

MAKING WAVES

The Monthly e-News Brief of NMF

Volume 3, Number 6/7

June/July 2008

MARITIME INFRASTRUCTURE

Efficient Ports Boost GDP Growth

The Indian ports sector has lined up a major capacity overhaul, but low productivity and infrastructure bottlenecks continue to stifle the performance of the country's major ports. Longer turnaround times and evacuation of cargo still plague Indian ports, despite their efforts at modernisation of cargo handling mechanisms.

"Apart from physical infrastructure, equally important is to employ improved systems and trade facilitation measures in ports. These would increase capacities through reduced turnaround times of vessels and evacuation of cargo. Information and communications technology solutions have proved to be the best trade facilitation through ports," says a report from Ernst and Young. For example, the turnaround time in major Indian ports is about 1.77 days, as compared to 0.5 in Singapore. Similarly, the vessel evacuation rate is 40 containers per hour, compared to 100 in Singapore, while the dwell time is 3.78 days as against 0.6 in Singapore. Even in terms of infrastructure, Indian ports need to ramp up their capacities. Jawaharlal Nehru Port Trust, India's premier container port, handles about 60 per cent of India's container throughput; it has three terminals at present with a linear quay length of 600 meters that is adequate to accommodate nine vessels at a time. Compare this with PSA Singapore, which has four terminals with a quay length of 11,754 mts that can accommodate about 41 container vessels at a time.

The E&Y report says that the Government has approved 17 private or captive port projects, of which 13 provide capacity addition of around 38.8 million tones per annum. E&Y research has shown that on-going private investments in the port sector is about Rs 17,000 crore, including Rs 1,400 crore in Mundra, Rs 3,000 crore in Dahej, Rs 2,600 crore in Vizhinjam, Rs 1,700 crore in Dhamra and Rs 2,00 crore in Gangavaram. "Privatisation has been generally accepted as an effective means to increase competition and introduce market forces in the respective sector," the report concludes.

Source(s): Amit Mitra & Shubhra Tandon, *The Business Line*, Jun 02, 2008.
<http://www.thehindubusinessline.com/2008/06/02/stories/2008060250300600.htm>

Dubai Maritime City Formally Launched at Posidonia

Dubai has formally launched its 'Maritime Centre' project as part of its hugely ambitious maritime city project, with the lure of 50-year tax free status for any companies which move to the emirate. The Maritime Centre, the heart of the Dubai Maritime City, comprises a cluster of five high-rise towers called the Creek Towers and Plaza; a landmark tower located at the head of the man-made peninsula; and seven plots reserved for potential developers planning to construct their own towers. The centre will also feature a five-star business hotel and premium service apartments, thus emerging as the first exclusive maritime cluster in the world, a statement said.

The maritime centre will be the world's most exclusive, though not necessarily expensive, maritime real estate investors' paradise," Dubai Maritime City chief commercial officer John Ewing told a press conference at Posidonia. Located at the tip of the 227-hectare man-made peninsula, the Maritime Centre is will be serving as the universal capital for all maritime businesses. Dubai believes its location close to the region's energy reserves, proximity to the booming Indian economy, purpose-built infrastructure and tax free status will make it an alluring base for maritime businesses in the region. Dubai hopes to complete the project by 2012.

Source(s): *Lloyds List*, June 3, 2008
[http://www.lloydslist.com/ll/news/dubai-maritime-city-formally-launched-at-posidonia/20017539193.htm\(&http://www.tradearabia.com/news/STN_144546.html](http://www.lloydslist.com/ll/news/dubai-maritime-city-formally-launched-at-posidonia/20017539193.htm(&http://www.tradearabia.com/news/STN_144546.html)



Essar Plans Port Terminal for LNG, Container Cargo Facility

Essar Group plans to expand its logistics business by building a port terminal for liquefied natural gas (LNG) and a container cargo facility as well as freight stations and depots under its arm, Essar Shipping Ports and Logistics Ltd.

"We are planning to build a port terminal for LNG handling and storage. The group is looking at setting up this facility in the west coast," said a senior Essar Group executive, who didn't want to be named. Details such as investment and capacity are yet to be decided. Expanding into LNG would be a logical extension of the group's existing port business, the executive said. Essar plans to execute the project on its own, though it may tap the technical expertise of other companies, he added.

Essar has a port and terminal facility at Vadinar in Gujarat providing handling, storage and terminal services for crude oil and petroleum products to refineries and traders. "With LNG and container facility, Essar will be having almost all types of cargo-handling facilities in its ports portfolio." Essar Group is also setting up a 30 million tonne (mt) per annum all-weather port and jetty at Hazira in Gujarat for import of iron ore, pellets, coal, limestone and export of finished steel products. It also proposes to build an integrated terminal at Salaya for handling coal and pet coke used in power plants.

Source(s): Live Mint, June 29, 2008.

<http://www.livemint.com/2008/06/29234427/Essar-plans-port-terminal-for.html>

Ennore Port to Invest Rs 2,700 cr. During XI Plan

The Ennore Port Ltd (EPL) has planned a total investment of Rs 2,700 crore in the Eleventh Five-Year Plan on various new projects under the National Maritime Development Programme (NMDP). This includes private investment of Rs1,300 crore on a one-km long world class container terminal, and a quay capable of accommodating three main line vessels of 8,000 TEUs.

The Union Minister of Shipping, Road Transport and Highways, Mr T.R. Baalu has directed EPL to place the container terminal project on the fast track so that the Port's first container terminal becomes operational at the earliest. Keeping in view the new iron ore terminal under construction, the Minister advised EPL to coordinate with the Southern Railways for the early commencement of the new Puthur-Atthipattu broad gauge railway line, which had been approved by the government recently. The cost of the line was estimated at Rs 446 crore, for which EPL would contribute Rs 223 crore as its share of 50 per cent, the Minister explained.

Source(s): Doond.com, July 11, 2008.

http://www.doond.com/forum/forum_posts.asp?TID=5942&PID=5976#5976

Mundra Port to Gain from Boom in Trade

Though the economy has somewhat moderated in recent times in the face of rising inflation, the GDP is still expected to grow at around 8% in FY2009. International trade, which forms an integral part of this growth engine, is likely to grow at 12-15% over the next few years. This growth would benefit our ports, which handle around 95% of trade by volume and 70% in value terms.

Adani group's Mundra Port and Special Economic Zone Ltd (MPSEZL) is one of the firms that will reap windfalls from the growth in trade. Incorporated in 1986, MPSEZL is the developer and operator of the Mundra port, one of the major non-captive private sector ports in India. It is also developing India's first port-based, multi-product SEZ near Mundra port. MPSEZL has exclusive rights to develop and operate the Mundra port and related facilities till February 2031 pursuant to the concession agreement with the Gujarat Maritime Board and the government of Gujarat. MPSEZL is engaged in providing multi-purpose port services for handling bulk, container and liquid cargo. It also provides ancillary services such as railway network, handling and storage. MPSEZL's volumes from the port soared by 46% in FY08 to 28.8 million tonne last year. The company expects its cargo volumes to touch 50 million tonne by FY10

Source(s): Nitin Shrivastava, Dnaindia.com, July 14, 2008.

<http://www.dnaindia.com/report.asp?newsid=1177424>

Port Developers Buy Dredgers to Cut Costs, Overcome Shortages

Private firms building new ports in India are buying their own dredgers to cut costs and speed up the channel deepening work at ports. Dredging work at ports and harbours is carried out with dredgers. A spurt in port expansion projects globally, as well as the offshore construction and land reclamation works in West Asia, has led to a global shortage of dredgers and raised dredging costs significantly.

This has started hurting port development plans in India where private firms are investing close to Rs 65,600 crore over the next five years to boost port capacity for handling more cargo. Hyderabad-based construction firm Navayuga Group, which is developing a new port at Krishnapatnam in Nellore in Andhra Pradesh, has purchased three dredgers, said M.K. Padia, chief executive officer of Krishnapatnam Port Co. Ltd. Navayuga has also hired Dutch dredging firm Van Oord Dredging and Marine Contracting Co. NV to deepen the port's channel and berths.



Earlier, another infrastructure developer, Chennai-based Marg Ltd, which is building a port at Karaikal in Puducherry, had purchased a dredger to expedite the dredging work at the port, slated to start operations by March 2009. "We are in the process of buying two more dredgers to carry out the work at the Karaikal port," said Jayesh Bhat, chief operating officer of Karaikal Port Pvt. Ltd. Essar Shipping, Ports and Logistics Ltd has also purchased a dredger for its own captive needs at Hazira port in Gujarat.

Source(s): P. Manoj , Live Mint, July 14, 2008

<http://www.livemint.com/2008/07/14231701/Port-developers-buy-dredgers-t.html>

Non-Major Ports to Dominate Indian Ports Scene

Non-major ports or state ports will have more say in the emerging Indian shipping and port scenario. Even though ports in general have shown substantial growth in the last couple of years, experts say, it is the non-major ports that stand out in any study. Not only that they are in large numbers, thanks to various developments, their performance levels have surpassed that of many of the major ports.

The total cargo volume handled by major ports has increased from around 157.5 million tonnes (mt) in 1992 to 463.8 mt in 2007. The major ports are handling around 74% of the traffic while remaining 26% is handled by minor ports. That need not be case tomorrow as minor ports have been significantly increasing their share over a period of time. The share of non-major ports in cargo traffic has increased from less than 10% in 1990 to current level of 26%. By notching up a higher growth rate non major ports, irrespective of their lower base, have outperformed many of the major ports.

Going forward, the port traffic is estimated to reach 960 million tonne by 2013-14. Cargo handling at all major ports is projected to grow at 7.7% per annum till 2013-14, with other ports growing at a faster rate of 8.5% compared to 7.4% for the major ports. Considering the high capacity utilisation rate at major ports, the minor ports are expected play major role in improving port infrastructure and adding further capacity. It is state governments which are enabling private participation in development of non-major ports by way of various measures.

Source(s): The Economic Times, Jul 21, 2008

http://economictimes.indiatimes.com/News/News_By_Industry/Transportation/Shipping_Transport/Non-major_ports_to_dominate_Indian_ports_scene/articleshow/3256879.cms

Kerala Planning to Invest Rs120b to Develop Ports

Kerala government will be investing Rs.120 billion for developing ports in the maritime state within the next three years. Disclosed this by Ports Minister M Vijayakumar in the state assembly yesterday, July 21, and the investments would be made with the participation of private parties.

He said the state government had plans to set up a maritime board for the comprehensive development of the ports. The ports to be developed under the project include Azheekal, Kottayam and Beypore. Detailed project reports are already in place in respect of Azhikkal and Beypore ports and the government is in search for consultants to implement the project. The federal government has included Azhikkal port in its National Maritime Development Programme (NMDP).

The port is proposed to be developed to the maximum possible capacity in phases and on modular basis at an investment of Rs.20 billion. The Beypore port, which is the second biggest in the state after Cochin port, is proposed to be developed as an all-weather port through public-private partnership. The port now handles around 100, 000 tonnes of cargo annually. The ports are being developed under the government's attempt to make Kerala a port state. With a coastline of around 590 km, Kerala has 17 intermediate and minor ports. They are Neendakara, Aleppey, Calicut (intermediate ports) and Vizhinjam, Valiyathura, Thankasserry, Kayamkulam, Manakkodam, Munambam, Ponnani, Beypore, Kannur, Vadakara, Thalasserry, Manjeswaram, Neeleswaram, Azhikkal and Kasaragode (minor ports). The major port of Cochin is under the Ministry of Shipping, Government of India while the intermediate and minor ports are under the administration of the Government of Kerala.

Source(s): Khaleej Times, July 22, 2008

http://www.khaleejtimes.com/DisplayArticle.asp?xfile=/data/business/2008/July/business_July839.xml§ion=business

Security Concerns Prompting Govt to Bar a Few from Port Infrastructure

Security concerns prompting govt to bar a few countries from new port projects. The Union government is understood to have decided to curb the entry of infrastructure development companies from several countries into the port sector. The purported decision reportedly follows the Ministry of Shipping's (MoS) move to reopen bids for at least 10 port projects.

Among the countries proposed to be barred are China, Hong Kong and Pakistan. Although foreign direct investment (FDI) proposals from these countries have been rejected earlier on a case-by-case basis, the government is now thinking of introducing a blanket ban on companies from these countries at the bidding stage itself, it is learnt. The country-specific ban may be introduced as part of the international bidding document. This is expected to impact the investment plans of leading international port development companies in India.

Because of the security threats to the country's naval bases, private players from these countries may no longer be permitted to invest in over 250 ports that are being developed or proposed on a public-private partnership (PPP) basis. This may be applicable for all facilities, including cargo handling, ground handling and other services, apart from infrastructure development, say official sources. A decision to the effect is understood to have been taken by the Ministries of Defence, Home Affairs and Shipping and the Department of Industrial Policy and Promotion.

The government permits 100 per cent FDI in port development, but these countries may not get approval from security agencies in future. This is because most of the ports are close to naval bases.

Source(s): Doond.com, Jul 24, 2008.

http://www.doond.com/forum/forum_posts.asp?TID=6089&PID=6123#6123

SHIPBUILDING

ABG Sees 8-9 bn Rupees Revenue From Rig-Building

Shipbuilding firm ABG Shipyard Ltd. sees average revenue of 8 billion to 9 billion rupees a year from its rig-building project, which is expected to be ready by January, a top official said on 2nd June, 2008. ABG's new 6.75-billion-rupee rig building yard is coming up in Dahej, Gujarat and the company is already in process of finalising orders for it, Dhananjay Datar, chief financial officer, told Reuters in an interview. The company, India's largest private-sector shipbuilder, hopes to grow at 60 percent in 2008/09 with a hefty order backlog and higher prices of the vessels, he said.

Source(s): Swati Pandey, Reuters, Jun 2, 2008.

<http://in.reuters.com/article/domesticNews/idINBMB00188220080602>

Gujarat Plans Incentives for Shipbuilding to Boost Industry

The Gujarat government has made provisions in the new industrial policy to boost shipbuilding and ship repair industry in the state. The government is planning to offer special incentives for the sector with a vision to "augment and enhance efficiency in ports-related services and make Gujarat a logistic hub.

The government task force has made recommendations to offer capital and interest subsidies for shipbuilding industry in the state and also offering land at concessional prices. Reimbursement of stamp duty and 5% interest subsidy for 5 years is also on the cards. The task force has recommended a greater focus on customer's needs (shippers and consignees), support "Door to Door" inter modal transport, stimulate mode shift, increase efficiency apart from innovativeness and exploitation of technology and utilization of newest information and communication technology

"Shipbuilding is a very high risk and high cost industry. So the government is mulling capital subsidy," says a senior government official. According to him special provisions will be made for capacity building in ship building and institutes and training centres will be encouraged by giving concessional land.

While the government is on its way to develop 10 ports, it is essential to make its ancillary services at par with the international standards. Gujarat has been emerging as a major shipbuilding destination. At the global investors' summit last year, logistics and shipping companies in the port sector had signed MoUs worth Rs 13,500 crore. The state, which aims to account for 50 per cent of the nation's shipbuilding activity, has decided to come up with a shipbuilding policy.

Source(s): Ashish Amin, The Business Standard, June 08, 2008.

http://www.business-standard.com/common/news_article.php?leftnm=1&subLeft=1&chklogin=N&autono=325436&tab=r

Shipbuilding Industry Asked to Focus on Quality

Growing concerns about the number of inexperienced yards entering the market and the growing pressure to find increasingly scarce skilled workers have found its echoes at the recently concluded China National Committee annual meeting organised by Lyoyd's Register Asia.

Zhang Guangqin, president of the China Association of National Shipbuilding industry, said with the appreciation of currency, rising interest rates, surging raw material costs and labour costs already threatening to curb the global appetite for new ships, any slip in shipbuilding quality could bring an end to the current demand cycle.

Source (s): The Economic Times, June 16, 2008.

CSSC Takes a Giant Leap in World Shipbuilding

On April 3, Hudong-Zhonghua Shipbuilding (Group) Co., Ltd under the leadership of China State Shipbuilding Corporation (CSSC) became the owner of China's first home built liquefied natural gas (LNG) carrier. Chen Xiaojin, President of CSSC, noted that the successful building China's first independently built LNG carrier is a milestone in the development history of China's shipping industry. Thus China has turned into a "shipbuilding power" from a "big shipbuilding country" alike Japan, South Korea and minor European countries.

Source(s): Li Yuyang, Jun 27, 2008.

http://en.ce.cn/Insight/200806/27/t20080627_15980741.shtml

Shipbuilding Feels Pinch of High Bank Guarantee for Raw Material Import

A high amount of bank guarantee requirement for the import of raw materials under bonded warehouse and the cost for obtaining such a guarantee make the Philippines' booming shipbuilding industry less competitive, according to industry insiders. They pointed that the competitive shipbuilding nations like India, Vietnam, South Korea and Singapore do not pay any such charges for the import of such industrial raw materials.

The National Board of Revenue (NBR) last year imposed an additional 25 percent bank guarantee requirement on this sort of imports. However the NBR clarified that the bank guarantee is required for those builders only who want to import raw materials through green channel to avert any lengthy customs procedure. Ananda Shipyard Chairman Dr Abdullah Hel Bari thinks this 25 per cent bank guarantee is too high. On importing through green channel, he said it is natural that every body prefers this channel to avert the lengthy customs procedure.

Source(s): Jasim Uddin Khan, The Daily Star. June, 27, 2008.

<http://www.thedailystar.net/story.php?nid=43011>

Higher Oil Prices to Boost Bharati Shipyard's Growth

Shipbuilding firm Bharati Shipyard Ltd plans to increase focus on offshore oil exploration segment and rig-building as higher oil prices boost demand and drive revenue, a top official said here in Mumbai. The company, which already earns 70 percent of its revenue from offshore supply vessels, already has a rig-building order from shipping services firm Great Offshore Ltd Managing Director P.C. Kapoor told Reuters.

"Our focus has always been offshore. Higher oil prices are helping us as there's more demand now," he said. "We will be looking for more orders in rig-building in the future." Bharati has invested around 4 billion rupees in its Mangalore project and another 6 billion in Dabhol, which will also have rig-building facilities apart from ship-repair. The Dabhol plant can make 2-3 rigs once it is fully operational by 2010, Kapoor said. The company expects revenue in 2008/09 to grow at 40 percent on the back of heavy orders and new facilities, he said

Source(s): Reuters, Jul 7, 2008

<http://uk.reuters.com/article/tnBasicIndustries-SP/idUKBOM17400120080707>

Indian Shipbuilders Bet Big on Demand from Foreign Shores

Indian shipbuilders are expected to invest Rs 20,000 crore in the next five to six years to enable them grab the growing demand for ships from Japan, Korea and China. The scarcity of shipbuilding yards in these countries up to 2012 will help Indian shipbuilders increase their market share globally.

Indian shipbuilding yards have started posting good profits in the past four to five years on the back of strong demand for new ships from international operators. The central government is also planning to set up two shipbuilding yards, one each in west and east coasts, with an investment of \$1.57 billion. The proposed investments will not only increase capacity, but will also put India on the global shipbuilding map along with other competitors in the region.

India's share of the global shipbuilding market is expected to increase to 5 per cent by 2020 from the current 1 per cent. Ray Stewart, the chief executive officer of Pipavav Shipyard Ltd, said traditionally, Indian yards focused on the small and medium segments but the current orders are dominated by offshore supply of boats and bulk carriers. In the last 18 months, orders worth around \$1 billion for building Panamax vessels have come to India. Profitability of the yards too has gone up mainly because price of ships has doubled in the last four years.

Source(s): T E Narasimhan The Business Standard, July 10, 2008
<http://www.business-standard.com/india/storypage.php?autono=328347>

Govt Plans to Extend Subsidy Scheme for Shipbuilding Delayed

India is delaying reintroducing a subsidy to shipbuilders that would offset the high costs of manufacturing a ship in the country at a time the government is fighting record inflation and soaring oil prices. The previous scheme, which expired on 15 August 2007, provided a 30% subsidy on all ship sales to foreign firms and ocean-going merchant vessels more than 80m in length sold in the domestic market.

Indian shipbuilding yards carry a minimum cost disadvantage of 32-37% on the price of a typical vessel, when compared with yards in other major shipbuilding countries that include South Korea, Japan, China and Germany, according to a recent report by audit and consulting firm. Hectic lobbying by local shipbuilders to maintain the subsidy at the earlier level of 30% has added to the delay. The shipping ministry has withdrawn a cabinet note drafted in January proposing a subsidy of 20% for 10 years beginning 15 August 2007.

"The finance ministry has so far not responded to the proposal to extend the subsidy scheme," said shipping secretary A.P.V.N. Sarma. "Because of the government's preoccupation with other pressing issues, a decision on the subsidy is taking a bit longer to come," said a shipping ministry official. Shipbuilders have been lobbying for the subsidy as it would boost the domestic shipbuilding business, which is beginning to gain acceptability among global fleet owners due to a worldwide scarcity.

Source(s): P. Manoj, Live Mint, Jul 29, 2008.
<http://www.livemint.com/2008/07/29224520/Govt-plan-to-extend-subsidy-sc.html>

SHIPPING

Govt Plans to Develop Inland Waterways System

Inland waterways, once considered a poor cousin of road and rail transport, are now being given a new thrust. These are being developed by the government as an alternative means for movement of goods instead of the conventional road and rail option. Road transport costs have been rising steadily on higher fuel prices and the government is now planning to develop a robust inland waterways system. With numerous rivers ready to service the long coastline, the government has invited private sector investment through local logistics firms to develop requisite infrastructure for transport of raw materials and industrial goods.

The first waterway is on the Ganga-Bhagirathi-Hooghly rivers from Allahabad to Haldia over a distance of 1,620 km. The second national waterway is on the Brahmaputra from Dubri to Sadiya over a stretch of 891 km. The third national waterway connects Kottapuram-Kollam sector on the west coast with the Champkara and Udyogmandal canals over a 205-km distance. The three waterways are expected to be fully functional by March 2010. These will be used for export of fly ash to Bangladesh and transport of coal, gypsum, clinker and cement within the country. A detailed study by the Planning Commission found that barges of 1,500 tonnes with a load of 75 per cent moved on inland waterways consume 46 per cent of the energy consumed by diesel rail traction and only 7.4 per cent of the energy consumed by diesel trucks.

The state of the waterways is certainly better than earlier, but it is still far from satisfactory. For instance, the Ganga-Bhagirathi-Hooghly river system, the National Waterway No.1 (NW1), connects the ports of Kolkata and Haldia to central West Bengal, north Bihar and eastern UP. The hinterland of these ports also spreads to Nepal. Yet, night navigation facility is not available, doubling the transit time, and even the minimum draft along the channel is not assured during the dry season, which is half the year, beyond Patna.

Source(s): Dipankar Bose, Hindu Business Line, June 23, 2008.
<http://www.thehindubusinessline.com/2008/06/23/stories/20080623350810600.htm> (&
The Economic Times, June 26, 2008,
http://economictimes.indiatimes.com/Economy/Govt_plans_inland_waterways_system/articleshow/3165839.cms

Asian Security Summit Focuses on Int'l Co-Op in Disaster Relief

The annual Asian Security Summit, also known as the Shangri-La Dialogue, concluded here Sunday, 1st June 2008 with defense ministers and senior officials from 27 countries heavily focusing on international cooperation in disaster relief. Meeting for the first time since Cyclone Nargis hit Myanmar and the earthquake hit China last month, defense ministers including U.S. defense secretary, China's deputy chief of the general staff of the People's Liberation Army (PLA) and Myanmar's deputy defense minister, have agreed on three principles to guide the efforts of the international community in helping disaster-struck countries.

The first principle stressed the responsibility of disaster-hit countries to respond to disasters occurring within their territory in a prompt and effective manner. The second is, where needed, they should facilitate the entry of humanitarian aid from other countries and international organizations. Any external help shall have the consent of the affected countries, and it should come under their overall control and supervision, said the third.

Singapore's Defense Minister Teo Chee Hean, stressed the importance of international cooperation in humanitarian assistance and disaster relief, as "no country, no matter how big, is able to muster all the resources and specialized capabilities necessary to attend to all the needs of the victims." Teo's call for international cooperation in disaster relief echoed Singapore's Prime Minister Lee Hsien Loong who said that international cooperation is key to tackling non-traditional security threats such as food shortages and natural disasters when he made a keynote speech at the opening of the conference on Friday. "A crisis management system of global reach is urgently required to effectively manage the vestiges of natural disasters," Lee said, adding that "Working together on such a system will strengthen our regional and global cooperation in dealing with today's uncertainty."

The Shangri-La Dialogue, now in its seventh year, has played a useful role in shaping common perceptions and norms of behavior in the region. This year, besides natural disasters, other security challenges facing the region were also discussed by the participants, such as energy and food security, non-proliferation, as well as terrorism.

Source(s): Zheng Xiaoyi, Xinhua, Singapore, June 01.

http://news.xinhuanet.com/english/2008-06/01/content_8296753.htm

Coast Guard: Secure Ports in Indian Ocean Help U.S.

The U.S. Coast Guard in the first week of June helped broker a landmark security pact between countries in the Indian Ocean, an agreement that is a first for the region and could help stave off trafficking of weapons and humans on the high seas. Nine countries signed the security pact, including India and Pakistan.

Lt. Cmdr. Richard Kavanaugh, an international port security liaison officer in the small Tokyo office of the Coast Guard Activities Far East, said that the common thread between the countries in the region and also of interest to the U.S. Coast Guard is ... human trafficking, weapons trafficking and drug trafficking. Speaking from the law enforcement aspect of the U.S. Coast Guard, trafficking drugs, humans and weapons is the main avenue for a lot of the terrorism, for instance. If terrorists are going to move from country to country, they are going to do it through human-trafficking avenues. Heroin in the United States is primarily coming out of the Asian subcontinent and that is all being trafficked through the Indian Ocean or through land routes. A lot of it is going through the Indian Ocean. Weapons trafficking is a primary source of funding for a lot of the terrorist organizations around the world. Specifically, the LTTE [the Liberation Tigers of Tamil Eelam] in Sri Lanka uses sea routes for a large portion of their weapons trafficking.

"One of the primary reasons this initiative was started was in the Indian Ocean, there was none. There are other cooperative agencies around the world ... that have maritime security sub-working groups and things like that. In the central Indian Ocean and throughout the Asian region, there were no cooperatives of this sort. This is quite groundbreaking." He said "we work closely with the governments of the region — Malaysia, Indonesia, Singapore ... We assist in capacity-building efforts for regional maritime law enforcement agencies. We work to help bolster their capabilities and reduce the risk of piracy in those waters."

Source(s): Travis J. Tritten, Stars and Stripes, (Pacific edition), June 5, 2008.

<http://www.stripes.com/article.asp?section=104&article=62599&archive=true>

Singapore and US Kick off Maritime Exercise

Singapore and the United States kicked off an 11-day maritime exercise on June 23, 2008 focusing on anti-air, anti-surface, and anti-submarine warfare and security operations. A key highlight of the Cooperation Afloat Readiness and Training (CARAT) exercise is the "MISTRAL missile firing by the Republic of Singapore Navy's landing ship tank RSS Endeavour against air drone targets," the defence ministry said in a statement.

"Land, sea and air elements from the two armed forces, totalling 1,400 personnel, 14 ships, five fixed and rotary wing aircraft, and one submarine, will be deployed for the exercise," the ministry said. The Singapore Armed Forces, US Navy and US Coast Guard are participating in the exercises wrapping up on July 3. The annual series aims to enhance interoperability and professional cooperation. The exercises started in 1995.

Source(s): June 23, 2008.

<http://www.earthtimes.org/articles/show/214227,singapore-and-us-kick-off-maritime-exercise.html>

African Nations Working for Maritime Security

Representatives from 10 East African nations, along with coalition partners from the United Kingdom, France and the United States participated in a week-long working group to help lay a foundation for great partnership in the realm of maritime security. Speakers from the various organizations presented on a wide range of topics including strategies for short and long term planning, pooling resources, regional cooperation and security considerations at sea. The team from Combined Joint Task Force – Horn of Africa organized the event and was the catalyst for bringing these countries together to discuss issues pertaining to the region.

Rear Adm. Philip Greene, commander CJTF-HOA, spoke first about the implication for why maritime security is so vital for overall regional success. "This is a wonderful opportunity to bring people together to develop partnerships, as well as to share information and knowledge about our path to improving maritime security and safety in the Horn and Eastern Africa," he said.

The end state is regional security and cooperation to help create a prosperous East Africa, said Greene. "The importance of maritime security and safety in this region is driven because of the economic challenges that the region faces," Greene said. "This is due to criminal activities at sea, trafficking of drugs, smuggling of illegal cargo, trafficking of people as well as armed robbery and piracy at sea. Every country has limited resources to combat these many issues, including the United States. Whether it is money, people or ships the resources are finite and talking about what the issues candidly allows all of us to tackle the problems within the confines of what we have."

Source(s): Scott Cohen, CJTF-HOA Public Affairs, July 4, 2008.

<http://www.hoa.centcom.mil/ArticleArchive/June2008/EASWAI062308.asp>

Dhaka, Yangon Vow to Resolve Maritime Disputes Soon

Bangladesh and Myanmar have pledged to resolve their disputes over maritime borders in the quickest possible time, the Bangladesh foreign ministry said here on Thursday July 24. "We discussed issues of common interest including resolving the issue of maritime boundaries at the soonest," a statement quoted foreign affairs adviser Mr Iftekhar Ahmed Chowdhury as saying after a meeting with his Myanmar counterpart Mr U Nyan Win in Singapore the previous day.

The two had met on the sidelines of an ASEAN Regional Forum meeting ended recently. The statement said Bangladesh and Myanmar experts on sea-related issues met in Dhaka early this year and decided to hold another round of talks on the issue in Yangon this year to resolve the dispute. Officials earlier said maritime border demarcation now appeared crucial as a UN set deadline for lodging maritime claims is to expire in next three years exposing Bangladesh to risks of losing a vast territory in the Bay of Bengal. Bangladesh has pending maritime boundary disputes with India too.

Source(s): Business Line, July 24, 2008.

<http://www.thehindubusinessline.com/blnus/10241320.htm>

MARITIME SECURITY

A RAND Study Finds Increase in Piracy and Terrorism at Sea

Acts of piracy and terrorism at sea are on the rise, but there is little evidence to support concerns from some governments and international organizations that pirates and terrorists are beginning to collude with one another, according to a RAND Corporation study issued on 6th June, 2008.

The objectives of the two crimes remain different -- piracy is aimed at financial gain while the goal of terrorism is political. Although both events are increasing, piracy is growing much faster and remains far more common than seaborne terrorism, according to the report. "The maritime environment will likely remain a favorable theatre for armed violence, crime and terrorism given its expanse, lack of regulation and general importance as a critical conduit for international trade," said Peter Chalk, author of the study and a senior political scientist at RAND, a nonprofit research organization. "While there is no quick fix for eliminating all of this, we can rationally manage the threats within acceptable boundaries."

The number of piracy incidents worldwide increased 68 percent from 2000 to 2006, compared to the previous six year period, according to the study. Meanwhile, the period saw only a modest spike in terrorist attacks and plots at sea, including the 2004 bombing of the Philippine ship SuperFerry 14 that killed 116 people. Acts of piracy -- boarding a ship to commit theft or another crime -- totaled 2,463 actual or attempted incidents between 2000 and 2006, according to the report. The overall problem is almost certainly even greater than the figures suggest as researchers suspect nearly half of all piracy attacks are not reported, usually because of fears about subsequent investigation costs and increases to insurance premiums.

Piracy remains greatest in Southeast Asia, especially around the Indonesian archipelago, the report said. The region accounted for nearly a quarter of all piracy incidents recorded during 2006. Other high-risk areas include the waters off Bangladesh, Somalia, the Gulf of Aden/Red Sea, Nigeria, Tanzania and Peru, which collectively accounted for the bulk of remaining incidents that year.

Source(s): RAND, June 6, 2008.

<http://www.rand.org/publications/email.html> (&)

http://www.eurekalert.org/pub_releases/2008-06/rc-rsf060208.php

Asia's Navies Into The Wide Blue Yonder

In the 15th century China possessed a mighty navy of "treasure fleets". They sailed as far as Africa and the Persian Gulf, spreading China's economic and political influence across several continents. Had this naval expansion continued, some scholars say, China could have dominated the world. But successive emperors turned the nation inwards on itself, seafaring was banned and the country's great shipyards were closed. A recent study by the London-based International Institute for Strategic Studies (IISS) concluded that China was also close to beginning the production of aircraft-carriers, which would give it the ability to project airpower over great distances. China has long wanted to create a force capable of thwarting the intervention of America's Pacific fleet in any war over Taiwan. But it is also increasingly keen to protect its supplies of fuel and raw materials from threats such as piracy and terrorism.

America has particular worries about a naval base China is building on Hainan island, from where its vessels will have easy access to South-East Asia's shipping lanes—most importantly the Malacca Strait. The Indians are afraid that China's reason for building ports in Myanmar, Pakistan and Sri Lanka, and conducting naval exercises with Pakistan, is to extend its dominance into the Indian Ocean. Thousands of Chinese-flagged merchant ships now cross the ocean each year, giving China plenty of justification for increasing its naval presence. India, in turn, is pushing into the South China Sea, and seeking port facilities in Vietnam. India shares China's concern that, as trade volumes and energy consumption soar, its security is vulnerable to any disruption of sea traffic. The flagships of its new blue-water navy will be three aircraft-carriers—the same number as Britain. The first of two Indian-built carriers is now under construction, with a launch date of 2010. A third, bought second-hand from Russia, is suffering delays and disputes over its refitting.

Tim Huxley of the IISS says that with so much attention focused on China and India, the naval expansion of other Asian countries is often overlooked. Yet several, especially South Korea, are also building long-range naval capabilities. Besides new submarines and destroyers, the South Koreans, like the Japanese, are commissioning helicopter-carriers.

Source(s): The Economist, Jun 5, 2008.

http://www.economist.com/world/asia/displaystory.cfm?story_id=11496828

US, Gulf Allies Won't Let Iran Close Gulf Oil Passageway

The U.S. Navy and its Gulf allies will not allow Iran to seal off the strategic Strait of Hormuz, the commander of American naval forces in the Persian Gulf said. Vice Adm. Kevin Cosgriff, commander of the 5th Fleet, made the warning during talks with naval commanders of Gulf countries in the United Arab Emirates capital of Abu Dhabi. The one-day meeting was to focus on the security of the region's maritime and trade routes and the threat of terrorism and rampant pirate activity.

The 5th Fleet is based in Bahrain, across the Gulf from Iran. Cosgriff said that if Iran choked off the Strait of Hormuz, it would be "saying to the world that 40 percent of oil is now held hostage by a single country. " "We will not allow Iran to close it," he told the conference of Gulf naval commanders, maritime experts and reporters. Cosgriff's comments follow Iranian threats that it could seal off the key passageway if there were a Western attack on Tehran. But Cosgriff said the "international community would find its voice rapidly" if Iran were to close the key strait. .

Earlier Cosgriff has said in Bahrain that any such action by Iran would be viewed as an act of war. Twenty-five million barrels of oil, worth about US\$3 billion, pass through Hormuz every day. Tension has been high between Iran and the West over accusations that Tehran is supporting Shiite militias in Iraq and using its nuclear program as cover for weapons development. Iran denies both claims.

Source(s): The Associated Press, July 2, 2008

<http://www.iht.com/articles/ap/2008/07/02/africa/ME-Emirates-US-Iran.php>

Study on National Strategy for Sri Lanka's Maritime Security Unveiled

Foreign Minister Rohitha Bogollagama has emphasized the paramount need for Sri Lanka to adopt a national strategy for maritime security, given her geo-strategic location in the Indian Ocean straddling the vital sea route linking the Orient and the West. He made this observation at a meeting held at the Foreign Ministry on 27 June 2008, when a Concept Paper on "National Strategy for Maritime Security of Sri Lanka" was presented to him. The in-depth study and analysis on this subject was commissioned by the Minister and conducted by a Committee appointed by him under the auspices of the Lakshman Kadirgamar Institute for International Relations and Strategic Studies (LKIIRSS). The Foreign Minister said that Sri Lanka could play a crucial role in this area, since a significant percentage of maritime traffic movement takes place in the southern sea of the country.

The concept paper on maritime security, which was the first such comprehensive study conducted in Sri Lanka, covered a wide range of aspects of maritime security. Having researched and identified the threats, objectives and the strategic plan of action, the paper has suggested that Sri Lanka should formulate a well defined national maritime security strategy for the protection of marine resources from unlawful exploitation, prevention of damage or harm to vital assets from acts of subversion, terrorism or sabotage. The Committee has proposed a number plans including maritime domain awareness, maritime intelligence integration, an integrated maritime threat response, a regional and global coordinated strategy, maritime infrastructure recovery, maritime transportation and commercial security.

Source(s): Asian Tribune, July 03, 2008.

<http://www.asiantribune.com/?q=node/12034>

Japan to Boost Its Sea Power

Japan is reawakening to its potential as an ocean-going nation after more than half a century of retreat from adventuring into the oceans surrounding the islands. "Next year will be a new start for Japan as a maritime nation," said parliamentarian Seiji Maehara, one of the promoters of ocean policies at a recent seminar commemorating the one-year anniversary of the enactment of Japan's Basic Act on Ocean Policy, aimed at protecting and utilizing ocean resources. Since the Basic Act was adopted, the Japanese government has set up an ocean policy office headed by Prime Minister Yasuo Fukuda. It has also announced economic and financial policies to carry out the ocean-related policies.

Maehara, former head of the main opposition Democratic Party of Japan, stressed the importance of Japan's ocean development in light of China's recent extensive maritime research. He said that Chinese ships, including military vessels and submarines, legitimately or illegally, "have thoroughly studied the depth, temperatures and tidal streams of all the seas and channels around Japan, and in every season." He warned that the research had serious military implications. Long-term, he suggested, "There is a danger that China and Taiwan would form an anti-Japan alliance over their common territorial claim over the Senkaku Islands." The islands are known as the Diaoyutai in Chinese. Maehara said that new Taiwanese President Ma Ying-jeou had written a thesis on Taiwan's justification for regaining the disputed islands while studying at Harvard University in the United States. Japan is also involved in other territorial disputes – with South Korea over Takeshima island, known as Dokdo in Korean, and with Russia over the Kuril Islands, which Japan calls the Northern Territories.

National concerns over maritime security and safety allowed the Basic Act to pass almost unanimously in the Diet last year. There are also concerns over potential assets, including oil and gas, around the country's 6,847 islands and islets. Though Japan's land area is only about 380,000

square kilometers, its territorial waters and exclusive economic zone as recognized by the U.N. Convention on the Law of the Sea encompass about 4,470,000 square kilometers, giving it the world's sixth largest maritime area. In fact Japan was one of the most successful ocean-going nations before World War II; so much so that its interests eventually clashed militarily with major sea powers like Great Britain and the United States. But post-war Japan has stuck to self-imposed restraints on its maritime ventures.

Source(s): Hiroshi Yamazaki, July 07, 2008
http://upiasiaonline.com/Economics/2008/07/07/japan_to_boost_its_sea_power/9166/

Indian Warships Shielded PM During SAARC Meet In Lanka

India hasn't taken any chances with Prime Minister Manmohan Singh's security during his visit to Colombo for the SAARC summit in the middle of July. The Centre despatched three warships, including two frontline guided-missile destroyers, to Sri Lankan waters as security cover for the PM and his entourage from the much-feared LTTE. With the LTTE having both air and naval wings, and even using trained deep-sea divers for underwater suicide missions, Indian experts obviously didn't want to take any chances. What must also be weighing on the minds of the Indian agencies is the LTTE's success in using light aircraft to bomb a military airfield near Colombo without the radar detecting it. Apart from Sri Lankan security personnel, security cover was bolstered by the three Indian warships, including a Delhi-class destroyer and a Rajput-class destroyer, equipped with Sea King and Chetak helicopters.

Source(s): The Times of India, Jul 16, 2008
http://timesofindia.indiatimes.com/India/Indian_warships_to_shield_PM_during_SAARC_meet_in_Lanka/articleshow/3238175.cms

The Indian Ocean: The Most Dangerous Seas In The World

On a dazzling morning in April, the *Playa de Bakio*, a Spanish fishing boat, limped into paradisaic Port Victoria in the Seychelles, damaged by grenades. Its crew of 26 was shaken. A Spanish military aircraft flew them to momentary fame in Spain. The fishermen had been held by Somali pirates for a week and freed after a ransom of \$1.2m—so it was rumoured—was paid, in contravention of Spanish law. The boat, a big industrial vessel known as a purse seiner, was easy prey. The pirates attacked on a speedboat launched from a mother ship, a captured Asian fishing ship known as a longliner. Once on board, they regaled the crew with tales of famine in their villages. Critics suggested that it was too close to Somali waters, but the boat's log recorded it as 247 nautical miles (457km) off Somalia's shore when the pirates struck, well outside the official economic exclusion zone that extends 200 nautical miles. Spain banned its fishermen from entering Somali waters two years ago. The boat's insurance would have been void if it had done so.



Longliners, which are quite small, do fish illegally in Somali waters, especially in the months after October when monsoon winds draw tuna from across the Indian Ocean. Packed with ice, they try to catch a few tonnes of the more valuable sort of tuna, known as bigeye and yellowfin, while the bigger purse seiners like the *Playa de Bakio*, most of which are European, sweep up hundreds of tonnes of less valuable skipjack tuna outside Somalia's waters. Many cheating longliners are from Taiwan and Indonesia; others are from Sri Lanka, Thailand and elsewhere. With blurred markings, they transfer their catch at sea to bigger cargo ships or bribe officials to land their catch illegally in African ports. There may be a thousand or more of them in the Indian Ocean, unchecked and untraceable. Some buy licences from Somali warlords. A few arm their boats with anti-aircraft guns big enough to blow an approaching pirate skiff out of the water.



While these so-called "bio-pirates" strip Africa's waters of a valuable and sustainable resource, the more conventional pirates terrorise one of the world's busiest shipping lanes. All ships heading south after passing through the Suez Canal must ply the waters between Somalia, a failed state, and Yemen, where civil strife has been increasing. This is now one of the world's most dangerous passages. The International Maritime Bureau advises ships to keep 200 nautical miles off Somalia. As the attack on the *Playa de Bakio* shows, that is not far away enough.

But the pirates' biggest victim has been Somalia itself. Some 2.6m of the country's 8m people depend on food aid that comes by sea. French, Danish and Dutch naval ships have escorted ships carrying food from Mombasa to Mogadishu, Somalia's capital, for the UN's World Food Programme, but it is a fragile supply line.

In May, a Jordanian freighter, the *Victoria*, carrying sugar for displaced people, disappeared 56km (35 miles) off Mogadishu before being freed a week later. It is hard for the UN to find shipowners willing to take the risk without an armed escort. After Somalia's collapse into civil war in 1991, some Somalis began to steal the odd small fishing boat. These days the pirates are a lot more sophisticated and better organised, with powerful speedboats, mother ships in the high seas, heavy weapons, satellite equipment, and negotiators abroad who handle ransoms. They target bigger ships at night, lighting up the sky with tracers, heavy-machinegun fire and rocket-propelled grenades.

Captured vessels are usually sailed into Somali waters until a ransom is paid. A Danish icebreaker, the *Svitzer Korsakov*, bound for Kamchatka in Russia's far east, recently spent six weeks off the Somali coast after pirates captured it; its crew was fed with goats ferried from the parched shore and slaughtered aboard. The Ukrainian ship freed last week had been held for nearly seven weeks. According to the International Maritime Bureau, more than 25 ships were seized off Somalia's 3,700 kilometres (2,300 miles) of coastline last year despite patrols by an international force based in Djibouti.

In June a unanimously-backed UN Security Council resolution tabled by France and the United States made it legal for foreign navies to chase pirates into Somali waters and, if need be, sink them. But many Somalis are loth to co-operate. Their feeble government lacks the clout to tackle pirates in such places as Haradheere, in central Somalia, where many hail from. Somalis ask why the UN is so worried about the fate of foreigners at sea, while it does so little to help Somalis on land.

Source(s): *The Economist* (Reuters), Jul 17, 2008

http://www.economist.com/world/mideast-africa/displaystory.cfm?story_id=11751360

Somali Pirates Seize Japanese Ship

Pirates seized a Japanese vessel and its 21 crew members off the Somali coast, maritime officials said on Tuesday, July 22. The Panama-flagged MV *Stella Maris* was seized on Sunday near Calula, a port in Somalia's breakaway northern region of Puntland. "There were 21 crew on board but none of them were Japanese nationals," Choong said. Puntland presidential adviser Bile Mohamoud Qabowsade said 38 "heavily-armed pirates" stormed the ship in international waters in the Gulf of Aden. "So far we are tracking them down. We want to know where they are going to stay with the ship," Qabowsade told AFP. The Japanese foreign ministry said it was monitoring the situation but did not believe that Japanese were targeted.

"We are collecting further information on the incident, but from what we've gathered so far, it doesn't seem like it was related to Japan," said Kohei Maruyama, a foreign ministry official. A Japanese company had leased the ship, but it was registered in Panama and operated by Panamanians, he said. The hijackers of the 52,000-tonne freighter are yet to make any ransom demands, Mwangura told AFP, adding that he had no information about its port of origin or destination. The ship -- managed by MMS Company of Japan -- was carrying lead and zinc. The waters off Somalia, which has not had an effective central government for more than 17 years, are considered to be among the most dangerous in the world.

Source(s): AFP, Jul 22, 2008

<http://afp.google.com/article/ALeqM5iCkZjKxA8dtJ6dd10U40jJHGFOdg>

Iraqi Navy Finds Its Sea Legs?

Four years after it was created from scratch by U.S. and British advisers, the new Iraqi Navy is on the verge of becoming a truly self-sufficient, capable "counterinsurgency" navy. On July 22, Royal Navy Captain Paul Abraham, senior adviser to the Iraqi navy, spoke to bloggers as part of the Pentagon-sponsored "Blogger's Roundtable" program. He said the Iraqi Navy is doubling its 1,900-man payroll, filling out the ranks of its two undermanned Marine battalions and buying 21 new vessels to replace the current five patrol boats. "We aim to achieve a counter-insurgency navy [that's]



fully complete and trained up by early 2010 or 2011," he said. The problem is, this has been heard before, like during visits to the Iraqi Navy's base at the port of Umm Qasr in 2005 and 2006. Coalition advisors have been saying exactly what Abraham said: that the Iraqi Navy is almost ready. But Iraq has just 50 miles of coastline, so who cares?

Well, those 50 miles include two ports through which most of Iraq's oil and commerce flow, accounting for 90 percent of the government's revenue. Few countries concentrate so much of their national wealth in such a small area: Iraq's economy is extremely vulnerable to pinpoint attacks on commercial chokepoints. Insurgents and Shi'ite extremist groups know this. There have been suicide attacks on the oil terminals, and until this March, Shi'ite groups controlled Umm Qasr's streets. But during the Iraqi-led offensive to retake southern Iraq from the militias this spring, the Navy's Marine battalions cleared out Umm Qasr — an operation Abraham called "very successful." That's real evidence of the Navy's growing capability.

Source(s): David Axe, July 23, 2008

<http://blog.wired.com/defense/2008/07/iraqi-navy-find.html>

The World's 10 Worst Maritime Disasters—in The Last 20 Years

The Philippines tops the charts with the MV Doña Paz/MT Vector collision in terms of number of casualties in a single maritime disaster. But three of the top maritime disasters in the past two decades happened in Indonesia. The world's ten worst maritime disasters are listed below

1. MV Doña Paz (Philippines, December 20, 1987)

Passenger vessel MV Doña Paz collided with MT Vector, an oil tanker, along the Tablas Strait, between Mindoro and Marinduque. The collision ignited some 8,800 barrels of petroleum products that Vector was carrying at the time, causing a fire that rapidly engulfed the tanker and the Doña Paz. Subsequent investigations into the incident found that Dona Paz exceeded its passenger and cargo limits and that the Vector's boat license had expired. Casualties reached 4,375.

2. MV Joola (Senegal, September 26, 2002)

The disaster happened within five minutes after MV Joola sailed to a sea of storm in the coast of Gambia. Various reasons for the disaster were cited, among them overcrowding, and negligence by management as the ship was not originally designed for sea faring. Death toll totaled 1,863.

3. MV al-Salam Boccaccio 98 (Red Sea, February 3, 2006)

Faulty drainage pumps and unpredictable weather were some of the reasons cited for the sinking of MV al-Salam Boccaccio 98, a Roll-on/Roll-off ferry, into the depths of the Red Sea. Survivors and eye witnesses said a fire started at the storage area and, as the ship turned, it capsized and eventually sank. 1,018 passengers died in the disaster.

4. MV Bukoba (Lake Victoria, Tanzania, May 21, 1996)

The passenger steamer MV Bukoba sank in Lake Victoria causing 894 casualties while en route to Mwanza, a city in Tanzania. The steamer was already in bad shape before the voyage. It was also found out that the steamer was overcrowded.

5. MS Estonia (Baltic Sea, September 28, 1994)

The locks on the bow visor and bad weather caused this cruise-ferry's demise. A total of 852 were killed during the tragedy.

6. KM Cahaya Bahari (Indonesia, June 29, 2000)

A total of 550 deaths were recorded after a storm hit and eventually capsized Cahaya Bahari, an Indonesian wooden-hulled ship, off the island of Sulawesi. The ship was overcrowded with refugees fleeing from the Maluku islands.

7. MV Nazreen 1 (Bangladesh, July 8, 2003)

The overcrowded MV Nazreen I sank at the confluence of the Padma, Meghna, and Dakana rivers, considered one of the most dangerous parts of the river from July to October. Casualties were counted at 528 although there's no recorded number of passengers aboard.

8. Salem Express (Egypt, December 15, 1991)

The Salem Express, a roll-on/roll-off ferry sank off Safaga in the Red Sea as it was crossing the treacherous Hyndman Reefs. Because of the storm, the ship hit a reef, causing the bow visor to open, creating a hole on the starboard side. Water penetrated the ship which eventually sank in 20 minutes. Deaths were counted at 464.

9. MV Senopati Nusantara (Indonesia, December 30, 2006)

The Indonesian ferry sank due to a violent storm off Mandalika Island in the Java Sea leading to 461 deaths. One survivor said that the ship rolled over before it submerged to the depths.

10. KM Bismas Raya 2 (Indonesia, October 1999)

KM Bismas Raya 2 caught fire while off Merauke, Irian Jaya. It eventually capsized and caused the death of 361 people.

Source(s): ABS-CBN News, June 5, 2008.

<http://www.abs-cbnnews.com/storypage.aspx?StoryId=122748>

Scientists Warn of Coastal Ecosystem Destruction

Scientists are warning in a new study that coastal ecosystems around the globe face irreparable harm unless governments change the way they manage them. The report, led by Canadian marine biologist Peter Sale, projects that about 90 per cent of the world's coastlines will be affected by human development by 2050. Sale says several factors have degraded the oceans so much that it could lead to a "terminal disaster" in the ecosystems. He says overfishing, intensified agriculture, rising pollution and poorly planned tourist operations are destroying marine regions. The report was released at the United Nations in New York by the International Network on Water, Environment and Health. Sale says multinational agencies such as the UN need to press governments to use science when making decisions about fish stocks, development and coastal activities. The shoreline of the Dead Sea near the town of Ghor Haditha in Jordan is seen, Feb. 8, 2007 showing the shrinking water level of the sea - the lowest point on earth.



Source(s): The Canadian Press, Jun 4, 2008.

http://www.ctv.ca/servlet/ArticleNews/story/CTVNews/20080604/ecosysmte_report_080604/20080604?hub=Canada

Essar to Develop Marine Ecosystem in Gujarat

Marking the World Environment Day, the Essar Group has committed to undertake development of a marine ecosystem through mangrove afforestation in Gujarat. Spanning an area of 100 hectares, the ecosystem will be developed on the coast adjoining Dandi village in Surat district. The project will be executed by the group through Gujarat Ecology Commission (GEC), Government of Gujarat. Initially, as part of the project, around 2,500 mangrove saplings were planted on the coast on June 5, 2008. However, the entire proposed afforestation project will involve creation of a nursery that will nurture the 2,50,000 saplings needed to completely cover the 100 hectares, a company release stated. On its part, once the saplings are planted in a designated area after three months, GEC will maintain the plantation over three years.

Source(s): The Business Standard, June 06, 2008.

http://www.business-standard.com/common/news_article.php?leftnm=1&subLeft=1&chklogin=N&autono=325224&tab=r

Ocean Life Under Threat From Climate Change

"Marine ecosystems are undoubtedly under-resourced, overlooked and under threat and our collective knowledge of impacts on marine life is a mere drop in the ocean," wrote Dr Anthony Richardson, from The University of Queensland and CSIRO, and his co-author, Dr Elvira Poloczanska from CSIRO in Hobart.

"There is an overwhelming bias toward land-surface studies which arise in part because investigating the ocean realm is generally difficult, resource-intensive and expensive," they said. The disparity in focus on land-based compared to marine impacts was highlighted in the Intergovernmental Panel on Climate Change's (IPCC's) Fourth Assessment Report (2007), which included 28,500 significant biological changes in terrestrial systems but only 85 in marine systems. The paper argues that the collection of marine environment data over 20 years or more – a requirement for inclusion in IPCC assessments – suffered in the mid-1980s due to government funding cutbacks for international marine science research, just as ocean warming began accelerating.

The authors advocate change in the existing IPCC process to better assess the impacts. "Climate change is affecting ocean temperatures, the supply of nutrients from the land, ocean chemistry, food chains, shifts in wind systems, ocean currents and extreme events such as cyclones," Dr Poloczanska said. "All of these in turn affect the distribution, abundance, breeding cycles and migrations of marine plants and animals, which millions of people rely on for food and income. Development of the Integrated Marine Observing System, announced in 2006, is an important step forward but securing data over the time scales relevant for climate assessment will not occur until near 2030."

Source(s): Science Daily, June 11, 2008.

<http://www.sciencedaily.com/releases/2008/06/080606105448.htm>

Carbon di Oxide Disposal in The Ocean is a Dangerous Distraction

Bill Hare, Greenpeace adviser and visiting scientist at the Potsdam Institute for Climate Impact Research, Germany, has called for carbon storage experiments in the depths of the Pacific Ocean. The urgency of reducing emissions of CO₂ has never been greater. The science of climate change has revealed that the risks are much higher and more imminent than we had estimated only a few years ago. But just as with a deadly emergency in a heavy passenger jet: the crew should never, ever rush into hasty actions that will ultimately make a very bad situation a lot worse. Ocean disposal of CO₂ is one such option.

A careful, rational and scientific analysis of the option of CO₂ disposal in the ocean leads to the conclusion that it is not viable. In 2006, the German government's scientific Advisory Council on Global Change (WBGU) came down against this option: "introducing CO₂ into seawater should be prohibited, because the risk of ecological damage cannot be assessed and the retention period in the oceans is too short." The main arguments were "the largely incalculable ecological risk" and the fact that over longer timeframes a significant fraction of the stored CO₂ would get back to the atmosphere.

Deep water injection CO₂ would cause inevitable and potentially irrevocable damage to those deep-water ecosystems directly impacted (smothering, asphyxiation, acidification), and at scale would result in far more widespread effects in the abyssal zone over time as the clathrates dissolve. Over far longer timescales it would result in changes to abyssal ecosystems which in turn feed back to the global carbon cycle. To suggest that there is "no indication that the projected rise in upper ocean CO₂ content will have adverse impacts on fish" and, on this basis, to argue that spread of CO₂ through the deep sea would therefore also be benign, is misleading in the extreme. The fact that deep water CO₂ concentrations are currently lower than those of surface waters should not be taken as an indication of a vast unexploited capacity for CO₂ disposal. Our knowledge of the biogeochemical processes which have contributed to the current distribution of CO₂ in the deep oceans remains limited, as does our capacity therefore to predict the consequences of multi-billion tonne injections of CO₂ at depth. To assume that uniformity of concentration is somehow an acceptable target, or one which will have minimal impact on marine ecosystems and the carbon cycle, is oversimplistic.

Source(s): The Guardian, June 18, 2008

<http://www.guardian.co.uk/environment/2008/jun/18/carboncapturestorage.carbonemissions1>

Plan to Kill 86,000 Seals Draws Ire in Namibia

Seal hunters plan to club 86,000 seals in an annual hunt set to begin next week, as animal rights activists brace for a showdown with the government over a practice they regard as inhumane. During this year's season — from July 1 to Nov. 15 — seal hunters will be allowed kill 6,000 adult males and 80,000 pups, a quota that remains the same as last year, said Moses Maurihungirire, director of resource management at the Ministry of Fisheries and Marine Resources.

Maurihungirire said that the seal population is healthy and not at risk of extinction, although the International Union for Conservation of Nature (IUCN) lists seals as endangered. The government has said the seal hunt protects its fish stocks because seals consume 900,000 tons of fish a year, which is more than a third of the fishing industry's catch. The hunt also provides revenue from skins, fur and meat, and creates 149 jobs, Maurihungirire said. But activists from Seal Alert South Africa said the country's seal population is no longer sustainable. Francois Hugo, of Seal Alert, said a colony on Cape Cross island was wiped out during last year's hunting season.

"Namibia's commercial sealing industry is 93 percent seal pup based," Hugo said, adding that the government is targeting nursing pups, rather than adults that eat fish. The sparsely populated country is famous for the wildlife and desert landscape of its Skeleton Coast. Among the tourist attractions are the 850,000 seals that live on roughly a dozen rocky, remote islands off the southwest Atlantic coast.

Source(s): Roderick Mukumbira, , Namibia, Associated Press, Jun 25, 2008

http://ap.google.com/article/ALeqM5ipaD5NXwcHrMZVcrIW46V5s0IS_qD91H82EO0

Declare Gulf as 'Special Marine Zone', Says GCC

Meetings of the 12th round of the Gulf Cooperation Council's Ministerial Committee for Environment Affairs ended here on Wednesday July 2 with issuance of recommendations aimed at preserving the marine environment. The GCC officials recommended the declaration of the Arab Gulf as "special marine zone" starting Aug 1, 2008. They underlined significance of certain regulations to ban entering ships from dropping wastes in the waters of the region and guarantee that oil is not spilled in gulf waters.

The officials called on member countries to finish construction of installations capable of receiving ship wastes. They also called for increase of social awareness on marine environment issues and implantation of individual and collective responsibility vis-a-vis environment protection. Kuwaiti Minister of Information Sheikh Sabah Al-Khalid Al-Sabah said that the meeting focused on efforts to protect the eco-system in the region. The meeting also touched on international resolutions concerning climate shifts and the Ozone Layer, stated the Kuwaiti minister who affirmed that several GCC committees were formed to concentrate on these matters.

Speaking to KUNA, Sheikh Sabah Al-Khalid said before his departure from Doha that the meeting came out with decisions and resolutions which encourages efforts to protect the environment, adding that the event has ratified the "green initiative" for that purpose.

Source(s): The Arab Times, July 4, 2008.

<http://www.arabtimesonline.com/kuwaitnews/pagesdetails.asp?nid=19257&ccid=9>

Mangalore: Precautionary Steps Fail to Check Sea Erosion

The people of Ullal, whose houses are dangerously close to the sea, feel they are left high and dry with little or no action to solve the problem of sea erosion on a long term basis. As they showed three buildings, including a church, that have been damaged in the sea erosion Hillarynagar at Mukkechery in the last few weeks, they alleged that oft-repeated visits by the people in power have not helped them.

The land and buildings were lost year after year, they said. This year, even a temporary road created for movement of lorries for dumping boulders for erecting a barricade to protect the houses has caved in. As one approach the Ullal coast, the roaring ocean that challenges the boulder barricade put up by the authorities to protect houses and people from sea-erosion welcomes you. People point out that at least one family has vacated a house fearing its collapse after the foundation at a corner of the building gave in when ferocious waves battered it. The people said, the house owner Fatima abandoned the house and started living in a rented building away from the coast.

While the residents were angry that the visits by the VIPs to the sea erosion site has had no impact and more land was being eaten away year after year. "They come as if they come to their guest houses here and vanish," said angry Abdul Rauf, who works in the fishing harbour at Bunder. Executive Engineer at Udupi Division of the Department of Ports and Fisheries B. Gopal Naik said permanent solution would depend on the report to be submitted by a technical evaluation being done by experts hired by the Asian Development Bank. He said his department was spending Rs. 90 lakh this year to strengthen or extend the sea wall in 410 metres identified.

Source(s): The mangalorean, July 4, 2008.

<http://mangalorean.com/news.php?newstype=local&newsid=83529>

Cruise-Liner Sewage Adds to Baltic Decline

Most international cruise ship companies operating in the Baltic Sea have refused to cooperate with a plea from WWF to stop dumping their sewage straight into the water. The Baltic, an inland sea, is one of the most polluted seas in the world, so much so that the countries on its northern European shores have recently joined together to form the Baltic Sea Action Plan in an attempt to reverse its decline.

WWF contacted ferry lines and cruise ship companies sailing there asking for a voluntary ban on waste-water discharge. So far most of the ferry lines have responded positively, but only three of the international cruising lines have signed up. "We think it should be the responsibility of anyone operating a ship in the Baltic Sea to take care of their own wastes in a responsible manner and stop polluting the sea," said Mats Abrahamsson, Program Director of the WWF Baltic Ecoregion Program. "If some companies can sign our agreement, why can't the others?" The Baltic Sea receives between 250 and 300 cruise ships each year and the waste-water produced is estimated to contain 113 tons of nitrogen and 38 tons of phosphorus, substances that add to the eutrophication of the sea. Eutrophication is considered by many to be the main environmental problem of the Baltic Sea, causing both biological and economic damage to marine environment and coastal areas.

It is caused by an overload of nutrients, such as phosphorus and nitrogen, into the ecosystem. Eutrophication causes many problems, including unusually strong and frequent blooms of "blue-green" algae. Some of these algae produce toxins harmful to both humans and animals, with people even advised not to go in the water in many parts of the Baltic. Furthermore, when the algae die they sink to the bottom and consume large amounts of oxygen, causing "dead zones". Seven of the largest dead zones in the world are at the bottom of the Baltic Sea. The lack of oxygen and sun-light - blocked out by the algae - also has an impact on plant life and on fish reproduction.

In addition to excess nutrients, the waste water dumped by the boats also contains bacteria, viruses and other pathogens. "The most obvious thing they should do is install storage tanks large enough for them to carry the waste to the next port," said Abrahamsson. "Ships go into port quite often, so they can easily do that. They complain that the facilities in the ports are not efficient or large enough, but that is just a bad excuse. "We concede that the facilities could be improved and we have told the companies we're happy to work with them to influence the authorities to improve their capacity to receive this waste. But it's already perfectly possible to do it." Dr. Anita Mäkinen, Head of Marine Programme for WWF Finland, said: "Some big cruise ships are treating their waste waters onboard, but only according to the Alaska regulations, which do not regulate nutrients but only bacteria and organic content of the waste water. They don't seem to understand that this is not enough in the Baltic Sea."

Source(s): Panda.org, Jul 08, 2008.

http://www.panda.org/news_facts/newsroom/index.cfm?uNewsID=140021

Reefs under Threat

Shipping activities are partly to blame for the endangered state of the world's shallow coral reefs, according to a report published in the latest issue of *Science*. Coral reefs form a delicate ecosystem that is now under threat. Vessel anchors can drag for considerable distances, breaking up coral structures that took hundreds of years to build, and boat groundings cause devastation.

At least a quarter of the planet's reef-building corals face a noticeable risk of extinction, according to the first large scale review of hundreds of species says marine biologist Kent Carpenter of Old Dominion University in Norfolk, Va.

While some of the threat to the reefs are more global, coming down to factors like CO₂ emissions which changes surface water chemistry and weaken structures, 'local' threats can be linked with vessels movements as well as port and coastal developments, which cause movements of sediment and pollution build up that corals are particularly susceptible to.

Source(s): Maritime Journal, Jul 16, 2008.

http://www.maritimejournal.com/archive101/2008/july/old_newsletters/reefs_under_threat



HUMAN RESOURCES

European Shipbuilding Industry Strongly in Need of Highly Skilled People

The European shipbuilding industry is strongly in need of highly skilled people. A recent HR research study called "Demographic Change and Skills Requirements in the European Shipbuilding and Ship Repair Industry" executed by Koers & Vaart for CESA and EMF indicates an annual need for technical employees in the EU shipbuilding industry over the next 5 years of 11.000 people. This is 11% of the present EU shipbuilding technical workforce. Retirements taken into account the EU shipbuilding workforce has to grow by 10% per year in the next five years. The industry has a high need for technical employees at MSc/BSc level an average need for technical employees at vocational level and no need for unskilled labour The future need for the total technical workforce in the EU-14 shipbuilding industry is distributed into the following function groups: 3% in sales and after sales, 17% in design and engineering and 80% in work preparation and production. This indicates a stronger focus on sales and after sales and on design and engineering at the expense of work preparation and production.

Source(s): Hotfrog.nl Jun 2, 2008

<http://www.hotfrog.nl/Companies/Koers-Vaart/FullPressRelease.aspx?id=13581>



Pipavav Shipyard Plans to Hire Japanese Professionals

Pipavav Shipyard plans to hire around 50 Japanese professionals for its upcoming shipyard in Gujarat. This is at the exploratory stage and is at the 'cost checking stage to do a cost-benefit analysis,' according to its CEO, Mr Ray Stewart. It roped in Mr Mikito Shirai, a national of Japan, as Head of Planning and Production Engineering. He was a senior engineer at IHI, one of Japan's largest shipbuilding companies. There are four senior Japanese managers as well.

The professionals will be mainly working on the shop floor, Mr Stewart said at a maritime seminar organised by the All-India Manufacturing Organisation. "We have not decided to hire the Japanese professionals yet. If we did, it will purely be a temporary measure to help during the initial phase of production and to assist with training of our permanent staff," he told *Business Line*.

Why Japanese and not Korean or Chinese (who are today the largest ship builders in the world)? Mr Stewart said Koreans and Chinese learnt from the Japanese – "so, why not go to the original teachers". With senior managers from Japan, it is also logical to follow up with Japanese rather than other nationalities, he said.

The construction of the Rs 2,371-crore Pipavav Shipyard is likely to be completed by October. On completion, the shipyard is expected to have the capacity to build and repair vessels of up to 4 lakh DWT (dead weight tonne). It will be capable of ship construction and repairs for a range of vessels of different sizes and types, as well as the fabrication and construction of products such as offshore platforms, rigs, jackets and vessels (but excluding sub-sea pipelines) for oil and gas companies. Similarly, Pipavav Shipyard has agreements with three international ship owners for the construction of 26 Panamax bulk carriers of 74,500 DWT each for delivery from 2009 to May 2012, including options for four ships which have been exercised.

Source(s): T.E. Raja Simhan, *Business Line*, July 09, 2008.

<http://www.thehindubusinessline.com/2008/07/09/stories/2008070951550700.htm>



MARINE TECHNOLOGY

S Korea Arrests Chinese for Ship Technology Theft

A Chinese inspector sent by a US ship classification society to a South Korean shipyard has been arrested for allegedly stealing key technology, prosecutors said on July 9. The 35-year-old unidentified man was arrested on June 27 and indicted for stealing technology to manufacture oil drilling ships and platforms, said the prosecutors' office in the southern port city of Busan.

"This case shows that China is using all means available to steal advanced technology from our shipbuilding industry," the office said in a statement. It said the American Bureau of Shipping, at the request of a Chinese state shipping company, sent the man last September to supervise the building of a ship at an undisclosed yard. He was the first foreigner to be charged in South Korea with technology theft.

South Korea is the world's largest shipbuilder but China is catching up fast. Korean shipyards led by Samsung Heavy Industries have received more than 90 percent of global orders for offshore platforms for oil development, which require high standards of technology. South Korea is sensitive to technology leaks. In July last year prosecutors charged four local shipbuilding engineers with leaking technology to China.

Source(s): AFP, Jul 9, 2008

http://afp.google.com/article/ALeqM5huBUB08V13PpoNk2ppCZUZ_tk8Tg

Kaveri Engine May Propel Naval Ships

The Kaveri engine, yet to fit the bill for the Light Combat Aircraft, has now been modified to propel naval ships, sources in Defence Research and Development Organisation (DRDO) said on Thursday, July 17. A modified naval version of the engine had worked on a test bed and was yet to be proven in a marine environment.

"There is some distance to go but this is a welcome development," said the sources, adding that the engine could propel destroyers of the Kashin class. If the engine proves its mettle on the seas, India will become self-reliant in the technology of gas turbines for ship propulsion. "This will put India in the elite club of marine gas turbine designers such as the U.S., Russia, the U.K. and Ukraine," said DRDO officials.

Scientists of the DRDO's Bangalore-based Gas Turbine Research Establishment (GTRE) used the core of the Kaveri engine and added low pressure compressor and turbine as a gas generator. They also designed a power turbine to generate power for maritime application. The Kaveri Marine Gas Turbine (KMGT) was transported to the Naval Dock Yard, Vishakapatnam, and installed on a marine gas turbine test bed. The Navy has been involved in the development of the engine and is supporting the testing phase. The engine has been tested to its potential of 12 MW at 35 degrees, which is the requirement of the Navy for propelling the Rajput class ships.

Source(s): *The Hindu*, July 18, 2008.

<http://www.hindu.com/2008/07/18/stories/2008071855291400.htm>



Kochi: A Point of Volvo Ocean Race

This could be the biggest bonanza for God's own country. Kochi has been selected as the only stop-over port in South Asia for the famed Volvo Ocean Race, world's fastest ocean yacht racing event which is held every four years. Kochi is among the 11 ports of call across the world where the 10 high-speed yachts would stop over for 10 days during the sixmonth-long sailing marathon which begins from Alicante in Spain on October 4, 2008, and ends at St Petersburg in Russia on June 9, 2009. The stopover at Kochi will be from December 3 to 13. It is for the first time in the 35-year-long history of the ocean adventure race (originally called Whitbread race) that Asia has been included in the itinerary. China's Qingdao is the only other Asian port where the race will stop over. "India and China are high on their agenda as they are the two most happening countries and emerging markets," says N. Ramachandran, chairman, Cochin Port Trust (CPT) which hosts the race at the Kochi port jointly with the Kerala Government's Tourism Department.



"Kochi was picked despite major bids by many much larger and high profile ports like Dubai and Singapore," he says. Kochi has hit another jackpot too as the race organisers have waived the €10 million (Rs 60 crore) licence fee to be paid by each of the ports where the race stops over.

However, CPT and the state tourism have launched a Rs 30-crore project to build a race village, a flotilla of 100 Kerala-style houseboats to house the guests, spruce up the port's facilities, extend berthing facilities, construct new multi-storey office building for the race, a 60,000-sq meter covered exhibition plaza and upgrade roads, bridges etc to rise up to the international event. The event, which attracts global media attention, is also seen as a unique business opportunity for many high-profile global corporate houses and major brands that sponsor the 10-odd yachts and gather at the ports to cheer their respective teams.

CRUISE ARRIVALS IN INDIA				
PORT	2004-05	2005-06	2006-07	2007-08
KOCHI	19	22	38	43
MUMBAI	16	18	31	26
MORMUCAO	11	10	32	31
MANGALORE	8	3	18	17

The opportunity has also come to be used for high-profile business meetings, networking conclaves and client entertaining programmes. The six-month long race is constantly monitored by onboard cameras and the images are beamed worldwide. A key reason which helped Kochi clinch the deal is its recent emergence as a favoured destination for luxury cruise vessels. Today Kochi attracts the largest number of cruisers, thanks to the state's reputation as a tourism hotspot. This year, a record 43 cruisers have arrived, which include maiden voyages of some of the world's most famous and largest vessels like Queen Victoria and Queen Mary II. A world-class marina is soon to come up in Kochi besides an exclusive cruise terminal at the port. An American firm has prepared the feasibility report for the Rs 230-crore cruise terminal which will house a five-star hotel, shopping malls, food courts, a Kerala village etc.

Source(s): M.G. Radhakrishnan, India Today, July 04, 2008.

http://indiatoday.digitaltoday.in/index.php?option=com_content&task=view&issueid=31&id=10895&Itemid=1§ionid=36



UNSC Passes Resolution on Curbing Piracy at Somalia Coast

The International Maritime Organization (IMO) has welcomed a new Security Council resolution which aims to curb piracy along Somalia's coast by allowing ships to enter the country's territorial waters to prevent attacks by armed robbers. IMO Secretary-General Efthimios E. Mitropoulos said in a statement that firm action was needed since the current situation was stifling the flow of much-needed aid to Somalis, jeopardizing the lives of innocent seafarers, fishers and passengers, and adversely affecting international trade.



The Security Council resolution gives permission, for a period of six months, to States cooperating with Somalia's Transitional Federal Government (TFG) to enter the country's territorial waters and use "all necessary means" to repress acts of piracy and armed robbery at sea, in a manner consistent with international law. The resolution follows a surge in attacks on ships in the waters off Somalia's coast, including hijackings of vessels operated by the World Food Programme (WFP) and other commercial vessels. The resolution's text says these developments pose a threat "to the prompt, safe and effective delivery of food aid and other humanitarian assistance to the people of Somalia," and a grave danger to vessels, crews, passengers and cargo.

Source(s): The United Nations, June 3, 2008.

<http://www.un.org/apps/news/story.asp?NewsID=26893&Cr=somalia&Cr1=>

Process Begins to Finalise Tariffs for 5 Port Projects

Major ports regulator Tariff Authority for Major Ports (TAMP) of India has started the process to finalise upfront tariffs for five upcoming terminal projects in four ports — Paradip (two projects), Visakhapatnam, New Mangalore and Goa. Fixing the tariff is important to ensure faster implementation of the projects under the new rules decided for port projects to be taken up on a build, operate and transfer (BOT) basis through public-private partnerships (PPP).

The new rules, which are specified in the model concession agreement (MCA), state that the tariff ceilings would be fixed upfront and competitive bids (on a revenue share basis) will then be invited from companies wanting to develop and operate port terminals. In 2008-09, the Shipping Ministry aims to implement the bidding for 10 port projects cumulatively valued at Rs 5,500 crore. The list comprises mega container terminal at Chennai, international cruise terminal at Kochi, and development of 13-16 multipurpose cargo berths at Kandla, development of EQ 10 berth and WQ 6 quay in northern arm of inner harbour at Visakhapatnam.

Source(s): Mamuni Das , Business Line, June 12, 2008.

<http://www.thehindubusinessline.com/2008/06/13/stories/2008061351541000.htm>

ILO Adopts New Charter for Maritime Sector

The International Labour Organisation overwhelmingly adopted a comprehensive new labor standard for the world's maritime sector, in what ILO director-general, Dr Juan Somavia called a landmark development in the world of work. The new Maritime Labour Convention, 2006 was adopted by a vote of 314 for, with no votes against and four abstentions at the 94th International Labour Conference (Maritime), held here from February 7 to 23. The vote marked overwhelming support by delegates from more than 100 countries representing seafarers, ship-owners and governments.

The new convention clearly sets out, in plain language, a seafarers bill of rights while allowing a sufficient degree of national discretion to deliver those rights with transparency and accountability. The convention also contains provisions allowing it to keep in step with the needs of the industry, and help secure universal application and enforcement.

The convention will apply to all ships engaged in commercial activities with the exception of fishing vessels and traditional ships (such as dhows and junks). The new convention is designed to encourage compliance by operators and owners of ships and strengthen enforcement of standards at all levels, including provisions for onboard and onshore complaint procedures for seafarers regarding the ship-owners and shipmasters supervision of conditions on their ships, the flag States jurisdiction and control over their ships. The convention sets minimum requirements for seafarers to work on a ship and contains provisions on conditions of employment, hours of work and rest, accommodation, recreational facilities, food and catering, health protection, medical care, welfare and social security protection.

Source(s): The Navhind Times, June 19, 2008

http://www.navhindtimes.com/articles.php?Story_ID=06199

Govt Mulls Changes in Maritime Law to Boost Coastal Trade

In an attempt to promote coastal trade, ease road and railway congestion and trim transport costs, the government proposes to change a law that regulates domestic commercial shipping. Small ships ferrying merchandise will be able to sail over longer distances between the country's ports once the change is made.

Vessels engaged in coastal shipping, also known as short-sea shipping, are much smaller than ships that ply international waters. But the same provisions of the Merchant Shipping Act, relating to construction, equipment, operation, certification and safety, are applicable to all vessels irrespective of size and business profile.

Now, to remove the anomaly, India's maritime administration, the Directorate General of Shipping, proposes to exempt ships engaged in coastal trade from some of the provisions of the Act, subject to some conditions. A comprehensive exemption order is likely to be issued for ships of less than 3,000 gross tonnage used exclusively in coastal trade, said Samuel Darse, deputy director general of shipping. Ships used for international trade are much bigger, with a capacity of at least 30,000 gross tonnage.

"A draft of the proposed conditions (Indian Coastal Ship Safety Code) that such vessels will have to comply with in order to avail of the exemption from some of the provisions of the Merchant Shipping Act is being circulated," Darse said. The new code, once notified, would mean striking a balance between local and international laws in case of safety equipment and procedures on-board for plying longer distances—six nautical miles from the coast.

Source(s): P.R Sanjai & P. Manoj, Live Mint, Mumbai/Bangalore, June 19, 2008.
<http://www.livemint.com/2008/06/19004041/Govt-mulls-changes-in-maritime.html>

New US Law May Hit Indian Ports Badly

A new US law, introduced after the 9/11 terror attacks, has come as a rude jolt to the Indian ports like Paradip, Mumbai and Kandla as the stringent measures in the law are very tough to implement. The new law will require 100% electronic screening of all cargo coming to the US at the port of origin. Last week, the World Customs Organization (WCO) released a report prepared for it by the University of Le Havre in France, which said that many ports will not be able to meet the 2012 timeline, and that the costs and process changes will reduce global trade. In fact, the WCO has called for the US to scrap or significantly revise the law.

The law, passed by both Houses of Congress and signed by President Bush in August, requires – in theory - 100% scanning by 2012. Those in opposition believe safety can be achieved with a much less onerous process, to which the WCO now lends its voice. According to experts, 100 per cent screening rule would cost \$100 per container, raising shipping costs substantially and resulting in increased consumer prices for imported goods into the US. Global port screening costs would rise from approximately \$400 million this year to \$1 billion in 2012.

Source(s): Commodityonline.com, June, 21, 2008.

<http://www.commodityonline.com/news/topstory/New-US-law-may-hit-Indian-ports-badly-9759-3.html>

Ocean Scientists Object to Draft CMZ Notification

With the draft Coastal Management Zone (CMZ), which seeks to protect and develop the coast and marine environment, having been notified on May 9 this year, ocean scientists have demanded a clear formula to demarcate the 'no construction zone' before its finalisation.

For the purpose of regulating activities in the CMZ area, a 'set back line' on the land would be demarcated based on vulnerability of the coast to natural and man-made hazards, according to the notification. The vulnerability of the coast to natural hazards, however, could not be properly evaluated unless a scientific formula to draw the 'set back line' was considered in the notification, said Pranabes Sanyal, Member of the National Coastal Zone Management Authority.

Based on scientific principles, the coastal zone management could take into account the vulnerability of the coast to natural hazards, try to secure the livelihoods of local communities and protect ecologically and culturally significant coastal resources.

Source(s): The Hindu, June 30, 2008.

<http://www.hindu.com/thehindu/holnus/008200806301121.htm>

Land Ports Authority Likely to be Set Up on the Lines Of AAI

In the recent Cabinet approval for formulating the Land Ports Authority of India (LPAI) Bill, to be introduced in Parliament, the LPAI is proposed to be constituted on the lines of analogous bodies like the Airports Authority of India to function as an autonomous authority but under the Department of Border Management, Ministry of Home Affairs.

Official sources told that the LPAI is slated to be set up with the overall remit of improvement of border management, including integrated development of infrastructure at the border crossing points to facilitate legitimate trade and transit across the borders. The effort is to converge all functions related to border crossing and border management at integrated check posts (ICPs), namely customs, immigration, quarantine (plant and animal), security and support facilities.

The proposed authority would have representations from the Ministry of External Affairs, Commerce, Finance and stakeholders such as Department of Road Transport and Highways, Railways, and Defence. It would co-opt the Chief Secretaries of the State governments concerned and other representatives in its functioning.

LPAI is conceived as “a lean, oversight statutory body aimed at providing cohesive management of border-crossing facilities at the land ports on our borders”. LPAI would be empowered to notify the entry point on the country’s land riverine borders as land ports; plan, develop, construct and maintain terminal and ancillary buildings, parking areas, warehouses and cargo complexes; and establish other facilities for facilitating trade and traffic.

Source(s): G. Srinivasan, *The Hindu*, July 06, 2008.

<http://www.thehindubusinessline.com/2008/07/06/stories/2008070651090500.htm>

Maritime Policy for the European Union: A New Commission’s Initiative

At an informal ministerial meeting on 13th of July European Affairs Ministers discussed recently adopted Commission’s Communication on maritime governance, aimed at ways for better organising the member states’ maritime-related domestic policies. These efforts will ensure a more sustainable future for oceans and seas surrounding the EU. These issues are of importance for both the consolidated European Integrated Maritime Policy and the Baltic States’ maritime interests.

The new European Integrated Maritime Policy is linked to different issues, including safety at sea, border surveillance, transport, the environment, research, energy and climate change. Through EU funds, the Member States will be encouraged to develop their own integrated maritime policies and share their experiences to bring about a real change in the way maritime affairs are governed. The focus of this informal ministerial meeting was placed on reinforcing integrated maritime surveillance throughout Europe’s vast coastal and maritime areas. Joe Borg, the EU Commissioner for Maritime Affairs and Fisheries was one of the key speakers at this ministerial meeting

“The European project is being built on solidarity and cooperation. As much as Member States need to work together at EU level, the EU depends on its Member States to realise its goals, and this is also true of maritime policy. The success for this Integrated Maritime Policy will depend, therefore, on the degree to which the integrated thinking which is at the heart of this policy permeates into policy-making and executive action within the Member States”, said Joe Borg, EU Commissioner for Maritime Affairs and Fisheries.

Source(s): *baltic-course*, July 14, 2008.

http://www.baltic-course.com/eng/eu_baltics/?doc=3214

New River-Sea Regulations to Synergise Inland, Coastal Ops

The latest notification issued by Directorate General of Shipping (DGS) for construction, survey, certification and operation of river-sea shipping will prove to be a shot in the arm of inland waterways and coastal shipping operators, say many of the players of the sector.

The 'path-breaking regulation' exempts Indian ships other than passenger vessels, oil tankers, and offshore vessels support and supply vessels, operating along the Indian coast and within the territorial limits of India from the provisions of the MS Act 1958. It amends and dispenses with the requirements to observe the MS Act provisions which have been found unnecessary for inland and coastal shipping while at the same time keeping the integrity of the Act in protecting the interests enshrined in those very provisions.

According to those who have been associated with drafting the notification, DGS has been guided by the direction provided in the national maritime development programme. Accordingly, the notification has put in place systems that would lead to seamless flow of cargo across inland, coastal and mainline shipping modes. The legislative move is also seen as a very important step forward towards augmenting Indian fleet, which would invariably go to contribute more Indian ships carrying more Indian cargo.

Source(s): *The Economic Times*, Jul 21, 2008

http://economictimes.indiatimes.com/News/News_By_Industry/New_river-sea_regulations_to_synergise_inland_coastal_ops/articleshow/3256876.cms

Centre to Set up Maritime University in Chennai

India’s wait for a maritime university may come to an end soon. The proposal for setting up the Indian Maritime University (IMU) in Chennai has been cleared by the Union Cabinet and would be tabled in the monsoon session of the parliament. IMU would be set up in Chennai with campuses in Mumbai, Kolkata and Vizag at a cost of Rs 430 crore.

The maritime university bill was proposed last year and was returned for modifications. Even after being one of the largest maritime countries, India does not have a single maritime university. The proposal to set up the university in Chennai saw much opposition from various political parties who suggested Mumbai or Kolkata as better locations. After much tussle, Chennai was finalised as the location, as the government could secure 300 acres of land there.

Source(s): Archana Shukla, July 30, 2008.

<http://sify.com/finance/fullstory.php?id=14726877>





Archaeology: 'The Bay Was Packed With Ships'

Kublai Khan was a conqueror of boundless appetite. When Japan refused to obey and pay tribute to the Mongolian ruler, he was outraged. Twice during the 13th century he sent massive fleets to invade Japan, possibly trying to seize its stored gold. Each time, though, the Khan's aggression was repelled not by the Japanese military but by sudden storms that killed most of the invaders and destroyed their ships. The Japanese dubbed these storms *kamikaze*, or divine wind.

That's the myth, but what exactly happened in the high seas more than 700 years ago? Archeologists have been trying for decades to nail down the specifics. From which direction did the kamikaze blow? How strong was it? For that matter, how big were the Mongolian ships? And how did they manage to sink? Now, more than seven centuries after the fact, Japanese archeologists are finally getting some answers. Artifacts uncovered in an expedition that ended last week tell more about the battles that took place off the coast of the tiny island of Takashima at the mouth of Imari Bay, 1,000 kilometers southwest of Tokyo.

Digging up the sea bottom to salvage the pieces from the Mongols' invasions is a difficult task, to say the least. Excavations that started in the 1980s, now led by Kenzo Hayashida, archeologist and president of the Kyushu and Okinawa Society for Underwater Archaeology, managed to uncover many ceramic jars used for containers. In recent years his team found Mongolian pottery-shelled bombs, swords, large anchors and a bowl with Chinese characters that belonged to a 100-man unit under a commander named Wang. In July his team of scientists and divers worked on a site about 70 meters from the shore and 13 meters below the surface of the sea. By pumping water through a hose and suctioning up the sand, they found human-skull parts, animal bones, timbers from the ships and an anchor rope.

Hayashida and his crew fell short of finding an intact ship. The reason: shipworms most likely have reduced these once mighty vessels to shards. "It is like having 4,000 different sets of puzzles," says Randall Sasaki, a graduate student in the nautical-archeology program at Texas A&M University who was a member of Hayashida's team. "Those pieces were put in a blender of sea and were mixed together. It is difficult to figure out which piece goes to which ship." Judging by the hundreds of wooden pieces the team turned up, as well as those from earlier expeditions, Hayashida thinks that some of the ships of the Mongolian fleet could have been 40 meters, and made in Chinese or Korean ports.

Today the island (population: 2,800) is covered with lush green pine and sweet-acorn trees, and the fishermen pride themselves on their tasty blowfish. It's hard to imagine that this bucolic island was the site of two of the biggest and most devastating sea battles in history. Experts say that some 40,000 soldiers aboard 900 wooden ships attacked northern Kyushu in 1274 and killed virtually Takashima's entire population. For some unknown reason, the fleet left after two weeks and was destroyed by the divine wind on its way back home. In the second invasion, in 1281, 140,000 soldiers arrived in 4,400 ships. When the typhoon hit Imari Bay that summer, about 3,000 ships and 100,000 soldiers are believed to have vanished under the sea.

Shinji Takano, archeologist with the Nagasaki Prefectural Board of Education, thinks that the fleet gathered in the bay to let the typhoon pass. A study of a Southern Sung dynasty military ship excavated in China, which may have been similar in design to the Mongolian ships, shows that a wind of nearly 200kmh would have been enough to destroy the ships. Takano thinks that a mega typhoon wind blew from the south to the shore. "The bay was packed with their ships. They must have tied their ships to one another to stay together," he says. The strong wind and high waves probably crushed them, and they sank.

Hayashida's expedition is hardly the last word. So far his team has not covered even 1 percent of the battleground. If he can find the money and manpower to continue his work, we can expect a lot more details to unfold about the Mongolian invasion attempts.

Source(s): Hideo Takayama, *Newsweek*, July 02, 2008.
<http://www.newsweek.com/id/54832>

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Suggestions and contributions are welcome. Requests for subscription and cancellation may be sent to the address below.

Acknowledgment: Making Waves is a compilation of maritime news published in various national and international news papers, journals and websites. NMF expresses its profound gratitude to all the sources of information and organizations thereof cited in this news Brief.

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