

MAKING WAVES

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Indian fisherman injured after firing by Pakistani agency

An Indian fisherman was injured in firing by the Pakistan Maritime Security Agency (PMSA), while he was fishing near the Indo-Pak maritime border in Arabian Sea off Jakhau coast in Kutch, the National Fishermen Forum claimed. In a separate incident that occurred, PMSA apprehended 11 Indian fishermen and seized three fishing boats from the same area, it said. "The first incident of firing occurred last evening when the Pakistani agency fired at a fishing boat injuring one of the fishermen," National Fishermen Forum secretary Manish Lodhari said. He further said that in a separate incident, the PMSA had apprehended four boats with 22 persons from near the International Maritime Border, but later released 11 fishermen and one boat. Eleven fishermen and three boats have been taken away to Karachi, Lodhari said, adding that he got information about the incident after the boat returning with 11 fishermen sent a message to him. Earlier in the month, the Pakistani agency had apprehended 10 Indian fishermen and seized three boats. In March, 51 fishermen and 12 boats were seized by the PMSA from near the Indo-Pak maritime border in three different incidents, PBA President Hiralal Siyar said.

Source: [CNN-IBN](#), 14 April

Indian Navy gearing up to receive INS Vikramaditya

The Indian Navy will finally get to lay its hands on INS Vikramaditya as the first batch of officers and sailors have begun training on the aircraft carrier, seven years after the contract to buy the warship was signed with Russia.

After much delay, the crew is being prepared to take the delivery of the aircraft carrier by the end of 2012. Officials said the first batch to commence training in St Petersburg has 150 personnel, this includes officers and sailors. The numbers will increase gradually, as the ship weighing around 40,000 tonnes, will have a crew of 1400 excluding the air component. The first three to four months of the training would be theory classes after which they would move to the ship for practical aspects of handling a ship, the biggest ever in the Indian Navy.

Officials said it signals that the work was on track and the warship should be ready for sea trials before the delivery was taken. A price row had delayed the work upsetting the delivery schedule and Navy's operational preparedness.

When the deal was signed in 2004, \$964 million cost was fixed for the warship, earlier known as Admiral Gorshkov. But some years down the line, Russians demanded more money saying the scope of work had improved because of confusion over some clauses

in the contract. They demanded \$2,9 billion. After a fresh round of price negotiations, the Ministry of Defence settled for \$2.3 billion.

The aircraft carrier is one of the key aspects of Navy's expansion plans. At the moment, the sole carrier - INS Viraat - has undergone massive overhaul for expansion of its life.

Experts believe that after retrofitting, Viraat can be used effectively for many more years. Navy would ideally like to have three aircraft carriers. After Viraat and Vikramaditya, the third one, being produced at Kochi, would be ready for induction by the end of this decade. This means that, by 2020, India should have three aircraft carriers, the only navy in this region to have such a capability.

Source: [Express Buzz](#), 15 April

India to order eight minesweepers from South Korea

India is all set to place an order with a South Korean shipyard for building eight minesweepers for its navy in its quest to overhaul its existing fleet of such specialised warships, defence ministry sources say. The ministry has zeroed in on Pusan-based Kangnam Corporation as the lowest bidder that is technically qualified to execute the order for which Italian firm Intermarine was among the shortlisted companies.

"The defence ministry has initiated cost negotiations with Kangnam Corporation that is expected to be completed in a month or two, when the order will be finally placed," a senior defence ministry official told IANS.

Source: [The Economic Times](#), 17 April

Is the Somali piracy industry becoming too big to fail?

Talk about inflation. One of the first modern-day ransoms - US\$50,000 (Dh183,645) - was paid in 2005 for a ship hijacked off the coast of Somalia. The average ransom paid for each ship is now about \$4 million.

Piracy is a booming business, and not just for the Somalis who roam the waters as far as 2,000km from their own coast. In his speech to delegates in Dubai at an international conference on counter-piracy efforts, the foreign minister in Somalia's transitional government noted regretfully the "gradual emergence of a new industry" surrounding piracy.

There are the private security companies that protect ships; insurance companies and consultants that specialise in calculating risk (and collecting escalating premiums); and translators and negotiators who deal directly with the pirates once ships are seized. And, of course, there are the brokers of "defensive technologies" that are the maritime

industry's must-have accessories of the season, such as barbed wire, high-pressure fire hoses and even powerful lasers that can disable pirate engines from great distances.

The total cost of piracy to the global economy is about \$12 billion, and a fair chunk of that goes to paying people to keep the pirates away. "It is huge. I have three business cases on my desk right now," said Peter Ford, the chief executive of the Omani port of Salalah, the second-biggest in the region after Dubai's Jebel Ali.

Somalia remains lawless and thus largely off limits, and after two decades with a failed state in that country companies can hardly be blamed for investing in short-term measures. As delegates shuttled out of the Madinat Jumeirah, it was easy to imagine the flurry of deals being concocted in the suites of the Burj Al Arab next door. The challenge they confront grows taller by the day as piracy mutates into increasingly sophisticated organised crime.

Last year, pirates collected an estimated \$85m in ransom payments and should their investors be greedy for more, they will be pleased to know their crews are sitting on a pipeline of receivables for the coming year: they are believed to hold more than 50 ships, putting the industry on pace for record revenues.

Source: [The National](#), 21 April

Detained Danish ship released

Denmark-flagged M V Danica Sunrise, which was detained on April 17 following an alert that some of its crew members had plans to offload arms and ammunition near Raigad, has been "released" after the security and intelligence agencies failed to establish the presence of anything suspicious aboard the ship.

An official from the Indian Maritime Security said, "The intelligence agencies decided to release the ship as nothing dangerous or suspicious was found even after repeated search operations." An official from the state anti-terrorism squad said that the ship's crew had been given a clean chit. "The crew members have been allowed to leave India," said the official. While six crew members have stayed back to carry out some repairs to the ship, two British armed guards left for UK."

Source: [Times of India](#), 28 April



India seeks transit facility through 15 routes in Bangladesh

India has submitted a proposal to Dhaka seeking to use the road, railway and facilities of Bangladesh's Chittagong and Mongla ports to carryout its exports and imports with third countries and transport goods to and from its south-eastern region.

"Seeking access to the territory of Bangladesh and its sea ports for the North-Eastern regions of India, New Delhi has invited Bangladesh government to sign a protocol for a period of seven years for the purpose of transit, corridor and use of two ports," the paper said quoting senior Foreign ministry officials. A foreign ministry spokesman has confirmed the report acknowledging the receipt of the proposal through the Indian High Commission in Dhaka, saying it outlined broad characteristics on transit and use of ports.

The proposed protocol also expressed Indian willingness to import and export goods from and to third countries through southeastern Chittagong and southwestern Mongla ports, use warehouse facilities under exempted customs duties.

Commerce Minister Faruque Khan told PTI that Bangladesh would soon decide its final stance on fees for transit facilities to India as the issue continued to dominate the centre-stage of Dhaka-New Delhi relations and the country's domestic politics.

Source: [Deccan Herald](#), 18 April

Mauritius-India work together in combating piracy on the high seas

Appreciating India's role in helping Mauritius in combating piracy at high seas, the Mauritian Prime Minister, Mr Navinchandra Ramgoolam, has said that the two countries can continue to work together in responding to security threats at sea and safety of sea lanes.

In his speech at banquet hosted in honour of the President, Ms Pratibha Patil, Mr Ramgoolam recalled his visit to India in 2005 after which New Delhi had responded to Mauritian request for assistance in building its maritime security capacities.

"Only a few days ago I launched a state-of-the-art coastal surveillance system," Mr Ramgoolam said, adding "indeed, India continues to play a key role in strengthening our security and in helping us to combat piracy". Since April 2009, with the assistance of the Indian Navy, a marine commando force comprising 21 commandos has been set up to combat piracy in the high seas, he said.

Simultaneously, the Indian Government has been deploying on a six-monthly basis, Indian naval ships to Mauritius for the joint surveillance of our Exclusive Economic Zone with a view to combating piracy, illegal fishing and to reinforce maritime security in the region, he said.

“India and Mauritius have a shared interest in the stability of the Indian Ocean and I’m confident that we shall continue to work together in responding to security threats at sea and ensuring the safety of our sea lanes, the arteries of our trade with the outside world,” he said.

He also informed that Indian naval vessels have conducted several hydrographic surveys for Mauritius free of charge, thereby enabling us to revise our antiquated nautical charts and to create new ones. “The production of these bathymetric charts proved vital for the preparation of our submission to the United Nations for the extension of our Continental Shelf. This submission has now been unanimously approved by the United Nations Commission on the Limits of the Continental shelf,” he said.

The speech of the Mauritian Prime Minister came in the backdrop of President Ms Patil announcing that both the countries were committed to jointly fight piracy and enhance security in the Indian Ocean, through mutually agreed measures.

Source: [The Business Line](#), 27 April



Shipbuilding set to ride wave of offshore supply vessel orders

The Indian shipbuilding and repair market is estimated to double from its 2010 revenue of \$1.6 billion in the next five years. The primary driver of this growth will be increasing penetration of Indian shipbuilders and repairers in the offshore supply vessels (OSVs) segment. “Indian companies have established strong credentials in the building and repair of OSVs, resulting in a spike in orders for such vessels. The limited capacities in the OSV segment in leading shipbuilding nations such as Japan and South Korea are resulting in diversion of orders to India, driving up the fortunes of Indian shipbuilders,” a recent study by Frost & Sullivan says.

Other factors like the ageing fleet of shipping companies in India are also broadening the scope for Indian shipbuilding companies. Analysts say that about 40 per cent of the Indian fleet is more than 20 years old and ship owners will need to pump in \$4 billion to replace this fleet in the next four to five years.

The growth potential is further enhanced with the Government aiming for the country's shipbuilding sector to capture a five per cent share in the global market by 2017.

High throughput

The need for new supplies will also increase as Indian ports are gearing up to handle 1,373 million tonnes of throughput by 2015, with a CAGR growth of 7.6 per in the next four years. Plans are afoot to build a world-class commercial shipyard on the eastern coast.

India currently has a mere one per cent share in the global shipbuilding and repair market, estimated at \$160 billion, with South Korea, China and Japan leading with a share of 36 per cent, 32 per cent and 23 per cent respectively. While there are eight PSU shipbuilding yards, including Hindustan Shipyard and Cochin shipyard, the private sector has 21, with ABG Shipyard, Bharati, Pipavav, Tebma and Chowgule being the leaders.

Geographical constraint

Although the outlook for this sector is bright, industry analysts say that there are some challenges that players in this segment should surmount. “India has a vast coastline, but there is an acute shortage of deep draft water space along the coast. This restricts the type and size of ships that can be built or repaired, which is stemming the full growth potential,” says Mr Srinath Manda, analyst with Frost & Sullivan.

Source: [Business Line](#), 26 April

Pipavav Shipyard signs MoU with Babcock Group, UK

Pipavav Shipyard has signed Memorandum of Understanding (MoU) with UK based Babcock group to work together to build next generation proposed aircraft carrier acquisition plan for the Indian Navy.

Babcock group is the UK's leading naval support business and provides a unique role in servicing the Royal Navy and Ministry of Defence. Key activities include building the next generation aircraft carriers, managing naval bases, base porting, refitting, refuelling, and decommissioning submarines maintaining and refitting warships and providing equipment support on behalf of the UK Government.

Source: [India Infoline](#), 28 April



MARITIME INFRASTRUCTURE



Maritime Agenda to be implemented at all ports

The ministry of shipping is all set to implement the Maritime Agenda to increase the total port handling capacity of all major and non-major ports in India to 3.2 billion tonnes by 2020, which at present is one billion tonnes per annum.

Rakesh Srivastava, joint secretary (ports) of the ministry of shipping delivering the inaugural address at the 48th National Maritime Day celebrations at the New Mangalore Port Trust Administrative Office said, all ports in India had recorded considerable growth during the period between 2007-08 and 2010-11, even when European ports were suffering setback due to global meltdown. He said the infrastructure in all ports will be developed to meet the need of the future.

The government has a proposal of merging Indian Ports Act 1908 and the Major Port Trust Acts 1963. The draft of the new merged act will be uploaded to the website to invite suggestions and objections from the public. Later, the draft bill will be tabled in the Parliament to introduce a new Act, Srivastava said.

Source: [Times of India](#), 5 April



MARITIME ENVIRONMENT



India to spend Rs1,200 crore for shoreline conservation.

India will spend Rs 1,200 crore over the next five years to shore up its coastline and conserve its near-shore marine fauna, environment minister Jairam Ramesh announced. The scheme will also include a detailed study to estimate how much of India will be submerged by the rise in sea-levels caused by global warming.

"Currently, we only know that the sea water is likely to rise by around half a metre in the next fifty years," says Dr A Senthil Vel, National Project Director for Society of Integrated Coastal Management. He points out that India at present does not have the required data, including elevation levels on the sea-coast, to make a reliable estimate of how much land the sea-level rise will submerge.

"The contour-maps [of the coastal areas] have detected elevation differences of 5 metres or more. With the new study, we would have maps of 0.5 metre resolution," he pointed out. Vel also added that around 30% of India's 5000 km mainland coastline is now under attack from the sea. These areas, he added, have been classified as 'red' areas, indicating that sea is protruding inwards. "In some areas, erosion is as high as 25

metres [of land] per year," he pointed out. Among the high erosion areas are Alibaugh near Mumbai, Dahej in Gujarat and Ennore in Chennai.

Most of the land-loss is expected along the Western coast, including in Gujarat, while areas such as Haldia in West Bengal are seeing the reverse phenomenon of withdrawal of the sea. Both trends are without considering the added impact of rising sea levels due to global warming, expected to gather steam over the coming years.

Out of the total Rs1,200 to be spent under the Marine ecosystem project, Rs300 crore will be spent in Gujarat, Rs200 crore each in Orissa and West Bengal and Rs200 crore in conducting the mapping study throughout India's coast.

The World Bank assisted project will also target the preservation of the marine fauna in the sea, especially in most of the protected marine parks such as the Bhitarkanika in Orissa.

Source: [Daily News & Analysis](#), 8 April



The Arab Contagion and India's Gulf interests

Prakash Shah

New Delhi must have contingency plans to defend its energy supply lines and workers in the Gulf countries in the event that the Arab uprisings result in calls for US and Nato forces to leave the region.

India's interests in the Gulf region, known as West Asia in the Indian lexicon, are universally known. The political, strategic and economic implications of what is happening in the wider Middle East region for the Gulf Cooperation Council (GCC) countries, Iran and Iraq, saddling the Persian-Arabian Gulf, are clearly of major interest to India.

Whether the peoples' uprisings in Tunisia, Egypt and Libya will impact the Gulf countries is no longer the issue. The GCC countries know it will impact their domestic and regional positions and they have invoked the never-used Peninsula Shield mutual defence agreement to jointly intervene in Bahrain to save the Bahrain regime from capitulating before the Shia-led demonstrations and demands for democracy in Bahrain. The Saudi-led GCC, fearful of the spread of Arab peoples' uprisings into their countries, have bought American and European Union (EU) silence on sending 2,000 paramilitary forces into Bahrain in return for pushing the Arab League to initiate the UNSC Resolution 1973 to take "all necessary measures", including imposition of a no-fly zone, to prevent civilian killings in Libya. The only issue is whether internal and regional

changes in the Gulf monarchies will be self-regulated and peaceful, or forced by the Tunisia contagion, as is happening in Yemen.

Energy security and energy pricing are two of the most important factors which determine a country's growth rates. India imports some 75 per cent of its oil and gas requirements from the GCC, Iran and Iraq. Saudi Arabia is our single largest supplier of oil, followed by Iran, and in lesser quantities, Iraq, UAE, Kuwait, Qatar and Oman. All our energy imports are carried on ships which pass through the Straits of Hormuz, whose maritime security is of vital importance to India. Ships carrying oil for India journey across the Persian Gulf into the Indian Ocean, where a new threat to our oil lanes has recently arisen in the form of Somali pirates.

It is true that the GCC countries are relatively less volatile than the North African Arab dictatorships for a number of reasons. The Gulf monarchies have followed the practice of participatory governance through positive interactions between the rulers and the ruled, as against prescriptive governance in Arab dictatorships. They have small local populations who are well looked after, and large expatriate populations indifferent to domestic governance, unlike the repressive treatment of Arab people in North African countries. Yet, the age-old sectarian divide in Islam between Shias and Sunnis has flared up in Bahrain, is threatening to have a potentially adverse impact on Saudi Arabia, and create further tensions between GCC and Iran. There is serious possibility that the political unrest in Middle East will spread to Yemen, Oman, Jordan, Syria and even Saudi Arabia, which will undoubtedly impact India's interests in the GCC countries.

In addition to our overwhelming dependence for oil and gas on the Gulf countries, India has almost 5.5 million nationals currently working in the GCC, who send back approximately \$30 billion to India as official remittances. India expects that in the normal course the presence of Indian professionals and workers in the booming Gulf economies will continue to increase and will be a source of larger remittances to India.

Despite the political volatility of the region from the days of the Iran-Iraq war, we have considered this area a comfort zone for our energy imports and labour exports. It is the accepted practice in international trade that security of trade, commerce and shipping is looked after by countries one trades with and their regional organisations in their territorial waters.

But the Gulf is a comfort zone precisely because the defence and security of the region, and therefore of our energy supplies and workers, has been the responsibility of US and NATO countries' forces stationed in the region. US, British and French forces have their bases in Saudi Arabia, Kuwait, Qatar, UAE, Oman and Bahrain, in agreement with these countries. Saudi Arabia and GCC neighbours have long-standing arrangements with USA, UK and others whereby, in return for the West providing full security cover and ensuring their defence, they fund the huge military-industrial complexes in the West through regular purchase of advanced weapons systems, which the GCC countries never really intended to use. It is in the mutual interest of the West and the GCC to defend the security of the GCC against threats from foreign powers ranging from the

former Soviet Union and now Russia, to Iran and the non-State terrorist organisations, as well as to protect their energy resources. They have established a strong naval presence in the Persian Gulf and the Straits of Hormuz to ensure that oil shipping moves freely and without interruption to the rest of the world, including India. The US Navy's fifth fleet has its HQ in Bahrain.

There is insufficient appreciation in New Delhi that the comfort zone of energy imports, labour exports and large remittances from the Gulf has a direct relationship with the presence of American and Western forces in the Gulf. Some of our diplomats in the GCC countries tell me that questions are beginning to be raised about India and China benefitting greatly in terms of energy supplies, labour exports and inward remittances from the GCC without contributing even an iota towards the security and defence of this region. It is unnatural for New Delhi to believe that its comfort zone will remain undisturbed even if dramatic domestic changes take place in these countries following the Arab awakening in the Middle East.

There is an equal possibility that anti-monarchy pressure may grow and less secular, more Islamic regimes may make their impact in the GCC countries. What would happen if political changes in the Gulf as a result of the Arab uprisings result in calls for US forces to leave the Gulf? Would India join the call? Would we risk creating a security vacuum that will endanger our oil supply lines, the welfare of our workers and the volumes of our remittances? What would happen if the defence vacuum is filled by China to protect its economic interest? With China occupying the dominant heights in Pakistan and maintaining a strong energy presence in Iran, would India risk departure of the Western armed presence and consequent extension of Chinese's influence in the Gulf region?

Do we have contingency plans to defend our energy supply lines and our workers? Is India's opposition (abstention in a UN vote signifies that we do not agree with the substance of the resolution) to UNSC resolution 1973 an indicator of the policy we want to adopt with regard to the Western military presence in the GCC? These are difficult questions to answer but they do not seem as distant today as before the Tunisian uprising. India needs to ponder over these issues before it is too late.

The author is former permanent representative of India to the UN and the UN secretary general's special envoy for Iraq

Source: [Business Standard](#), 17 April