



MAKING WAVES

Fortnightly E-News Brief of National Maritime Foundation

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Acknowledgment : 'Making Waves' is a compilation of maritime news published in national and international newspapers, and journals. Drawn directly from original sources, minor editorial amendments are made by specialists on maritime affairs. It is intended for academic research, and not for commercial use. NMF expresses its gratitude to all sources of information, which are cited in this publication.



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Facing the Emissions Challenge

- Mark Venables

The international shipping industry is responsible for the carriage of about 90 per cent of world trade and is vital to the functioning of the global economy. Intercontinental trade, the bulk transport of raw materials and the import and export of affordable food and goods would simply not be possible without shipping.

It is the availability, low cost and efficiency of maritime transport that has made possible the major shift towards industrial production in Asia and other emerging economies, which has in large part been responsible, in recent years, for dramatic improvements in global living standards.

Notwithstanding the recent contraction in trade resulting from the present economic downturn, the world economy is expected to continue to grow and shipping will need to respond to the demand for its services (unless existing patterns of global trade were to be fundamentally transformed).

Shipping is an inherently international industry which depends on a global regulatory framework to operate efficiently. If a ship trades from Doha to Dalian, the same rules need to apply (for example: concerning construction, navigation or atmospheric emissions) at both ends of the voyage. Otherwise there would be chaos and serious inefficiency. The global shipping industry, which transports by sea around 90 per cent of all world trade, is thought to have produced only about 2.2% of the world's total GHG emissions during 2012 compared to 2.8 per cent in 2007.

“The reduction in CO₂ per tonne of cargo carried per kilometre by ships is even more impressive than the headline IMO figure for absolute GHG reduction because cargo move by sea has continued to grow since 2009.” The shipping industry is committed to delivering further CO₂ emissions reductions, in partnership with its global regulator, IMO. Shipping is already the only industrial sector to have

mandatory global regulations in place to reduce its CO₂ emissions, which entered into force worldwide in 2013.

Measuring compliance

With the imminent arrival of Europe and North America's Emission Control Area (ECA) sulphur emissions limit of 0.1 per cent and with a global ECA to follow, shipowners will be under significant pressure to prove compliance or else face significant fines they can ill-afford.

The Clean Shipping Coalition (CSC) has suggested to the IMO that continuous monitoring technologies that measure emissions directly during the entire journey should be installed on all ships. Continuous monitoring of sulphur emissions is one of two methods that can be used to certify scrubbers, according to IMO guidelines.

A key concern for CSC is to ensure that there are no loopholes in efforts to enforce the provisions of MARPOL VI, which sets limits for emissions to air from ships. Several shipping companies, including DFDS, Maersk and Wallenius Wilhelmsen Logistics (WWL) have also raised concerns about inadequate monitoring of ships for compliance with the 0.10 per cent sulphur limit in ECAs from 2015, when the cost of compliance will increase dramatically.

A recent consultation by the UK's Maritime and Coastguard Agency suggested that it could prove hard for port state control (PSC) authorities to check if a vessel with a scrubber onboard was actually using it. This prompted Meindert Vink, senior policy advisor, Netherlands Shipping Inspectorate to state that he had faith in scrubber technology, especially if combined with tamper-proof continuous monitoring technology. He noted that this would make it straightforward for PSC to simply check the record on paper.

“The Procal instrument can measure six exhaust gases on a single instrument and a typical system could comprise of up to six stack-mounted analysers to measure gases such as SO₂, CO₂ and NO_x,” Daw continues. “The analysers are connected to a data acquisition system, which displays, data logs and retransmits the monitored concentrations and SO₂ and CO₂ ratio - in accordance with IMO regulations -

without any manual intervention. This linked with the low maintenance requirements makes it an ideal marine monitoring system.”

Fit for purpose

“Abatement technology, or scrubber solutions, in land-based applications have been used for over 80 years and it is not a new technology for ships either,” Sigurd Jenssen, director EGC at Wärtsilä Environmental Solutions explains. “Wärtsilä, for example, has been installing scrubber systems onto vessels for more than 50 years, albeit on a slightly smaller scale and for a different application.

“As far as chemical processes go, it’s a simple one – scrubbers spray alkaline seawater into exhaust gasses, it reacts with the SO_x, and traps much of the PMs in the gasses, stripping them away and ensuring regulatory compliance.” Open loop scrubber systems are the simplest solution with the lowest installation and operational costs. However, this system will not match the needs of every operator, which is why suppliers offer additional types of scrubber unit, each designed to meet different challenges.

However, knee jerk decisions should be avoided and a long term view adopted. Otherwise, owners and operators could find themselves with their ‘second choice’ technology that is not actually suitable for future operations, ultimately costing them more.

Financing the change

A scrubber can cost between one and five million Euros. The algorithm is simple; spend more time in an ECA and the return on investment for scrubbing increases. Data shows that a typical ferry operating for 250 days per year in an ECA would show a payback of one to three years. Getting into dry dock promptly will see some owners and operators have a considerable advantage over their competitors.

Clean Marine Energy is one such entity, which can also provide solutions for LNG. In this scenario, the financier funds the entire upfront capital cost of converting a vessel to run on LNG, as well as guaranteeing the supply and delivery of LNG to the converted vessel, which solves the short-term industry challenge of the embryonic

nature of LNG infrastructure. Similar to scrubbers, payback for the financier is achieved from locking in the fuel costs from the differential between distillates and LNG, during the term of the financing agreement.

Co-founder of CME, Pace Ralli explains: “CME’s emissions compliance service agreement gives ship owners and operators choice in meeting the regulatory challenge. While the model was adapted from expertise in energy efficiency financing in real estate, CME’s history and values are grounded in the shipping industry. Initially developed for vessels belonging to our partner company, MidOcean Marine, the solution tackled the financial challenges of ECA compliance for our own vessels.”

Source: [Marine Offshore Technology](#), 20 Jan 2015

‘Blue-Water’ Navies in the Indian Ocean Region

- Abhijit Singh

In India’s strategic institutes and think-tanks, maritime analysts are sometimes faced with an uncomfortable question. “Why is it,” inquisitive observers wonder, “that the Indian Navy calls itself a blue-water navy, whereas the PLA-N – despite its vastly superior capabilities – is still ‘planning on’ attaining blue-water status? The query is mostly prompted by reports appearing in the media highlighting Chinese plans to augment sea-going capacity and make good on its distant-seas ambition.

While both China and India covet strong maritime power status, each defines their own maritime capabilities differently. Chinese leaders and defence experts portray the PLA-N as a resurgent force with developing capabilities. New Delhi’s strategic elite, on the other hand, project the Indian navy as a potent instrument capable of providing security in the wider Indian Ocean Region. Notwithstanding the palpable differential in power and capability between the Indian Navy (IN) and the PLA-N, their real “blue-water” status is a matter of geopolitical outlook, rather than hard facts.

In theory, a blue-water navy is a maritime force capable of operating in the deep waters of the open oceans. The term is more colloquial than doctrinal and most sea-going states differ on its specifics. Broadly, however, most navies agree that a blue-water navy is capable of prolonged and sustained operations across the open oceans, and has a capacity to project “credible power” in the distant seas.

Even though it is smaller and less capable than its Chinese counterpart, the IN’s desire for blue-water status is driven by its keenness to be recognized as a regionally dominant force. To make itself relevant to the security and geopolitics of the Indian Ocean, the IN realizes it must dispel any impression that its mandate is limited to the brown water (coastal) or green water (littoral) functions. The PLA-N, on the other hand, despite its well-developed and growing capabilities, is reluctant to be seen as a blue-water force because of the obvious political implications, where Indian Ocean states might begin to view it as a dominant extra-regional entity. The political sensitivity about China’s perceived power-projection in the IOR places an imperative on the PLA-N to define its capabilities in conservative terms, lest its actions are misunderstood as being hegemonic in intent.

In China’s viewing, there is only one globally relevant maritime force – the U.S. Navy. Chinese maritime experts admire the USN’s expeditionary and power projection capabilities, but their awe of the latter’s capabilities is overtaken by a strong sense of envy and inferiority. Consequently, China’s long-term ambition is to upstage U.S. naval power in the South China Seas and counter its dominance in the open oceans. Until that goal is achieved, however, Beijing sees no useful purpose in branding itself as a blue-water power. The Indian Navy, on the other hand, does not see the USN as a rival, or as a yardstick for future progress. In fact, recognition of its blue-water status by the USN and other Western powers validates the IN’s role as a security provider in the Indian Ocean Region.

China’s maritime strategy, however, is not limited to stealthy control over domestic infrastructure in the IOR and manifests in other ways. In Hambantota, for instance, Colombo has agreed to grant Chinese state-owned companies operating rights to four berths in exchange for an easing of loan conditions. Using high-interest infrastructure loans as barter-chips for strategic concessions in the IOR is, in fact, an important tool in Beijing’s geopolitical toolkit. Another illustration of Beijing’s

innovative strategy is at the iHavan project in Maldives (a key link on the Maritime Silk Route) where the high-premium loans awarded are bound to result in a request for a relaxation in loan conditions. In exchange, China would perhaps demand operating rights to another terminal.

As they jostle for space and supremacy in the IOR, the Indian Navy and PLA-N appear to be guided by distinct operational philosophies – the IN is driven its aspiration to be a leading regional security provider, while the PLA-N is manoeuvring to position itself as a guarantor of regional peace to advance a larger geopolitical agenda. It is, however, the Chinese strategy of fusing its maritime efforts with a broader plan for economic development and regional integration that is proving to be more effective. While India can still hope to counter China’s growing maritime power in the IOR with a pragmatic regional engagement plan, balancing Beijing’s economic outreach in the Indian Ocean might constitute a more complex challenge.

Source : [The Diplomat](#), 21 Jan 2015

Burying China's 'String of Pearls'

- Christopher D. Yung

U.S. Naval War College Professor James R. Holmes criticized a new National Defense University report on Chinese overseas basing that a team of analysts published in October 2014. Holmes mischaracterizes the report’s findings as concluding “there’s little reason to expect China to seek bases in the Indian Ocean” and criticizes it for “linear thinking” and “straight-line analysis.” In fact, the report argues that China’s expanding global interests will generate increased demands for out-of-area naval operations and predicts that China is likely to establish at least one “dual-use” civilian/military base to provide logistics support for increased People’s Liberation Army Navy operations. The report also concludes that the so-called “string of pearls” model of covert access to commercial ports built with Chinese investment is unable to support a robust, combat-oriented Chinese naval presence in the India Ocean. The report argues that it would not make strategic sense for the Chinese to pursue such a course.

The NDU report is titled “Not An Idea We Have to Shun: Chinese Overseas Basing Requirements for the Twenty First Century” and was written by Ross Rustici and me with research assistance from Scott Devary and Jenny Lin. We examined China’s growing foreign economic and security interests abroad; posited which interests needed to be protected and would generate PLA missions; surveyed press reports and statements by government officials about overseas bases; looked at writings by Chinese civilian and military analysts; and conducted interviews with logistics experts. We concluded that China’s current method of protecting its interests abroad by relying solely on commercial port access was unsatisfactory from a Chinese perspective, which suggests change is likely. A number of Chinese commentators agree with this conclusion.

This raises the question: what kind of logistics support would the Chinese military need for an expanded overseas presence? The report identifies and analyzes six potential logistics models, each with distinct features:

- The “Pit Stop” model is what China currently uses to support its Gulf of Aden counter-piracy operations. It relies solely on access to existing commercial ports, and is an expensive, ad hoc, and limited means of resupplying naval vessels.
- The “Lean Colonial Model” illustrated by Germany’s pre-World War I bases in the Pacific is characterized by commercial driven facilities designed not to project military power, but to support commercial activities overseas and enhance a country’s image as an international power.
- The “Dual Use Logistics Facility” is characterized by its light footprint, its emphasis on providing logistics support to overseas non-traditional security missions, and its dual commercial and military nature.
- The “String of Pearls” model is similar to the “Dual Use Logistics Facility” except that it would include secret access agreements and covert development of commercial facilities to support later military use, with the ultimate objective of being able to support major combat operations against India and to dominate the Indian Ocean Region.
- The “Warehouse Model” fashioned after British inter-war bases in the Pacific is largely a one-stop shopping military base where the country’s military can

resupply and repair ships, store ordnance and other materiel, station troops, and essentially warehouse all of a forward operating forces' needs.

- “Model USA” is the American military’s current military logistics support system with a vast network of military bases, large numbers of auxiliary supply ships, and ad hoc access to logistics chains worldwide.

The report examined the characteristics of each model against long-standing Chinese foreign policy principles. For example, China has emphasized the principle of non-interference in the internal affairs of another country. It has also followed Deng’s maxim to lie low and bide time while focusing on the development of its economy. Because some basing models (the “Lean Colonial model”, “Warehouse model” and “Model USA”) involve placing large numbers of troops on the sovereign territory of host nations, we assessed the likelihood of Chinese adoption to be low. Only two models survived the assessment process: the “Dual Use Logistics Facility” and the “String of Pearls” model.

We used a number of approaches to analyze these two alternatives. What did the physical evidence or evidence of current activity at various facilities suggest? What did current Chinese Navy operational patterns of behavior suggest about future access arrangements with the countries and facilities of the Indian Ocean Region? What characteristics would a base need to support a long-term Chinese plan to conduct conventional military operations against its rivals in the Indian Ocean? Is there any evidence that these features are incorporated in commercial port facilities in the Indian Ocean being built with Chinese investment? Finally, would it make strategic sense for China to covertly build up its military forces in the Indian Ocean, place highly valued naval assets in a high-threat environment, and potentially strand naval assets where they cannot respond quickly to threats to the Chinese mainland?

We concluded that there is scant evidence to support the idea that China would pursue a “String of Pearls” model. The ports analysts have identified as supposed “String of Pearls” sites lack the features necessary to support major combat operations, and there is little physical evidence of a covert military buildup on any of them. Current PLA Navy operational patterns of behavior rely on other facilities; not a single one of the “String of Pearls” has been used to support PLAN counter-piracy operations. Moreover, the current PLAN operational pattern of behavior (e.g., ad hoc

visits, largely involving liberty port calls, with small numbers of vessels at a time) is inconsistent with a country preparing the battle space for large scale conventional conflict.

We concluded that the “Dual Use Logistics Facility” model makes the most sense to support future Chinese naval operations in the Indian Ocean. Such a logistics facility would be designed to address non-traditional security challenges to China’s overseas interests. It would ease the logistics burden of China’s overseas naval operations (at present mostly counter-piracy operations), but could expand to support limited operations protecting Chinese citizens and property abroad. These could include conducting non-combatant evacuation operations (NEOs) of Chinese citizens (as in Libya in 2011), conducting humanitarian assistance and disaster relief operations, and potentially conducting special forces ground operations in such places as Africa to protect Chinese personnel, property and other economic interests.

In his November column, James Holmes suggested that China could still build the “String of Pearls” and criticized the NDU report. We believe China is unlikely to attempt to dominate the Indian Ocean region militarily. Even if it does harbor such ambitions, the “String of Pearls” model would be insufficient to support the logistics needs of a large Chinese air and naval force focused on combat operations. China would need a much more robust logistics infrastructure to support such a force.

Hypothetically, this would include large hospital and medical facilities; ordnance storage and distribution; petroleum, oil and lubricants storage and distribution; mortuary services; large ship and equipment repair facilities; air traffic control and other air support facilities and operations; and air and missile defenses. The “String of Pearls” concept based on covert development of military facilities at commercial ports would be insufficient. Moreover, a long lead time would be required to develop such facilities and the necessary construction could not be kept secret, thereby telegraphing China’s intentions well before Beijing would be ready to admit to such ambitions. The NDU report makes this case in detail, and also suggests that the best indicator of Chinese malign intentions would be efforts to build a much more robust overseas military logistics support system capable of supporting sustained combat

operations. The “String of Pearls” model has long outlived its usefulness as a strategic concept!

Source: [Diplomat](#), 22 Jan 2015

Shipping Still in Choppy Waters

- Sharidan M Ali

Despite a spurt in general rates increases, the outlook for the shipping industry remains challenging as overcapacity is generally still a looming issue for all three major segments of the sector.

Shipping is the cheapest way to export goods and is currently carrying more than 90% of the world’s imports and exports as opposed to land and air transportation. Malaysia, at the heart of the Asia, specifically the Straits of Malacca, remains an important maritime highway that is in the middle of major shipping trade route namely Asia-Europe networks. For the container shipping industry, that mostly carry consumer items, the challenge to stay afloat still hinges on the ability of demand to absorb the excess capacity largely due to the race of ship building pre-global economic crisis that started in late 2008.

Maersk Line, the biggest container shipping company in the world, is one of a handful companies that is making decent profit in this choppy water environment.

Maersk Line cluster manager for Malaysia, Singapore and Brunei Dan Lauritzen tells *StarBizWeek* that the outlook remains challenging as capacity continues to outgrow demand, and he expected the current supply-demand gap to remain constant for the near term. “We foresee that freight rates generally will continue to be on a downward trend due to continued overcapacity. “Of course this does not mean that freight rates cannot fluctuate in the short to medium term given all the elements that affect rates, for example demand, idling and scrapping of vessels, blanked sailings amongst others.

“The main East-West trades will remain challenging, but it is likely there will be significant capacity deployed on the East-West trade due to its continued importance,” he says. In December 2014, Maersk Line announced that it will be implementing a Transpacific Eastbound (Far East Asia to United States and Canada) GRI for all cargo transiting in this lane and a peak season surcharge for all dry and reefer shipments effective Jan 15. This is latest the many announcements that the company has made last year on GRIs.

Lauritzen says GRIs are necessary for Maersk Line to meet increased costs and in order for the company to continue offering our broad portfolio of services and high level of reliability to customers. Starting from the middle of this month, there will be a major product upgrade for Maersk Line’s East-West Network, which connects key ports in Asia to Europe and North America.

Lauritzen says customers will enjoy extended coverage, increased frequency and, still, by far the industry’s highest schedule reliability. The new network is a result of the 10-year vessel sharing between Maersk Line and Mediterranean Shipping Company S.A. “Our new East-West Network offers extensive coverage and is operated with Maersk Line’s unmatched reliability, coupled with multiple weekly departures and competitive transit times.

“This enables customers to maximise efficiencies when planning their supply chain,” says Lauritzen. This is after the planned P3 Alliance, comprising Maersk Line, Mediterranean Shipping Co (MSC) and CMA CGM - Europe’s three biggest shipping companies that collectively control close to 50% of Asia-Europe shipping trade, was blocked by China late last year.

Maersk Group, through its port-operating arm, APM Terminal, owns a 30% stake in Port of Tanjung Pelepas, the country’s largest transshipment port. On the weak oil price, Lauritzen explains that the container shipping is a largely commoditized industry characterized by volatile prices dictated by supply and demand.

“Whenever we quote a price, it reflects the current supply and demand situation in the market. “Decreasing oil prices may impact the market price, but there is not a one-to-one correlation between the bunker price and the price we offer. “Many of our

customers will benefit from the lower fuel prices due to Maersk Line's standard bunker adjustment factor (SBF) in their contracts," he says.

The purpose of the SBF is to adjust the total price to reflect changes in the fuel price during the contract period. Lauritzen says due to the recent drop in oil price, there has been a significant drop in their SBF levels. Meanwhile, a logistics practitioner says that normally the GRIs are passed to the importers or exporters of goods and ultimately it will be reflected in the shelf price of the goods. "We are not too concerned about the sporadic shipping rate increases currently as they are still generally lower when compared to the pre-global economic crisis in 2008 where the shipping industry was in a long bull-run period that prompted the players in a rat race to build ships that has somewhat resulted in the overcapacity issue now.

"What we are more worried about is the weakening ringgit against the greenback that will increase the cost of importing and exporting goods," he says. Westports Holdings Bhd chief executive officer Ruben Emir Gnanalingam points out that shipping lines increase and decrease rates based on seasons and market forces. "There is generally no direct impact to port operators as we are their vendor. "Their customers are the ones who generally are affected. "These days, wiser importers and exporters are going for long term fixed rate deals and therefore not exposed to fluctuations in freight rates. Only those who are more opportunistic generally would be more affected," he says.

According to Morgan Stanley in its recent report on the sector, the seas remain turbulent, but things are turning considerably better for selected shipping companies, for which 2015 will be a year of better industry fundamentals, lower bunker fuel and more favourable interest rates.

Morgan Stanley agrees that the lower fuel prices now would be positive for dry bulk and tanker operators, but no for container liners as it believes any positive impact will likely be competed away and the move to more expensive low sulphur fuel will further mitigate that benefit. The dry bulk shipping segment, that usually carry coal, grain, ore and other similar products in loose form, according to RHB Research, will continue to be volatile. "There is a seasonal pick-up reflected in the Baltic Dry Index in the fourth quarter of last year, but we caution that the volatility in freight rates will

continue to persist. “Dry bulk vessel asset prices are starting to come off from their peak this year as seen in the middle of last year on concerns of oversupply building up again as demolition activities dissipate.

“This may be on the market being over-optimistic on the dry bulk outlook earlier. “Increased Brazil to China exports and higher coal import demand from India (after cancellations of local mining licenses created coal shortage) should still underpin the near-term demand for dry bulk shipping activities,” it notes in a recent report.

Source: [The Star Online](#), 24 Jan 2015

The Mixed Consequences of Sino-Indian Competition in the Indian Ocean

- Jack Detsch

China and India’s rivalry threatens peace in the Indian Ocean basin. It’s also sparking a needed flood of development. Air Force One touched down in India, the secret service quickly shuttled a jet-lagged President Obama to New Delhi’s Rajpath or “King’s Way.” There, Obama and Prime Minister Narendra Modi watched India’s finest military hardware parade through the heart of the city.

The spectacle probably did not impress Obama, who is accustomed to making speeches atop enormous aircraft carriers. But the timing of his trip is not an accident. He arrived on the eve of the 66th anniversary of the signing of India’s constitution, days after criticizing China in his State of the Union address. “As we speak, China wants to write the rules for the world’s fastest-growing region,” Obama told Congress last Tuesday. “Why would we let that happen?”

It’s not the first time the president has taunted China to score political points. But that gesture, and Obama’s decision to meet with Modi twice in the span of four months, shows that the White House is becoming increasingly invested in India. Over the past decade, with America’s focus trained on Iraq and Afghanistan, China and India’s rivalry in the Indian Ocean has intensified, with competitive investments in ports, docks, and trans-shipment facilities along the basin. Washington has a deep

interest in keeping the peace: the ocean is the go-between for 70 percent of the world's oil.

For India, the ocean's endless histories and myths do much to invite fascination and boost the price of waterfront real estate. Mercantile contentions drive China's interest. Xi Jinping has fastidiously cultivated relationships with India's neighbors to pursue under-the-radar development projects around the basin. That includes modernizing Bangladesh's bottlenecked Chittagong Port and Cox's Bazar.

China's expanding defense budget also allows the People's Liberation Army to be more assertive around the basin. Beijing has become the world's fifth largest arms exporter, disbursing \$2 billion in weapons each year. The glut of guns and money has allowed China to project power deeper into the region, sending a surface action group into the eastern Indian Ocean in early 2014 and two PLA submarines to Colombo, Sri Lanka, in October.

In principle, however, China tries to look like a dignified global citizen. A 2013 defense ministry white paper titled "The Diversified Employment of China's Armed Forces" calls for compliance with the U.N. Charter and deploying troops in lockstep with local laws. Many of China's ambitions in the Indian Ocean over the next decade are logistical, including agreements for refueling, replenishment, and low-level maintenance. China may be more interested in securing oil routes, vulnerable to lingering conflicts in the Persian Gulf and pirates in the Strait of Malacca, than offending India.

None of those ideas are written in ink. Beijing's relationship with Pakistan, India's bitter enemy, is almost purely military. Since a 2008 agreement escalated ties, Pakistan has leaned on the PLA to supply nearly two-thirds of its aircraft and three-quarters of its tanks. Islamabad has given China free rein at Gwadar, a prime warm-water port at the edge of the Persian Gulf. Beijing has proliferated naval vessels to other allies in the Ocean, too, selling two Ming class submarines to Bangladesh for \$203.3 million for a 2019 delivery.

All of that pressure may not be necessary. China and India don't dislike each other as they do the Japanese and the Pakistanis. Their economies are deeply

intertwined. Xi warmly toasted Prime Minister Narendra Modi in his September visit to India, and inked business deals and investment promises worth around \$20 billion dollars.

Competition at sea is a byproduct of competition on shore. Some of the deepest Sino-Indian tensions circle around Tibet. China asserts sovereignty over Aksai Chin, in Kashmir, and Arunachal Pradesh, near the Tibetan Plateau. In 2009, China and India agreed to set up a hotline between heads of government in both countries, after a conflict over the status of Arunachal Pradesh. That still hasn't happened. Regular diplomatic communication would be welcome.

Things seemed to move in that direction last year. India and China signed a Border Defense Cooperation Agreement — a bilateral agreement meant to prohibit the use of force, particularly along the line of control in Tibet. The BDCA also called for meetings of border personnel, high-level defense representatives, and the creation of an annual defense dialogue. Unfortunately, it has done little to change the status quo.

Although competition over the Indian Ocean has widened the rift between Asia's two biggest powers, it has proven fruitful for a strategically critical and often overlooked region. Bangladesh, Myanmar, and Pakistan, long neglected by investors, have received much needed development money. Port facilities in South and Southeast Asia are getting more efficient: Chittagong, Sittwe, Gwadar, and Sagar could be the foundation for a robust shipping economy in the region. Though competition could hurt stability, China and India have charted a course for the development of the region. Barack Obama's visit is the greatest indication yet that the world is taking notice.

Source: [Diplomat](#), 28 Jan 2015

Indo-US Maritime Cooperation- This Is What It Looks Like

- Vicky Nanjappa

Enhanced cooperation on maritime security was one of the key aspects that was discussed between Prime Minister Narendra Modi and President of the United States of America, Barack Obama. Both countries realize the need to have better cooperation where maritime security is concerned. Both countries have been making a pitch to better maritime security and for India and US it becomes extremely important for a lot of reasons.

The safety of the seas with one-fifth of the world's energy supplies travelling across the Indian Ocean, maritime security becomes even more important. Ensuring the safety of the ships on the Indian Ocean is very crucial to the economy of both the nations. While acts of terror from the seas are also a crucial aspect the bigger concern is that both nations felt that there was a growing threat from Pirates and in the interest of economy and commerce it is necessary to secure the seas. India is already working closely with the US in the Gulf of Aden to combat attacks by pirates. What does the maritime security frameworks look like? Both countries will work further to ensure a secure maritime domain in a bid to ensure free flow of commerce and also counter terrorist and pirate threats. There will also be enhanced cooperation by both the countries in undertaking disaster relief work on the seas too. Cooperation will also be extended by both the countries in tackling other problems such as drug trafficking and robbery at the high seas. Latest intelligence reports also suggest that some groups may try to move weapons of mass destructions on the high seas. Extending cooperation Both the countries will discuss regularly the issue pertaining to maritime security. There would be regular meetings between the officials of both countries where discussions will be held on new threats and also better avenues to combat the threats. Cooperation will also be extended to share intelligence, search and rescue operations, technical assistance, combating maritime pollution and enhancement of technology.

Source: Oneindia.Com, 28 Jan 2015

Australian Fish Moving South as Climate Changes, Say Researchers

- Oliver Milman

Australian scientists have assessed how 35 common fish species are coping with climate change, finding that most have to deal with new conditions and many are moving towards polar waters to find suitable habitats.

Research led by the University of Tasmania's institute for marine and Antarctic studies analyzed the climate sensitivity of fish found off the south-east coast of Australia. The region is one of more than a dozen global ocean "hotspots" – others include off Brazil, in the Indian ocean and the North Sea – where the water is warming much faster than the global average for the world's oceans.

The 35 species of fish, ranked for their importance to the commercial fishing industry as well as their ecological significance, had a varied response to increasing sea temperatures and changing levels of nutrients and plankton. Species such as abalone, blue swimmer crab, southern calamari, southern rock lobster and western king prawns will experience a high impact from changing temperatures.

Australian salmon will face similarly large changes due to altering winds and currents, while black bream will have to cope with changed freshwater flows. Species were assessed on their distribution, how many eggs they lay and their capacity for movement. Researchers stressed that not all of these changes would be disastrous for fish, but that most of the studied species will have to alter their habits or range of habitat in some way, with many shifting towards cooler waters near the poles to survive.

"We found a mixed bag – some positive and some negative," said Dr Gretta Pecl, lead author of the study. "Some species are shifting south and increasing their range, while others are already at their tolerance for temperature and as it warms, their range will shrink. "In Tasmania, there's been an increase in snapper and yellow-tailed kingfish, which is great for the fishing industry. But in South Australia, there may be parts of the gulf regions unsuitable for snapper and it may decline there.

“Temperature will be the major factor and off the coast of Tasmania the rate of warming is four times the global average. For species that are highly sensitive to temperature, it will affect the rate of growth, the amount of energy it needs and its oxygen consumption. Almost no aspect will be unaffected.” Pecl said fish species were being increasingly sighted outside their traditional ranges, such as coral trout seen in New South Wales, a manta ray off north east Tasmania and whale sharks getting as far south as Perth.

International research published in 2013 found that fish species were being pushed towards the poles at a rate of 7 kms every year as they chase the climates they can survive in. The research into how fish will cope with climate change was funded by state and federal government agencies and will be shared with other countries to help them manage their fisheries. US and Canadian authorities have already adapted and applied the data.

Source: [Guardian](#), 29 Jan 2015

Shell Remains Committed to Arctic Drilling Plans

- Jennifer A. Dlouhy

Shell plans to spend \$1 billion to drill exploratory oil wells in Arctic waters north of Alaska this year as long as it clears legal and permitting hurdles, the company's chief executive said.

Ben van Beurden, CEO of Royal Dutch Shell, noted that legal and logistical obstacles stand in the way of the company's quest to resume drilling in the Chukchi Sea once ice clears but stressed Shell's commitment to the project. "We are minded to drill this year in the Chukchi," he said during an earnings call Thursday. "We have kept all our capability in place, tuned it, and upgraded it just to be ready to drill this coming summer season."

Shell will go ahead, he said, "if we can." The company already has spent nearly \$6 billion in pursuit of Arctic oil. Although the company began boring wells in the

Chukchi and Beaufort seas in 2012, the destruction of its Kulluk drilling unit later that year and legal uncertainties surrounding some of Shell's oil leases in the region sidelined the work ever since.

The biggest legal challenge is an ongoing dispute over the government's 2008 sale of oil and gas leases in the Chukchi Sea, including the ones Shell is targeting. After a federal court last January invalidated the environmental review underpinning that auction, the Interior Department's Bureau of Ocean Energy Management began redoing it. The agency filed a revised review statement last October that boosted predictions of how much crude could be harvested under the Chukchi Sea leases that were up for sale. A final version is on track for later this year, paving the way for Interior Secretary Sally Jewell to issue a "record of decision" possibly affirming the 2008 auction was valid by the end of March.

In the meantime, Shell has submitted its broad exploration plan to federal regulators, who are conducting an informal review while the lease sale is in legal limbo. Before it can drill, Shell must secure drilling permits for individual wells, and its contracted drilling rigs must clear a Coast Guard review. Shell also needs to mobilize its fleet of more than two dozen vessels from around the globe.

"Ensuring that the logistics is in place to support the drilling means that quite a lot of spend is already committed for the year," said Simon Henry, chief financial officer for Royal Dutch Shell. He added that even if Shell doesn't drill, the cost "will be approaching \$1 billion because of the commitment to keep the fleet of ships that we need." "This is a logistics operation as much as drilling," Henry said. "The drilling is the easy bit.

'Complex supply chain'

Van Beurden noted the "very complex supply chain" for the Arctic operations. "It is equivalent to trying to operate around the North Sea out of New York," he said. "That is the magnitude of the logistics challenge." Just finding a home for that fleet - when it is not working in the Chukchi Sea - has proved difficult. Shell's plans to stash up to two dozen of its Arctic vessels at the Port of Seattle are drawing fire from environmentalists.

His views have changed

Van Beurden's views on the Arctic have shifted since he became CEO in January 2014. His initial public skepticism about the cost of the venture, when he was talking tough about "rigorously" scrutinizing Shell's spending, has given way to a more bullish stance. Green groups have been trying to convince Shell's shareholders that Arctic oil exploration is environmentally and financially unwise. On Thursday, they blasted Shell's plans.

"Shell's reckless decision to return to the scene of 2012's Arctic crimes is stunning," said Annie Leonard, executive director of Greenpeace USA. "If President Obama wants to be a leader on climate change, there is only one choice to make: Do not approve Shell's Chukchi Sea drilling lease." The Arctic program, though, may be tougher to justify now that crude prices have sunk to a six-year low, depriving companies of revenue to reinvest in big ventures. This year, Shell's planned Arctic spending makes up about a quarter of its \$4 billion capital budget.

Source: [Houston Chronicle](#), 29 Jan 2015



Japan Seeks Closer Maritime Defence Ties with India

Japan's foreign minister used a visit to India today to push for tighter maritime security ties between the two nations, as Tokyo seeks to shore up its relationships in Asia to counter an increasingly powerful China.

Fumio Kishida, who met with Indian Prime Minister Narendra Modi yesterday, is on his first overseas visit since Japanese Prime Minister Shinzo Abe secured a landmark victory in national elections last month. "Japan and India have been increasing cooperation in the field of maritime security... It is important to further strengthen our cooperation," Kishida said in a speech to the Indian Council of World Affairs in New Delhi today.

Both India and Japan have signaled a keenness to beef up their defence ties in recent months to counter an increasingly assertive China. The two governments are expected to discuss the possible manufacturing of US-2 amphibian aircraft in India and Japan's continued participation in India-US maritime exercises.

The issue of China's growing might is also likely to figure when Kishida meets his Indian counterpart Sushma Swaraj for the eighth strategic dialogue later on Saturday, India's foreign ministry confirmed. Kishida also urged closer economic collaboration with India, a subject close to both Modi and Abe, who have been compared for their economic reform zeal.

"Under Abenomics the government of Japan supports the overseas advancement of Japanese enterprises, while India has been strengthening its manufacturing industry by attracting investment under Modinomics," the Japanese foreign minister said.

Prime Minister Modi, who chose Tokyo for his first bilateral visit outside South Asia in August-September, was on that trip offered public and private investment worth US \$35 billion over next five years by his Japanese counterpart. A Japanese foreign

ministry official said the country appreciated steps taken by India's Modi government to boost the business climate after taking power in May 2014.

"India continues to be the top-choice investment destination, the new government has taken some steps (but) investment climate has to be improved further," a Japanese foreign ministry official said. The official added that taxation environment in India and other issues related to promoting Japanese investments were likely to figure in discussions between Kishida and Swaraj.

Both governments will also assess the progress in ongoing bilateral negotiations over nuclear energy and India's plans to introduce high-speed rail networks in the country.

Source: [The Malay Mail Online](#), 17 Jan 2015

Navy Chief Leaves on 4-Day Visit to Mauritius

Navy Chief Admiral RK Dhowan on Monday left on a four-day visit to Mauritius to consolidate the ties and to explore new avenues of defence cooperation. The Admiral, jointly with his counterpart, Commissioner of Police, will inaugurate the data flow of the information exchange on white shipping (merchant marine) for greater maritime domain awareness to the mutual benefit of both the countries.

He will also meet government and defence officials during his stay in Mauritius, an official statement said. India and Mauritius share centuries-old cultural, ethnic, religious and linguistic bonds. These bonds have strengthened over time through goodwill gestures and bilateral visits.

Incidentally, 68 per cent of the population there is of Indian origin. This, in addition to the country's strategic location in the Indian Ocean, has resulted in a close relationship between India and Mauritius. The Indian Navy has been actively supporting and cooperating with Mauritius maritime agencies towards meeting their maritime security needs in terms of hydrograph surveys, supplementing exclusive

economic zone surveillance efforts, provisioning of naval hardware such as ships and aircraft as well as cooperation in training.

Mauritius Coast Guard ship 'Barracuda' was recently built by GRSE Kolkata while orders have been placed by that country for construction of two fast-attack craft and ten fast- interceptor craft.

Source: [Zee News](#), 19 Jan 2015

Combating Piracy in the Bay of Bengal

The Bay of Bengal is a nature's gift to 116 million people of Bangladesh. The socio-economic lifeline of the country is inseparably linked to the Bay which provides passage to 95 per cent of its trades and offers livelihood to almost 30 million people. The sea has assumed great importance following successful delimitation of maritime boundaries with Myanmar and India. The disputes concerned delimitation of the territorial seas, exclusive economic zones and continental shelves in the Bay of Bengal. Economic implications of this delimitation are countless. Safety and security are two aspects that need priority now.

Of late, a report of rising piracy in the Bay of Bengal, as reported by the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) Information Sharing Centre (ISC), has triggered concerns in different quarters. It is true that such piracy is sure to impinge upon Bangladesh's sovereign right to explore, exploit, conserve, and manage living and non-living resources of water column, seabed and subsea strata and economic activities, such as the production of energy from the water, currents and winds within 200 nautical miles of exclusive economic zone.

The verdicts of international courts have given the country an exclusive right to carry out fishing in its area of jurisdiction. Bangladesh can now effectively ensure conservation of fishery resources by enforcing appropriate regulations about the season for harvesting, types of vessel and equipment that can be used and institute cooperative measures regarding straddling stocks and highly migratory species.

Bangladesh now has the rights to explore and exploit all living resources in its area including the sedentary species like corals, scallops, sponges and mollusk. It also has the legal rights to explore nonliving resources of the sea bed and subsoil such as cobalt, copper, manganese, nickel, ferromanganese nodules, and gas hydrate deposit in the continental shelf extending beyond 200 nautical miles. But piracy will make such efforts hazardous.

It is really surprising that Bangladesh has failed to tackle raids by pirates and robbers despite the fact that it has smaller coastline than that of neighboring India which has 7,516 kilometers of coasts and 12 major ports. India has 200 non-major ports but only nine incidents of piracy occurred there last year.

It is time that Bangladesh adequately equipped its maritime security agencies with appropriate capability. This would have long lasting impact on the expansion of maritime activities and rapid growth of its economy. Capacity building of Bangladesh Navy and Bangladesh Coast Guard with appropriate hardware and manpower should be undertaken and the personnel should be trained and organized to meet the future challenges of ensuring the safety and security of the users of sea. Special emphasis should be given on enhancement of sea surveillance and management of sea resources.

To ensure all these, a national maritime policy is the need of the hour to explore, protect and make the best use of the Bay of Bengal. It is a must now to enhance the capacity of Bangladesh Navy and the Coast Guard to protect Bangladesh's interests in the Bay. The government can form a single authority that can be called National Maritime Commission to coordinate its agencies and stakeholders operating in the Bay.

Making the Bay of Bengal free from clutches of pirates and robbers is critical at this time when the government is going for a deep seaport. Such a deep seaport will turn Bangladesh into a hub of booming trade and commerce in the region. But such a rosy future of the country will surely be turned dark if piracy and robbery are not curbed permanently. Badly needed is the country's thrust on building close ties with member-states of the Indian Ocean Rim Association for Regional Cooperation (IOR-

ARC) for making the Bay free of piracy. The IOR-ARC has the necessary mechanism to curb it in a coordinated way

Source: [Hellenic Shipping News](#), 19 Jan 2015

Urgent Need to Augment Fleet of Coast Guard Vessels: Parrikar

VASCO: Stating that the country cannot afford to be complacent on its national security, Defence Minister Manohar Parrikar said there is an urgent need to augment the Coast Guard fleet to the sanctioned quota of 184 vessels.

Parrikar was speaking on Monday after commissioning four Coast Guard ships 'ICG Amay', 'ICG Amog', 'C 413' and 'C 414' at the Mormugao Harbour on Monday. Others present at the function included Chief Minister Laxmikant Parsekar, Speaker Rajendra Arlekar, Vasco MLA Carlos Almeida, Director General India Coast Guard Vice Admiral Anuraj Thapliyal, DIG Coast Guard Goa region Manoj Baadkar and other Coast Guard officials.

Speaking further, Parrikar complimented the Coast Guard for introducing four boats, two fast patrol vessels and two interceptors. "In the last two years, I have witnessed the Coast Guard fleet grow from 30 to 35 per cent. The Coast Guard is the first protector of the 7516-km coastline from pirates and other perpetrators at sea," stated Parrikar.

"Coast Guards will apply adequate capacity both in the sea and air. There is an urgent need to augment the Coast Guard fleet to the sanctioned quota of 184 vessels. It has 64 various types of planes and helicopters and this should be increased to over 100 to meet the challenges of today," he added. While complimenting the Coast Guard for their timely intervention in trapping the terrorists on New Year's Eve, Parrikar said the country cannot afford to relax as far as national security is concerned. "While everyone in Goa were probably enjoying the New Year's Eve at Baga and Calangute, the Indian Coast Guard was busy protecting the nation against possible terror attack by intercepting a terrorist boat," said Parrikar.

Director General of India Coast Guard Vice Admiral Anuraj Thapliyal said it was for the first time in the history of the Indian Coast Guard that four coast guard ships were commissioned together. “Two new generations fast patrol vessels, ‘ICG Amey’ and ‘ICG Amog’, are fitted with sophisticated equipments and ‘C413’ and ‘C414’ are interceptor boats. The ships are designed to perform multiple assignments including silence and interdiction tasks towards maritime security besides search and rescue operations,” informed Thapliyal.

“India is a maritime nation and therefore our maritime interest are for wide ranges and Indian Coast Guard plays crucial and important role in protecting the coast, fishermen and tackling marine pollution,” added Thapliyal.

Source: [Herald Goa](#), 20 Jan 2015

India Mulls Leasing Russian Shchuka Class Nuclear Submarine

India is seeking to lease a Russian K-322 Kashalot (sperm whale), Project 971 Shchuka-B class nuclear submarine; Russia and India Report on 20 Jan 2015 and according to this report parties sign an agreement before end of 2015, the ship will be delivered to India by 2018. The Indian MoD is thinking of leasing the sub for a period of ten years. Manohar Parrikar, Defense Minister of India in December 2014 has said, “the ministry is considering either extending the lease on the Chakra K-152 “Nepra” Class Project 971 submarine or renting a second ship of this project – the “Shchuka-B”.

The news agency further reported that the submarine will be modernized based on the requirements of the Indian Navy. The time to modernize Kashalot including the training of the Indian Crew will take about three years.

Indian Navy currently leases a Russian built Shchuka-B class Chakra submarine. The lease agreement worth \$980 million was signed in 2004 and is for a period of ten years. The delivery got delayed and it was assumed to receive the sub in 2008.

Source : [Defense World](#), 21 Jan 2015

US Navy Vessel Grounded near Okinawa, Japan

The Military Sealift Command prepositioning vessel USNS Sgt. Matej Kocak ran aground off the East Coast of Okinawa, Japan. The vessel is located approximately six nautical miles of the coast of Uruma, Okinawa, Japan. The U.S. Navy is working closely with Japanese authorities to assess the situation and determine the best course of action to refloat the vessel. Tugs are on scene stabilizing the vessel and assessing the situation.

No leaks from the hull have been found and no damage to the surrounding area has been reported. None of the ship's 127 crew civilian members were injured in the grounding, and the crew is currently still on board the ship.

Source: [News 2](#), 22 Jan 2015

Japan, Britain Agree Closer on Security Cooperation

In their first-ever two-plus-two talks, Japan and Britain agreed Wednesday to enhance security cooperation, including the possible joint development of missile technology and an exercise to evacuate nationals from an overseas contingency.

The Japanese and British foreign affairs and defense ministers underscored readiness to enable the Self-Defense Forces and the British military to share supplies and transportation when deployed on U.N. peacekeeping operations.

Japan has already signed an acquisition and cross-servicing agreement, or ACSA, with the United States and Australia. The two countries agreed to explore ways in which the SDF and the British armed forces can engage in operations in such fields as post-disaster relief and humanitarian aid. The participants Foreign Minister Fumio Kishida, Defense Minister Gen Nakatani, British Foreign Secretary Philip Hammond and Defense Secretary Michael Fallon — also agreed to consider joint exercises to prepare for future U.N.-led peacekeeping operations and a possible exercise to evacuate noncombatants from an overseas crisis.

SDF participation in such operations is a contentious topic in Japan as the Constitution restricts the use of arms overseas. Britain has become the fifth nation to have a two-plus-two security relationship with Japan, following the United States, Australia, Russia and France. The framework enables nations to decide key strategic and security policies without delays caused by one department having to consult another.

In a joint statement, Japan said it “supported” the British commitment to the Asia-Pacific region; and Britain “welcomed Japan’s security reforms and its recent efforts to play a more active role in international efforts to secure peace, stability and prosperity.”

Meanwhile, Kishida and Nakatani asked Hammond and Fallon to consider using British assets to secure the release of two Japanese hostages being held by the Islamic State group. “In particular, the ministers expressed strong indignation at the taking hostage of the two Japanese nationals” by the Islamic State, with Britain expressing “strong support, solidarity and readiness to cooperate with Japan,” the statement said.

Separately, Japan and Britain have already launched a joint study aimed at creating new biochemical protection gear and preparatory research on the development of an air-to-air missile component. At the meeting, the Japanese and British ministers “welcomed the identification and launch of joint defense equipment and technology projects,” the statement said.

Source: [Japan Times](#), 22 Jan 2015

India and US may be Marine Partners but not Allies

India and America will commit themselves to deepening maritime security cooperation in the Asia Pacific region, where an assertive China is worrying both, when Narendra Modi and Barack Obama meet on Sunday but will shun any suggestions of an "alliance". Senior officials from both nations have said the commitment to a new, warmer handshake in India's extended neighborhood is

expected to emerge from the talks between the Indian Prime Minister and the US President.

They were unwilling to detail the elements of any upgrade in India-US ties in the region, which is also at times referred to as the "Indo-Pacific". But they hinted that prompter sharing of shipping details and intelligence, a possible expansion in maritime exercises, and greater collaboration during negotiations at the East Asia Summit are possibilities under consideration.

But three Indian officials who spoke independently over the past week also pointed to a recurring worry: that a stronger partnership could be read by some as a tacit "alliance". "There will be a definite new element in the outcome of the talks, on elevating strategic ties, especially in the Asia Pacific region," one of the officials said. "But we do not want that misinterpreted as an alliance."

The fears over the words "alliance" or "ally" are rooted in Cold War-era allegiances. Even after the Soviet Union's break-up, these persist in the form of coalitions that are either military in nature or strategically tie nations together in key foreign policy theatres. Australia, Japan and New Zealand are among America's closest "allies" in India's neighborhood. India's trade and people-to-people contacts with the US may be far greater than New Zealand's but New Delhi still qualifies only as a partner.

The concerns are equally driven by diplomats' and leaders' increasing need to walk a tightrope as they play up the India-US relationship while simultaneously minimising hints at a hug too close for comfort.

The nature of that juggle at times causes slip-ups. At a media briefing last Saturday, foreign office spokesperson Syed Akbaruddin accidentally referred to Obama as the "head of state of one of our most friendly allies" before instantly correcting himself mid-sentence with: "Uhh, partner." American officials have, however, made it clear that they expect India to play a greater strategic role in the Asia Pacific region under Modi, and that this expectation is part of what excites them about the eight-month-old government in India.

"Given India's strategic location, we can advance our shared security and prosperity in the Asia Pacific," Obama said in a pre-visit interview to *India Today* in which he mentioned the region, and his expectations of India's role in it, three times.

Obama said that India and the US could "deepen our security cooperation, including on maritime security in the Asia Pacific". "In the Asia Pacific, we can work with regional organizations to ensure that all nations abide by the same rules of the road," Obama said in an apparent reference to China. Beijing has been accused by several nations -- Vietnam, the Philippines and Japan -- of trying to intimidate them through naval and economic forays into contested waters. At the White House yesterday, Obama's deputy national security adviser Benjamin Rhodes too referred to a "belief that our Asia Pacific policy benefits from closer ties with India, and it's also based on our cooperation on a broad range of global issues". But India remains far more cautious in at least its public expectations from Obama's visit.

"India sees vast potential for growth in our relations," Akbaruddin said at a media briefing yesterday, outlining a wish list that no one in Beijing could object to. "From our perspective, the United States is a key partner for capital, technology, knowledge and skills in our development path."

Source: [The Telegraph](#), 24 Jan 2015

U.S.-India Joint Strategic Vision for the Asia-Pacific and Indian Ocean Region

As the leaders of the world's two largest democracies that bridge the Asia-Pacific and Indian Ocean region and reflecting our agreement that a closer partnership between the United States and India is indispensable to promoting peace, prosperity and stability in those regions, we have agreed on a Joint Strategic Vision for the region.

India and the United States are important drivers of regional and global growth. From Africa to East Asia, we will build on our partnership to support sustainable, inclusive development, and increased regional connectivity by collaborating with other interested partners to address poverty and support broad-based prosperity. To

support regional economic integration, we will promote accelerated infrastructure connectivity and economic development in a manner that links South, Southeast and Central Asia, including by enhancing energy transmission and encouraging free trade and greater people-to-people linkages.

Regional prosperity depends on security. We affirm the importance of safeguarding maritime security and ensuring freedom of navigation and over flight throughout the region, especially in the South China Sea. We call on all parties to avoid the threat or use of force and pursue resolution of territorial and maritime disputes through all peaceful means, in accordance with universally recognized principles of international law, including the United Nations Convention on the Law of the Sea.

We will oppose terrorism, piracy, and the proliferation of weapons of mass destruction within or from the region. We will also work together to promote the shared values that have made our countries great, recognizing that our interests in peace, prosperity and stability are well served by our common commitment to the Universal Declaration of Human Rights .

We commit to strengthening the East Asia Summit on its tenth anniversary to promote regional dialogue on key political and security issues, and to work together to strengthen it. In order to achieve this regional vision, we will develop a roadmap that leverages our respective efforts to increase ties among Asian powers, enabling both our nations to better respond to diplomatic, economic and security challenges in the region.

As part of these efforts, the United States welcomes India's interest in joining the Asia Pacific Economic Cooperation forum, as the Indian economy is a dynamic part of the Asian economy. Over the next five years, we will strengthen our regional dialogues, invest in making trilateral consultations with third countries in the region more robust, deepen regional integration, strengthen regional forums, explore additional multilateral opportunities for engagement, and pursue areas where we can build capacity in the region that bolster long-term peace and prosperity for all.

Source: [The Whitehouse](#), 25 Jan 2015

Sri Lanka Probes Floating Armoury

Sri Lanka has banned the head of a private maritime security company from leaving the country because of investigations into a floating armoury it operated off Galle port. On a police request, a Colombo court ordered the temporary confiscation of the passport of Nissanka Senadhipathi, chairman of Avant Garde Maritime Services on 23 January.

Senadhipathi is a former army officer. The police Criminal Investigations Department has launched an inquiry into the firm's floating armoury and sea marshal business following a complaint of alleged irregularities in the venture.

The investigation was launched by the new government formed after the election of President Maithripala Sirisena, who defeated incumbent strongman Mahinda Rajapaksa in the 8 January presidential poll. The floating armoury is maintained on Sri Lankan-flagged tug MV Mahanuwara chartered by Avant Garde from Sri Lanka Shipping Company. The company is continuing sea marshal operations.

The new government is investigating whether the former Rajapaksa regime broke any laws in approving the venture and why Avant Garde was given a monopoly in 2012 when other firms vied for the business.

Source: [IHS Maritime](#), 26 Jan 2015

China Spectre Pulls India, US Closer Especially at Sea

With a title almost as long as its 10 paragraphs of text, the “Joint Strategic Vision for Asia-Pacific and Indian Ocean Region” may be remembered as the most radical end-product of the Indo-US Republic Day summit. The vision document will be seen by many as India and the US coming out of the closet about their strategic concerns regarding a more assertive China.

And a behind-the-doors US agreement with India to provide technological assistance to the indigenous aircraft carrier may be putting flesh on the bones of this strategic coalition. Beijing is never mentioned explicitly in the document. However, the line, “We affirm the importance of safeguarding maritime security and ensuring freedom of navigation and over flight throughout the region, especially in the South China Sea” is a direct attack on China’s expansive maritime claims.

So is the demand that such claims be handled under the United Nations Law of the Sea — Beijing’s claims are seen as in blatant violation of the Convention. The fourth paragraph of the formal joint statement openly merges India’s “Act East” policy with the US’s “Rebalance to Asia”. China, which has interpreted the latter as a containment of its own influence, can now be expected to see “Act East” with a similar jaundiced eye. In contrast, India rejected Xi Jinping’s Maritime Silk Route proposal.

The vision document also calls for the US and India to work to build connectivity, both transport and energy, linking “South, Southeast and Central Asia.” This mirrors similar plans worked out between India and Japan to construct infrastructure between India, Bangladesh and Myanmar. The strategic concept behind all this: build east-west connectivity to counter the enormous north-south running infrastructure that China is building.

Beijing is seeking to make itself the transport hub of Asia. India is effectively working to develop an alternative network. A key element of the rebalance policy of the US is the creation of the Trans-Pacific Partnership, a free trade agreement that would keep out China. But the vision statement notably signals an Indian interest in joining the Asia Pacific Economic Cooperation forum – a prerequisite for TPP membership.

The US decision to provide assistance to India’s carrier project is an important step in giving the Indian Navy the heft to have the maritime capability to hold its own in the Indian Ocean. The September Modi-Obama summit saw the two agree on the US helping India with its next generation of naval vessels: this may be the first manifestation of this.

The question for the Modi government will be how it manages the Chinese reaction to India's strategic coziness to the US, Japan and Australia.

Source: [Hindustan Times](#), 27 Jan 2015

Spain, Italy to Strengthen Maritime Cooperation with Indonesia

Spain and Italy have pledged to boost cooperation with Indonesia in the field of maritime infrastructure development and its related trade, after the ambassadors of both countries met with Coordinating Maritime Affairs Minister Indroyono Susilo in Jakarta.

In his discussion with Indroyono, Spanish Ambassador to Indonesia Francisco Jose Viqueira Niel outlined the Spanish government's cooperation plans with Indonesia in the sector, including a review of the Mina Jaya fishing boat construction program, which was carried out in the 1990s. Spain has become an effective partner with Indonesia in the field of shipbuilding.

The Office of the Coordinating Maritime Affairs Minister said in a statement that a team from Indonesia had been sent to Spain to study the Rodman shipyard in Vigo, Spain, while also preparing for the arrival of four patrol ships to strengthen the Maritime Security Board. Indonesia hoped for Spanish investment in Indonesian shipyard construction, particularly in Kuala Tanjung, North Sumatra and in Sorong, West Papua, the statement said.

Meanwhile, Minister Indroyono also met with Italian Ambassador to Indonesia Federico Failla to discuss, among other things, Indonesia's participation in the 2015 World Expo, which will be held in Milan between May and October. Indonesia plans to send several Navy ships to Italy to participate in the Expo's World Ocean Day on June 8.

Source: [Jakarta Post](#), 28 Jan 2015

Make In India: India Invites Japan to Join Rs 50,000 Crore Submarine Project

India is looking to make the most of the situation after Japan has recently decided to lift its self imposed ban on exporting arms to other countries. India is especially interested in acquiring the latest diesel-electric Soryu-class submarines, according to sources.

The Indian government has already put forward a proposal of over Rs 50,000 crore project to construct six stealth submarines in India. Indian official are also having discussion on acquiring Japanese US-2i ShinMAyva amphibious aircraft for the Indian Navy.

The 4,200 tone Soryu submarines, jointly manufactured by Mitsubishi Heavy Industries and Kawasaki Heavy Industries, may not meet the Indian requirements but it may become a serious contender for the program called Project-75 India if Japan agrees to bid in the project. India is looking to manufacture these submarines in India under the newly launched 'Make in India' program.

Source: [India TV](#), 29 Jan 2015

US wants Japan to Patrol South China Sea

The United States would welcome a Japanese extension of air patrols into the South China Sea as a counterweight to a growing fleet of Chinese vessels pushing China's territorial claims in the region, a senior US Navy officer told Reuters.

Regular patrols by Japanese aircraft only reach into the East China Sea, where Japan is at loggerheads with China over disputed islands. Extending surveillance flights into the South China Sea would almost certainly increase tension between the world's second and third-largest economies.

"I think allies, partners and friends in the region will look to the Japanese more and more as a stabilizing function," Admiral Robert Thomas, commander of the Seventh Fleet and the top US Navy officer in Asia, said in an interview.

“In the South China Sea, frankly, the Chinese fishing fleet, the Chinese coastguard and the (Navy) overmatch their neighbors,” Admiral Thomas said.

China’s foreign ministry said it had no immediate comment on the interview. Admiral Thomas’ comments show Pentagon support for a key element of Japan Prime Minister Shinzo Abe’s push for a more active military role in the region. That is crucial because US and Japanese officials are negotiating new bilateral security guidelines expected to give Japan a bigger role in the alliance, 70 years after the end of World War Two.

“I think that JSDF operations in the South China Sea make sense in the future,” Admiral Thomas said. Japan is not party to the dispute in the South China Sea.

Source: [Asian Age](#), 30 Jan 2015



Proposal Aims to Lower Cost of Shipping Consumer Goods in U.S.

John McCain has reintroduced legislation that proposes to repeal the nearly century-old Jones Act, which restricts shipping between U.S. ports only to U.S.-made and American-owned ships.

McCain introduced the same proposal in 2010. This time, his proposal piggy backs on the legislation that would authorize further construction in the United States of the Keystone XL oil pipeline between Canada and Nebraska. Some of Guam's government and business officials have spent some time over the past two decades calling for the repeal of the Jones Act, which is being blamed for the high cost of shipping goods to Guam from the U.S. mainland.

Dave Leddy, president of the Guam Chamber of Commerce, said the bottom line for Guam is how to lower the costs of the transshipment of goods for Guam consumers. The U.S. shipping industry has opposed a repeal of the 1920 Jones Act. Allowing foreign ships to transport goods between two U.S. ports also has raised concerns about the security of U.S. ports.

Source: Guampdn.Com, 21 Jan 2015

Sanctions Dull Russia's Arctic Shipping Route

Western sanctions on Russia are restricting the Arctic shipping route along its north coast to domestic cargoes and energy exports with many foreign firms staying away after test voyages on a fabled short-cut between Europe and Asia. A decline in foreign shipments on the Northern Sea Route (NSR) in 2014, interrupting gains in recent years as ice retreats, dims prospects for a shipping lane that is often seen as a rare positive side-effect of global warming.

"We're ending the era of foreign demonstration voyages that were promoted by Russia. Now it seems that reality is kicking in," said Bjorn Gunnarsson, managing director of the Centre for High North Logistics that is funded by the Norwegian government and companies interested in the Arctic. "Many projections of foreign interest were over-optimistic," he said. "Sanctions directly affect energy projects in the Arctic, indirectly transport." President Vladimir Putin, as prime minister in 2011, heralded the NSR as an artery to rival traditional trade lanes. But last year, the number of voyages on the NSR by fell to 53 from 71 in 2013 after years of experiments by foreign firms - helped by low Russian tariffs - with vessels including bulk carriers and oil and liquefied natural gas (LNG) tankers. The \$27 billion Yamal LNG project on Russia's north coast, due to start in 2018 and led by Russia's Novatek, will enable LNG tankers to export gas both east to Asia and west to Europe.

Traffic in 2014 was dominated by Russian-flagged vessels - mainly cargo ships and oil and chemical tankers, according to the NSR Information Office in Murmansk. The route, first known to have been sailed by Swedish explorer Adolf Erik Nordenskiöld in 1878 after centuries of failed attempts, may remain predominantly Russian with sanctions deterring Western business with Moscow. "Shipping going in or out of Russian ports has the biggest potential," said Arild Moe, an NSR expert at the Fridtjof Nansen Institute in Oslo. He said five foreign vessels used the NSR without calling at a Russian port in 2014, down from 13 in 2013.

Niche Route

Low oil prices, uncertainties about ice and a lack of ports and search and rescue also discourage traffic on a route that was also used more extensively during Soviet times, when ice-breakers blasted routes through thick ice. Last year Russian icebreakers "were getting much more money from the energy companies to work (at Yamal) than with shipping companies" on the NSR, said Ekaterina Klimenko, a researcher at the Stockholm International Peace Research Institute. A lack both of infrastructure and commercial viability would hold back the route, at least for the next two years, she told an Arctic conference.

"Long term, I think it is an issue of building up infrastructure and it will be mainly the energy and mineral extraction that will feed into this," said Niklas Granholm of the Swedish Defence Research Agency.

Developing other uses would have to wait, he said. The lure is that a voyage from Rotterdam to Shanghai is 8,050 nautical miles on the NSR, for instance, and 10,500 via the Suez Canal. And the NSR is less clogged by ice than an alternative Arctic route north of Canada. "It will always be a niche trading route compared to the Suez Canal but with the right conditions it will grow significantly," said Patrick Mossberg, chief operating officer of private Swedish shipowner Marininvest.

Marinvest's ships have used the route nine times since 2011 but had no voyages in 2014. Novatek, which chartered Marininvest vessels for the NSR, switched many oil loading operations to Ust-Luga in the Baltic Sea from the Murmansk region. Mossberg said a niche market might be 200 vessels a year - Suez handled 16,596 in 2013. Among other companies, Danish-based Nordic Bulk Carriers had just one NSR voyage last year after a total of 15 in the previous two. The firm declined comment.

Source: [Maritime-Executive](#), 22 Jan 2015

EU Annuls Sanctions on Iranian Shipping Firms

The European Union's second highest court on Thursday annulled EU sanctions on 40 shipping companies hit with asset freezes as part of pressure on Tehran over its nuclear program.

But they will remain under sanctions for now after the General Court gave the EU time to appeal or to decide whether to re-impose sanctions using different legal grounds. The court's rulings were handed down as six major powers and Iran strive to meet an end-June deadline for a long-term agreement to curb Tehran's nuclear activities in exchange for relief from economic sanctions.

The General Court struck down EU sanctions on 40 shipping companies, including Hamburg-based Ocean Capital Administration GmbH. The companies were placed on the EU sanctions list because it said they were controlled or otherwise linked to Islamic Republic of Iran Shipping Lines, which had previously been put under sanctions.

The court found that at the time the 40 companies were placed on the sanctions list the EU had not given valid reasons for saying that Islamic Republic of Iran Shipping Lines was supporting nuclear proliferation. It therefore annulled the sanctions against the 40 companies but again gave the EU time either to appeal or to reinstate the sanctions using new legal grounds.

The Council of EU governments could not immediately be reached for comment. The decisions were the latest in a number of legal reverses the EU has suffered over the validity of its sanctions. It has responded to similar court decisions by relisting Iranian companies using different criteria.

Source: [Maritime-Executive](#), 22 Jan 2015

Why the Shipbuilding Industry Fears Repeal of the Jones Act

Requiring U.S. domestic cargo to be carried by U.S.-built ships makes goods going to places like Hawaii, Alaska and Puerto Rico slightly more expensive, shipbuilders acknowledge.

But that extra cost is the price the nation has to pay to keep its shipbuilding industry afloat, say those who construct the vessels. The industry is pushing back against efforts by Sen. John McCain to remove the regulation, known as the Jones Act, saying it would be devastating. A vote is expected as early as this week.

“It would undercut billions of dollars of investment by shipping companies who have played by the rules,” Matt Paxton, president of the Shipbuilders Council of America, told the Business Journal. Opponents of the regulation say that it increases the cost of items shipped between domestic ports: Goods sent to Hawaii cost as much as a

third more, according to Bloomberg, because only two carriers serve the state. The Washington Post editorial board and writers for Fox News have both opposed the act, as have European allies.

But shipbuilders maintain that repeal would be devastating to their industry. “It would be devastating,” Paxton said. Paxton said not only would the amendment directly impact shipbuilders who rely on the act to guarantee they are hired in lieu of foreign companies, but it would cause a ripple effect in the supply chain. He cited companies like Crowley Maritime Corp. and Tote Inc. — both based in Jacksonville — that are investing “literally billions in oceangoing vessels,” including some of the first liquefied natural gas-powered container ships in the world.

Those ships are being built in the U.S. “Long term, it erodes the fact that we have U.S. citizen seafarers who know how to do all this work,” Paxton said. “They will be next. This will have devastating impacts across the maritime industry.”

Indeed, other companies involved in the shipbuilding process are also expressing their distaste for the amendment. “There’s no doubt in our minds if the Jones Act were overturned it would truly decimate the marine industry as we know it today,” said Fred Loomis, vice president of technical projects for W&O Supply and also a member of the Shipbuilders Council of America. He said there are \$90 billion in gross economic impact from the industry and about half a million jobs tied to it.

He said a major aspect of the Jones Act is the protection it provides. “Other shipbuilding industries are supported by their government,” he said. “They have massive subsidies. It’s a lot cheaper to build there. There are real dollars those governments put into that industry.... We don’t do that. Our government doesn’t support the maritime industry in that way. The only support we have is the Jones Act.”

While Loomis conceded that the Jones Act does make it a little more expensive to ship goods domestically, he said it was a minimal amount. He used oil tankers as an example.

“The price per gallon is minute in the scheme of things,” he said. “It’s pennies on the dollar. It’s a very small part of the cost of gas. It’s a little more expensive. It’s U.S. citizens crewing that [ship]. It’s good paying jobs paying taxes back into our society. It’s the way it should be. We pay more money in the scheme of things, but it’s one of those things where we should pay more money. It’s a very small part of the equation.”

Source: [Hellenic Shipping News](#), 26 Jan 2015

Drewry: Shipping Alliances Mean Greater Choice, Lower Freight Rates

Drewry Shipping Consultants says that network dynamics created by new and expanded shipping alliances are likely to continue to push box shipping rates downwards on Asia-Northern Europe routes.

Writing in its weekly Container Insight, Drewry said the 2M alliance of Maersk Line and Mediterranean Shipping Co., and the O3 alliance of CMA CGM, United Shipping Co., and China Container Shipping Line, are both set to increase capacity when large new build ships join their fleet, while others will compete on price to keep pace.

It is understood that up to three additional East-West services could result when further ultra-large box ships, currently on order, are delivered to 2M alliance partners. “[This] will give shippers even more choice and likely suppress freight rates,” said Drewry. Ocean Three is also said to be waiting for larger vessels to bolster the capacity of its combined fleet, and is expected to overtake the G6 alliance in terms of capacity when those vessels are delivered.

G6 will then be in the weakest position of the three major alliances in terms of both capacity and port coverage. “The G 6 is definitely the alliance to watch,” said Drewry. “They have the weakest port coverage and transit times, while their shortfall of big ships will see them lose market share and lose ground on slot costs.

“Being in such an obviously weaker position risks them having to become price-takers in order to fill their assets.” In November the U.S. Federal Maritime

Commission's (FMC) Richard Lidinsky said that the container shipping industry needs a "global regulatory approach" given the size of new shipping alliances.

Source: [Ship and Bunker](#), 29 Jan 2015

China's Port Project in Greece not Affected by Privatization Reversal

Chinese shipping conglomerate COSCO Group will continue to run two container terminals of Piraeus port in Greece under a 35-year concession agreement, after Greece's newly elected government has decided to halt its privatization, an official with the COSCO subsidiary in Greece said.

On Monday, left-wing SYRIZA party leader Alexis Tsipras was sworn in as Greece's new prime minister after winning Sunday's national elections. One of the first decisions announced by the new government was to stop the planned sale of a 67-percent stake in the Piraeus Port Authority (PPA). COSCO is among one of the suitors for the privatization of PPA.

"The public character of Piraeus port will be maintained. The privatization stops right here, right now," Greek Alternate Shipping Minister Theodoros Dritsas told media on Tuesday.

A senior official of the Piraeus Container Terminal (PCT), a subsidiary of the COSCO, who spoke on condition of anonymity, said Dritsas was referring to Pier I and other facilities owned by the PPA, not including Pier II and Pier III operated by PCT. Regarding further information about the suspension, the PCT official said the company had not been notified on this matter and refused to comment.

Dritsas said on Wednesday the government will not proceed with PPA's privatization, because the "entire local community opposes this plan." Dritsas also said that "Greek people are connected with relations of friendship and solidarity with the Chinese people."

China is seeking confirmation of Greece's new government about the privatization of Piraeus port, Greece's biggest port.

"We have noticed the reports, and are checking with Greece about the issue," Foreign Ministry spokesperson Hua Chunying told a daily press briefing on Wednesday.

Piraeus port has been run by the PCT after the financial crisis in 2008. Commercial traffic through the port has increased eight-fold since COSCO's takeover, attracting international giants such as ZTE and Hewlett-Packard to use the cargo terminals as logistics centers for their products.

Source: [Hellenic Shipping News](#), 30 Jan 2015



Norway to Promote Green Coastal Shipping

The Norwegian Government has joined key players in the coastal shipping industry to ensure the country has the world's most environmentally friendly fleet of coastal vessels.

As part of the initiative, Norwegian State Secretary for Climate and Environment Lars Andreas Lunde and Norwegian Minister of Trade and Industry Monica Mæland have signed a declaration of cooperation with the shipping companies in the country.

This green coastal shipping programme is aimed at implementing the government's new maritime strategy and also helping reduce air pollution in order to attain both national and international climate goals. "More ships must use environmentally friendly fuels such as gas and battery power, and we must see more ships with new energy-efficient designs."

Intended to drive innovation and green workplaces, the programme would bring major export opportunities for the maritime, energy and supplier industries. Norwegian Minister of Climate and Environment Tine Sundtoft said: "This year, the UN Climate Change Conference in Paris is to negotiate a new climate agreement that will entail new obligations and the implementation of new climate measures.

"For this reason, more ships must use environmentally friendly fuels such as gas and battery power, and we must see more ships with new energy-efficient designs." Classification society DNV GL has said that it has taken the initiative to launch the programme. Around 18 companies have signed the declaration, together with the Ministry of Trade, Industry and Seafood policy and Ministry of Climate and Environment.

Source: [Ship-Technology](#), 20 Jan 2015

Keppel Sees 'Challenging Environment' for Offshore and Marine

Keppel Corp sees “a challenging environment” for its offshore and marine division with the lower oil price and oversupply of rigs as the unit posted a pre-tax profit of SGD 1.37bn for 2014.

Keppel Offshore & Marine (Keppel O&M) reported revenues of SGD 8.56bn up 20% on the previous year which the group attributed mainly progress on ongoing jobs. However, the outlook is less rosy. “The fall in oil prices, the expected reduction in global oil and gas upstream spending and the projected oversupply of oil rigs has created a challenging environment,” Keppel said. The company is looking to its order book to provide a buffer through tough times having secured SGD 5.5bn in orders last year, bringing its order book to SGD 12.5 bn with deliveries through to 2019. “The healthy order book will keep the yards busy for 2015 and 2016,” it said.

In a more positive long term outlook Keppel said: “The consumption of energy is projected to grow and is expected to sustain the oil and gas business. The division (Keppel O&M) will continue to leverage technology and innovation to improve its competitive edge as well as productivity and efficiency. It will focus on expanding its near market, near customer strategy.”

Keppel has created much speculation in the market this week when on Wednesday it postponed both its planned Keppel Corp full year media and analyst briefing scheduled for Thursday and another for listed property arm Keppel Land. Both stocks are also suspended for trading and the briefings have now been rescheduled for Friday afternoon.

Source: [Sea Trade Global](#), 22 Jan 2015

Coastal Areas are Exposed to Environmental Risks

The Executive Director of the Environment Protection Agency (EPA), Madam Haddijatou Jallow, on Thursday said most areas along our coastline are exposed to environmental risks.

She was speaking at the official opening of the validation workshop of the draft Reports: Coastal Sensitivity Mapping and the State of the Marine Environment at the Ministry of Mines and Mineral Resources conference hall. The EPA Executive Director added, these two projects; “The State of The Marine Environment Reporting and the Marine and Coastal Oil spill sensitivity mapping”, were initiated in 2014, and frantic efforts have been made with support from experts and partners. She emphasized that both the coastal oil spill sensitivity mapping and the assessment on the State of the Marine and Coastal Environment are key resource management tools that have the potential to enhance our knowledge on the essential steps in addressing the problems they face.

The Executive Director reiterated that, in 2013, Sierra Leone was selected as one of the six pilot countries to benefit from the Technical Assistance from Grid Arendal in undertaking this assessment, using the newly- developed online reporting system to report on the state of the marine environment. She stated that while the marine and coastal oil spill sensitivity mapping, presents effective planning tools to curb ecological losses associated with oil spills and general marine pollution and degradation, a State of the Marine Environment report can serve as a baseline for introducing an effective coastal management regime that will support most sector strategic plans and guidelines for the oil and gas sector.

These two processes remain key tools in integrated coastal zone management. “I therefore plead with all stakeholders to take necessary actions in protecting and managing the coastal and marine environment for the benefit for us all. We cannot achieve sustainable development, if we ignore the coastal and marine areas which house multitude of resources that provide socio-economic, cultural and ecosystem services.

She thanked their partners, the Regional Partnership for Marine and Coastal Conversation in Africa, the Wetlands International Africa, United Nations Development Programmes, Centre for Ecological Monitoring and the Grid Arendal of Norway for their unflinching financial and technical supports”. In his statement, Director of Fisheries and Marine Resources, Alhaji Cole, said “the marine and coastal environment has been under severe pressure from population growth, unsustainable resources exploitation and inadequate waste management systems”.

He said in Sierra Leone, over 10% of our estimated six million people depend directly or indirectly on the exploitation of living and non-living marine resources for their livelihood and socio-economic wellbeing, while another estimated 60% of the population depends on agriculture, particularly slash and burn agriculture. The Director stated that, production and management of wastes from all above socio-economic activities (both on land and in the marine-based environment) remains a challenge in Sierra Leone, particularly in urban settlements and this has huge impact on the quality of our marine environment.

Cole said, already there are signs of over exploitation of some of our marine resources, including fisheries and mangroves, and also signs of climate change, global warming and sea level rise and these trends continue unchecked," we would witness the collapse or depletion of such resources and the offset of ecological balance, which is in turn threaten our very survival on planet earth", he concluded. The Geographic Information Systems (GIS) Manager, Samuel Kamara, who made a power-point presentation the Coastal Sensitivity Mapping: Objectives, methodology and results.

Source: [Awoko](#), 23 Jan 2015

DB Schenker and Maersk Line Partner to Lower CO2 Emissions

DB Schenker Logistics has signed a six-year strategic agreement with Maersk Line in an effort to reduce carbon dioxide (CO2) emissions from ocean freight by 2020. As part of this initiative; Maersk Line will take action to reduce the CO2 emissions of the shipment for DB Schenker Logistics by 20%, compared with 2014 levels. Deutsche Bahn chief sustainability officer Dr Karl-Friedrich Rausch said: "This is the first agreement between a global logistics services provider and a container shipping company." Maersk Line is an important partner for us. Together, we will increase our freight volumes and share responsibility for protecting the climate. The agreement is a milestone because we are incorporating aspects of sustainability into our business relationships."

The present agreement is aimed at increasing customers' interest in sustainable ocean freight on the market by bringing aspects of sustainability into business decision-making processes, Maersk Line stated. "We will increase our freight volumes and share responsibility for protecting the climate." Globally, the shipping industry has made numerous efforts to reduce emissions, including introducing new, larger and more efficient vessels, slow steaming and technical modifications to existing ships.

Commenting on the new agreement, Maersk Line chief trade and marketing officer Vincent Clerc said: "The partnership encourages greater transparency on sustainable container transportation, which can drive significant sustainability improvements in the industry." "By integrating sustainability elements into the purchasing decisions, we jointly strive to change the procurement process in container shipping fundamentally."

In September 2014, a report from the International Chamber of Shipping (ICS) revealed that the total greenhouse gas emissions from global maritime transport is estimated to have been more than 20% lower in 2012 than in 2007.

Source: [Ship-Technology](#), 26 Jan 2015

Stakeholders Conclude Coastal Sensitivity Validation Mapping on Marine Environments

one-day Validation meeting of Draft Reports entitled 'Coastal Sensitivity Mapping and the State of Marine Environment' organized by Environment Protection Agency (EPA) has ended in Freetown. The meeting which was geared towards the prevention of helping institutions to elaborate on environmental and coastal plan was held at the Conference Room of the Ministry of Mines and Mineral Resources, Youyi Building on Thursday 22nd January, 2014.

In his opening statement, Chairman of the ceremony, Mr. Kamorba K. Dabo said the event was in line with the Abidjan Convention which focuses on Marine and Coastal environmental protection in the West Africa sub-region. He said in the last few

years EPA in collaboration with partners have conducted researches along the coastal environment in Sierra Leone in order to proffer solution for current and future hazards. According to him the workshop was meant for various stakeholders from academic institutions, MDAs and other organizations.

In his statement, the Acting Director of Fisheries and Marine Resources, Alhaji M.B.U. Cole said Marine and coastal environments have been under severe pressure from population growth, unsustainable resources exploitation and inadequate waste management system.

“Production and management of wastes from all the above socio-economic activities (both on land and in marine-based environments) remains a challenge in Sierra Leone, particularly in urban settlements with huge impact on quality of our marine environment,” he revealed.

He said there are signs of over exploitation of the marine resources, including fisheries and mangroves. He attributed this problem to climate change, global warming and rise in sea level. He cautioned that if the trend continues unchecked it will lead to total collapse of human existence or depletion of marine resources.

He appealed to all stakeholders to put hands on deck and avert the problems. In her Keynote address, the Executive Chairperson of EPA, Madam Haddijiatou Jalloh said the meeting focused on two important projects; “the State of the Marine Environment Reporting” and “Coastal Oil Spill Sensitivity Mapping.” According to her, these projects were initiated in 2014 and progress has so far been made to reach the validation stage.

I would like to thank partners, the Regional Partnership for Marine and Coastal Conservation in Africa, the Wetlands International Africa, United Nations Development Programmes, Center for Ecological Monitoring and the Grid Arendal of Norway for their unflinching financial and technical supports,” she maintained.

She furthered that Sierra Leone Coastal areas are exposed to environmental risk. She informed that the coastal oil spill sensitivity mapping and the assessment on the State of the Marine and Coastal Environment are key resource management tools

that have the potential to enhance their knowledge on the essential steps in addressing the problems.

According to her, sensitivity mapping present effective planning tool to curb ecological losses associated with oil spill while a state of marine environment report can serve as a beeline for introducing an effective coastal management. “Mr. Chairman, it is my opinion that reducing the risk of oil spills is appropriate strategy for minimizing impact to the environment and coastal resources” she disclosed. She informed that in order to prevent future disaster of such nature, they have urged oil exploration companies to undertake an extensive environmental impact assessment.

In his comprehensive presentation, EPA GIS Manager, Mr. Samuel Kamara said before the validation, they have conducted a research at all coastal areas starting from Sulima in Pujehun to another small coastal community in Kambia District. According to him the study was conducted in collaboration and support of some local and international consultants and partners.

Source: [Awareness Times](#), 26 Jan 2015

Climate: Arctic Meltdown to Shake Up Fish Diversity

Melting Arctic sea ice is breaking down the natural barrier between Pacific and Atlantic fish species, with as-yet unknown consequences for ocean ecosystems, scientists said.

The last time the environmental conditions allowed such large-scale transfer to occur was nearly three million years ago during the opening of the Bering Strait, which facilitated the spread of mostly Pacific marine species toward the Atlantic. Redistribution of species and interchange will cause a tremendous increase in fish biodiversity in coastal areas, including Greenland and Svalbard, and thus, dramatic changes to interactions between species, said researcher Mary S. Wisz.

The team’s results, based on predictive ecological modeling, shows that Arctic warming promotes the interchange of fishes between the North Atlantic and North

Pacific Oceans via the Northwest and Northeast Passages as sea temperatures and productivity increase at high latitudes.

History has shown that such biotic interchange can result in severe ecological consequences. For example, the construction of the Suez Canal in 1869 resulted in the invasion of the Mediterranean Sea by Red Sea marine fauna. Red Sea fishes now dominate the Mediterranean fish community, and this has had harmful ecological and economic consequences for Mediterranean biodiversity and its fishing industry.

The newly published work foresees that some commercial species will extend their range at higher latitudes and potentially increase fish yields. However, these fish populations will also encounter new ecological contexts with climate change, such as competition between existing and invading species. The coming decades will therefore present new challenges and opportunities for North Atlantic and North Pacific fisheries, which today account for almost 40 percent of global commercial fish landings?

Source: [Summit County Voice](#), 29 Jan 2015