

## **MIMA SEAVIEW**

## ASEAN'S DIGITAL FUTURE: STRENGTHENING MALAYSIA'S LEADERSHIP IN SUBMARINE CABLE GOVERNANCE AND IMO ADVOCACY

As Malaysia assumes the Association of Southeast Asian Nations (ASEAN) chairmanship in 2025, its leadership comes at a crucial time when digital infrastructure and connectivity are more critical than ever. This coincides with Malaysia's role in the International Maritime Organization (IMO) Council for the 2024–2025 term, reinforcing its commitment to maritime and digital governance on both regional and global scales. Among the many priorities under Malaysia's chairmanship, ensuring the resilience, security, and efficient governance of submarine cables is paramount. These cables serve as the Critical Information Infrastructure (CNI) of international telecommunications, driving economic growth, digital transformation, and cross-border connectivity. Malaysia's strategic geographical position in the region and robust regulatory framework place it in a pivotal role in spearheading efforts to enhance ASEAN's submarine cable governance and regional connectivity. As home to some of the busiest submarine cable routes in the world, these undersea communication networks in the region play a crucial role in enabling seamless internet access, financial transactions, and cloud computing services. As digitalisation accelerates across the region, the demand for robust and well-protected submarine cable systems continues to rise. However, regulatory inconsistencies, environmental risks, and geopolitical tensions pose significant threats to the uninterrupted functioning of these cables. Malaysia, as the ASEAN 2025 chair, is uniquely positioned to lead regional efforts to address these challenges and establish a more harmonised regulatory framework.

Malaysia, a key digital hub in ASEAN, is home to over <u>25 submarine cables and more than 10 landing stations</u>, reinforcing its strategic role in regional connectivity. To govern submarine cable installation, maintenance, and protection, a tailored regulatory framework has been established in line with <u>Section 22</u>, <u>Exclusive Economic Zone Act</u> and <u>Territorial Sea Act 2012</u> as the main legislations, with the National Security Council (NSC) as the lead agency. While the Ministry of Transport (MOT) issues Domestic



Shipping Licenses (DSL) for cable operations, the Malaysia Marine Department (MMD) oversees marine surveys under the Merchant Shipping Ordinance (MSO) 1952. Environmental and economic considerations addressed through the Department of Fisheries and the Department of Environment (DOE), ensuring compliance with marine conservation standards. Since June 1, 2024, Malaysia has strengthened its role by exempting cable-laying ships from the cabotage policy under Section 65U of the MSO 1952, streamlining infrastructure deployment.

One of Malaysia's key priorities during its <u>ASEAN chairmanship will be to enhance</u> regional cooperation on submarine cable governance. By working closely with <u>10 regional member states</u>, Malaysia has the potential to lead the establishment of having uniformed licensing requirements, streamline approval processes, and ensure compliance with international best practices. Through regional collaboration, the strategic implementation of best practices recommended by international entities, such as the <u>International Cable Protection Committee (ICPC)</u>, <u>Australia</u> and <u>New Zealand</u> to enhance the sustainability of submarine cable infrastructure along with regional partners Singapore, Indonesia, Thailand etc. will be seen applaudable at this digital age. Malaysia's leadership in ASEAN provides an opportunity to strengthen regional cybersecurity frameworks and disaster response mechanisms for submarine cable disruptions.

The country's chairmanship is expected to focus on fostering public-private partnerships to drive investment in submarine cable infrastructure especially. The private sector plays a crucial role in financing, deploying, and maintaining these networks, and Malaysia aims to create a regulatory environment that encourages innovation and investment. By streamlining regulatory approvals and offering incentives for private sector participation, Malaysia can position ASEAN as an attractive destination for submarine cable investments. Capacity-building programs, training workshops, and regional forums can facilitate the exchange of best practices in submarine cable management, ensuring that ASEAN remains at the forefront of digital infrastructure development. By fostering partnerships with industry stakeholders and international organisations, Malaysia can lead initiatives to enhance resilience against potential threats and ensure the continuous



operation of these vital underwater communication networks. The press statement from the ASEAN Foreign Ministers' Retreat early this year in Langkawi, by the Chair emphasized the importance of enhancing digital connectivity to promote regional integration and economic growth. This commitment aligns with Malaysia's efforts to strengthen ASEAN's digital infrastructure and governance.

Malaysia's leadership will be instrumental in <u>laying the foundation for a more resilient, secure, and efficient submarine cable network that supports the region's long-term growth and connectivity aspirations.</u> The Maritime Institute of Malaysia (MIMA) plays a pivotal role in advocating for enhanced submarine cable governance through research and policy recommendations. MIMA's current in-depth study on the Submarine Cable Legislation Policy Framework is aimed to develop a policy framework for submarine cable legislation in Malaysia, with findings to be shared with the <u>Ministry of Transport as part of the National Transport Policy (DPN).</u> By focusing on all these possibilities, Malaysia can play a transformative role in shaping the future of ASEAN's digital landscape. The nation's position in the IMO Council additionally provides an avenue to advocate for greater regulatory clarity and alignment with guidance from best practices internationally, strengthening ASEAN's collective approach to submarine cable governance. As the region advances towards deeper digital integration, a cohesive and strategic approach to submarine cable governance will be crucial in solidifying ASEAN's competitiveness in the global digital economy, placing Malaysia at the center stage.