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Subject: INDOPACOM Legal Vigilance Update #25 (28 Mar 2025)
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Teammates,

Below please find the 25nd edition of INDOPACOM's Legal Vigilance Update.

- **28 March 2025:** U.S. and Philippines reaffirm and deepen defense cooperation to enhance deterrence in the South China Sea.
 - **Bottom-line:** in Secretary of Defense Pete Hegseth's inaugural visit to Manila, the United States and the Republic of the Philippines reaffirmed and expanded their defense cooperation under the framework of the 1951 Mutual Defense Treaty (MDT) and related agreements, enhancing the allies' capacity to deter and respond to coercive threats in the Indo-Pacific, particularly in the South China Sea.
 - **References:**
 - [Defense Secretary Pete Hegseth and Philippine Secretary of National Defense Gilberto Teodoro Hold Joint Media Availability \(Department of Defense, Mar. 28, 2025\)](#)
 - [Hegseth Says U.S., Philippines Agree on Plan to Reestablish Deterrence in Indo-Pacific \(Department of Defense, Mar. 28, 2025\)](#)
 - [United States-Philippines Joint Statement on Secretary Hegseth's Inaugural Visit to the Philippines \(Department of Defense, Mar. 28, 2025\)](#)
 - **Key points:**
 - U.S. Secretary of Defense Hegseth met with Philippine President Ferdinand Marcos, Jr. and Secretary of National Defense Gilberto Teodoro, Jr.
 - The leaders "reiterated both countries' shared commitment to the 1951 U.S.-Philippines Mutual Defense Treaty (MDT) in an increasingly complex security environment."
 - The Secretaries also **"reaffirmed that the MDT extends to armed attacks against either country's armed forces, aircraft, and public vessels – including those of their coast guards – anywhere in the South China Sea."**
 - Secretary Hegseth described U.S.-Philippine relations as an "ironclad alliance, particularly in the face of communist China's aggression in the region."
- **25 March 2025:** new report shines a light on the risks posed by China's dual-use shipyards.
 - **Bottom-line:** **China's use of dual-use shipyards has allowed it to exploit foreign investment and technology transfers to bolster its naval modernization, posing a significant national security challenge to the United States and its allies and partners.**
 - **References:**
 - [Matthew P. Funaiole, Brian Hart, and Aidan Powers-Riggs, Murky Waters: Navigating the Risks of China's Dual-Use Shipyards \(CSIS, Mar. 25, 2025\)](#)
 - **Key points:**
 - CSIS reports that "[o]ver 300 shipyards dot China's seaboard, churning out more than half of the world's commercial vessels each year," but that "many are also charged with building China's rapidly expanding navy."
 - "As part of [China's 'military-civil fusion'] strategy, many Chinese shipyards have intentionally blurred the lines between military and commercial activity."
 - CSIS reports: **"Foreign firms—many of which are based in countries with close defense relationships with the United States—are pouring billions of dollars of ship orders and transferring key technologies to China's military industrial base. As a result, they are inadvertently bolstering China's naval modernization."**
 - According to CSIS, "[t]his system has taken shape in part because the opaque nature of China's far-reaching national security apparatus makes it difficult to distinguish between strictly commercial entities and those supporting China's military build-up."
 - Leveraging commercial satellite imagery and other open-source material, the authors analyzed over 4,500 shipbuilding records to develop a first-of-its-kind dataset of 307 active Chinese shipyards, categorizing each shipyard into one of four tiers according to its integration into China's naval shipbuilding ecosystem and broader defense industrial base.
 - The authors conclude that "China's dominant position in global shipbuilding poses significant security and economic challenges for the United States," and they propose several inter-related objectives to counter the threat posed by China's dominant shipbuilding position, to include:
 - severing the flow of foreign capital and technology into Chinese shipyards,
 - encouraging friendshoring to key U.S. allies as a counterweight to China, and
 - nurturing U.S. domestic shipbuilding capacity in key areas.
 - Of note, on March 4, 2025, President Trump [announced plans to increase shipbuilding in the United States](#) and to create a new Office of Shipbuilding in the White House.
- **21 March 2025:** U.S. intelligence report warns of China's expanding capabilities and coercive global influence campaigns.
 - **Bottom-line:** the 2025 Annual Threat Assessment of the U.S. Intelligence Community concluded that China stands out as the actor most capable of threatening U.S. interests globally, citing China's integrated use of military, technological, cyber, and influence tools to reshape the global order and undermine U.S. interests.
 - **References:**
 - [Annual Threat Assessment of the U.S. Intelligence Community \(Office of the Director of National Intelligence, March 2025\)](#)
 - **Key points:**
 - With respect to the **military**, the Assessment concludes:
 - China presents the most comprehensive and robust military threat to U.S. national security.
 - China is using complex, whole-of-government campaigns featuring coercive military, economic, and influence operations short of war to assert its positions and strength against others, reserving more destructive tools for full-scale conflict.
 - In 2025, Beijing will likely apply stronger coercive pressure against Taiwan and perceived increases in U.S. support to the island to further its goal of eventual unification.
 - Beijing is working to isolate Taipei by pressuring states to downgrade diplomatic ties and support China's unification goal.
 - Beijing will continue to pressure Taipei with economic coercion and probably will increase it if it sees Taiwan taking steps toward formal independence.
 - **Beijing's aggressive efforts to assert sovereignty claims in the South and East China Seas are heightening tensions that could trigger a broader conflict.**
 - With respect to **cyber** and **space**, the Assessment concludes:
 - The PRC remains the most active and persistent cyber threat to U.S. government, private-sector, and critical infrastructure networks.
 - The PRC's campaign to preposition access on critical infrastructure for attacks during crisis or conflict, tracked publicly as Volt Typhoon, and its more recently identified compromise of U.S. telecommunications infrastructure, also referred to as Salt Typhoon, demonstrates the growing breadth and depth of the PRC's capabilities to compromise U.S. infrastructure.
 - Counterspace operations will be integral to PLA military campaigns, and China has counterspace-weapons capabilities intended to target U.S. and allied satellites.
 - With respect to **malign influence activities**, the Assessment concludes:
 - Beijing will continue to expand its coercive and subversive malign influence activities to weaken the United States internally and globally, as well as counter what Beijing sees as a U.S.-led campaign to tarnish China's global relations and overthrow the CCP.
 - China seeks to suppress critical views and critics of China within the United States and worldwide, and sow doubts in U.S. leadership and strength.
 - **21 March 2025:** new Australian Strategic Policy Institute (ASPI) website details China's coercion in the Indo-Pacific.
 - **Bottom-line:** ASPI has launched "Pressure Points," a publicly accessible platform designed to map, analyze, and document China's growing coerciveness and aggressiveness in the Indo-Pacific and to emphasize the strategic value of allied/partner military presence across the region.
 - **References:**

- [Joe Keary, Pressure Points: The importance of Australia's military presence in East and Southeast Asia, \(The Strategist, Mar. 27, 2025\)](#)
- [China's air and maritime coercion \(ASPI\)](#)
- Key points:
 - The ASPI Pressure Points platform provides open-source data, interactive maps, and imagery to “**analyze the Chinese military's use of air and maritime coercion to enforce Beijing's excessive territorial claims and advance its security interests in the Indo-Pacific.**”
 - It is designed to “provide the public with a reliable and accurate account of Chinese regional activity, from its intercept tactics to its excessive claims.”
 - Pressure Points “analyzes China's unsafe military interactions with a range of countries, and looks at the way countries use (or don't use) their military forces to challenge China's excessive claims in the South China Sea.”
 - **ASPI highlights that China's increasing military assertiveness—including the construction of artificial islands, deployment of maritime militias, and the routine use of coercive pressure against smaller states—has altered the strategic environment in the Indo-Pacific region.**
- **20 March 2025:** U.S. sanctions Chinese firm for importing Iranian oil.
 - **Bottom-line:** the United States has imposed sanctions on Chinese refining companies for purchasing \$500 million worth of Iranian oil.
 - References:
 - [Sanctioning Additional Entities That Have Traded in Iran's Petroleum \(Department of State Office of the Spokesperson, Mar. 20, 2025\)](#)
 - [Iran Sanctions Come to China \(Wall Street Journal, Mar. 23, 2025\)](#)
 - Key points:
 - The U.S. Department of State imposed sanctions on the Huaying Huizhou Daya Bay Petrochemical Terminal Storage for buying and storing Iranian crude oil from a sanctioned vessel.
 - Concurrently, the Department of Treasury sanctioned “teapot” refiner Shandong Shouguang Luqing Petrochemical Co., for purchasing and refining nearly \$500 million dollars' worth of Iranian crude oil.
 - “Teapot” refiners are private Chinese refiners that lack ties with the larger global economy and thus are less vulnerable to sanctions.
 - **Nearly 90% of Iran's illicit oil exports go to China.**
 - The sanctions serve as a **part of the U.S. “maximum pressure” campaign aimed at reducing Iran's oil exports to zero, thereby curtailing its ability to fund regional proxy groups and illicit/destabilizing missile programs.** The sanctions not only target buyers of Iranian oil, but entities involved in its transportation and storage, reflecting a comprehensive approach to enforcement.

Thank you for your continued participation in our Counter-Lawfare community of interest.
V/r Ian

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