and accomplishing *our* assigned missions.

## **Security Impacts of Climate Change and Disaster Preparedness**

The security impacts of climate change present a significant challenge to allies and partners in the USINDOPACOM AOR. Pacific nations frequently cite climate change as their top concern. Nations in Oceania, South, and Southeast Asia are particularly vulnerable to food security, water security, and agricultural productivity challenges exacerbated by extreme weather impacts.

Addressing these issues can strengthen relationships as we recognize their greatest concerns. The military's role in disaster preparedness and response builds trust and resilience throughout the region. The annual Pacific Partnership mission delivers medical, engineering, and HA/DR projects to address these critical challenges. During the Pacific Partnership 2022 mission, the USNS MERCY brought the Pacific Partnership team to see over 15,000 patients and complete 10 major construction projects in Vietnam, Palau, the Philippines, and Solomon Islands.

Understanding security impacts from sea level rise, temperature changes, and extreme storms is essential to long-term planning for U.S. operating locations in the Indo-Pacific region. USINDOPACOM is committed to reinforcing infrastructure, increasing resilience of its facilities, and assisting allies and partners to do the same.

# **Conclusion**

In the last year, the global security environment dramatically changed. The PRC accelerated their whole-of-government assault against the rules-based international order and partnered with Russia to advance their goals. Strategic competition with the United States now encompasses all forms of national power across all domains. We see increasing efforts to drive wedges between the US and like-minded nations in an attempt to dominate the region.

Implementing the NDS in the near, mid, and long-term requires the United States to present a persistent, lethal, and integrated joint force west of the IDL that can deny adversary objectives while simultaneously demonstrating U.S. commitment and resolve to our allies and partners. *Seize the Initiative* is our approach, in support of the NDS, to deliver combat credible integrated deterrence by building a distributed force posture, improving our joint and combined operational campaign, advancing our warfighting capabilities and enhancing our network of allies and partners. To be successful, we all must execute with a sense of urgency.

I will continue to advocate for the most pressing and pertinent requirements in the near and mid-term, but I cannot emphasize enough the importance of passing timely appropriations. The Department cannot move faster in the current year or adequately plan or execute programming in the FYDP without the resources to initiate new starts or properly sustain required programs. Continuing resolutions (CRs) result in cumulative and detrimental effects on our buying power, which are exacerbated by inflation, and add to the increased levels of operational risk.

Conflict in the INDOPACOM AOR is neither imminent, nor inevitable.

Nevertheless, we do not have the luxury of time, we must act now to maintain a free and open Indo-Pacific.