

MAKING WAVES

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MARITIME INFRASTRUCTURE

Kerala Govt Frames Policy to Develop Ports

With the objective of turning Kerala into a major harbour state, a comprehensive policy has been evolved to develop six of the 17 ports in the state, works for which would be completed in a time bound manner. The government has evolved a harbour policy to develop six select port sites of Azhikal, Beypore, Ponnani, Alappuzha, Kollam and Vizhinjam at a cost of over Rs 2,000 crore. The second phase development works of Azhikal Port has commenced. The works will have a monitoring committee chaired by the District Collector with the local MLA, MP among others, as its members.

Source(s): The Economic Times, Dec 02, 2007

http://economictimes.indiatimes.com/News/Economy/Kerala_govt_frames_policy_to_develop_ports/articleshow/2589985.cms

Vallarpadam (Kochi) Terminal will Transform Maritime Trade?

The Vallarpadam International Container Transshipment Terminal Project got off to start on Dec 2, 2007. The export community which stands to save substantially on transshipment costs reacted enthusiastically to the beginning of the work on the long-awaited project. The project will substantially cut sailing time and benefit the seafood industry in a big way, said A.J. Tharakan, president of the Indian Seafood Exporters' Association. President of the Kerala Chamber of Commerce E.S. Jose said that it had been a wait for nearly quarter of a century for Kerala to get the transshipment terminal. The first phase of the project involves building 600 metres of quay, an on-dock railhead serviced by rail-mounted gantry cranes, 30 hectares of yard and the acquisition of six super post-Panamax cranes designed to handle some of the largest vessels afloat today. When the first phase is completed, Vallarpadam terminal will be able to handle 1 million TEUs of cargo a year. The ICTT project site was declared a special economic zone on November 2, 2006.

Source(s): Dec 04, 2007

<http://www.hindu.com/2007/12/04/stories/2007120494630300.htm>

India's Ports 'Open To All' Says Secretary

The world's leading container terminal operator, Hutchison Port Holdings, is welcome to bid for port tenders in India, stressed A K Mohapatra, secretary of India's Ministry of Shipping, Road Transport & Highways. Earlier, Hong Kong-based HPH was barred from bidding for a facility outside Mumbai, on national security concerns. However, HPH will be allowed to bid elsewhere in the country, something it will be delighted to hear given that Indian containerization is expected to grow by 16-20% a year in the medium term. Outlining country's open door policy to private and foreign investment in the ports sector, Mohapatra said the government allowed 100% foreign direct investment throughout the shipping spectrum, a policy in existence since 1996 though recently fine tuned as part of the NMDP. 'The Hutchison event gave major misgivings among people outside the country,' Mohapatra said. 'India has a clear policy to welcome investors from anywhere in the world.'

All companies, including domestic ones, are subjected to security scrutiny prior to investment. Hutchison was barred from bidding for Mumbai. However, 'there is nothing to prevent Hutchison from bidding for other projects and they might come out successful', said Mohapatra. India's port capacity, currently at 700m tons, will rise to 1.5bn tons by 2011/12 and 2bn tons by 2016. \$12bn in both public and private funds have been earmarked for this goal. Speaking at Seatrade Middle East Maritime 2006, Mohapatra had some special words for Dubai's top port operator, DP World which has an extensive footprint on the subcontinent thanks to its takeover of P&O Ports. 'Our experience with DP World and earlier P&O has been excellent and we look forward to more such relationships with them. Although people outside India, including the United States, have a different approach, our relationship with DP World will be governed by purely commercial and friendly relations.'

Source(s): Seatradeasia-online, Dec 05, 2007

<http://www.seatradeasia-online.com/News/795.html>

JNPT Proposes Economic Zone on 1,200ha Land

Jawaharlal Nehru Port Trust (JNPT) plans to set up a port-based SEZ/export processing zone (EPZ) on 1,200ha of land. The port authorities have floated a tender to hire a consultant to draw up a master plan for the proposed port-based SEZ/EPZ. Jawaharlal Nehru Port, which started commercial operations in 1989, had acquired 2,500ha of land for its long-term requirements. Out of this, 1,300ha have been utilized so far for port-related activities. Taking into account the traffic growth, the port had earlier prepared a plan for the balance 1,200ha for use as container freight station, empty container yard, warehousing and cold storage, tank farm, truck, trailers and tanker terminals with repairing facilities and other ancillary facilities.

Source(s): Live Mint, Dec 06, 2007

<http://www.livemint.com/2007/12/06004456/JNPT-proposes-economic-zone-on.html>

Govt Plans Alternative Model for Deep-Sea Port Project

Mr T.R. Baalu, Union Shipping Minister, indicated on Monday, 10th December that the Government might examine an alternative model for inviting bids for the deep-sea port project proposed to be implemented off the West Bengal coast. This follows poor response from the consultants. They showed expressions of interest (Eols) for preparing the detailed project report for the project but did not proceed further. "The Eols could not be converted into RFQs (request for qualifications) due to the lack of interest," Mr Baalu observed. The Minister declined to give the details of the alternative model, except saying it could be DFBOT (design, finance, build, operate and transfer) instead of the BOT (build, operate and transfer) as earlier planned. "We're still in the process of examining what could be the best alternative model," he however added.

The issue of land acquisition for the proposed ship-building yard at Sagar Island too came up during his discussion with the Chief Minister Mr Buddhadeb Bhattacharjee. An estimated 1,500 acres would be needed for the project. "The Chief Minister has assured me that the land will be made available for the proposed shipyard which will be Central Government project to be implemented on PPP (public-private partnerships) basis," he said. Asked about the ship-building yards also being planned in the State by at least two private groups, the Shipping Minister replied, "I am not aware of it". The first phase of the proposed dedicated container terminal at Diamond Harbour, he felt, should be ready for operation by 2011-12. The estimated cost of the project, to be completed with three berths and two barge jetties, was Rs 500 crore. In the second phase, 2 more berths would be added at an estimated cost of Rs 250 crore.

Source(s): The Hellenic Shipping News, Dec 12, 2007

<http://www.hellenicshippingnews.com/index.php?mod=article&cat=Ports&article=5903>

Govt Needs to Revamp Infrastructure

It is transportation boom on the back of 9%-plus economic growth. While the aviation industry is growing at about 27%, the shipping sector is experiencing over 10% growth. Intense competition has put pressure on the existing aviation and shipping infrastructure. While port developers, private as well as public, are in the process of dredging channels and deepening ports to allow very large crude carriers (VLCC) in the Indian waters, airport operators are expanding runways and allied infrastructure to accommodate superjumbos. "We have identified 30 sites across 12 major ports, such as Ennore, Vizag, Chennai, Mumbai, Tuticorin and Kandla, in the country where capital dredging is on. These projects, which would cost around Rs 6,000 crore and take 4-5 years to complete, are expected to allow larger vessels with a capacity of over 1,20,000 DWT," shipping secretary AK Mohapatra said.

"We have also proposed to the finance ministry to build 4-5 mega ports like Rotterdam and Shanghai with a depth of 15-20 metre. These projects would take about five years to be commissioned from the date of conceptualisation. Each of these ports is likely to cost about Rs 3,000 crore," he added.

Under the National Maritime Development Programme formulated by the shipping ministry, a total of 276 projects, covering activities like upgradation of berths, deepening of channels, road and rail connectivity and modernisation plans, would be carried on with an estimated cost of Rs 55,804 crore in the next 10 years.

Source(s): Nirbhay Kumar, The Economic Times, Dec 19, 2007

http://economictimes.indiatimes.com/News_by_Industry/Govt_needs_to_revamp_aviation_shipping_infrastructure/articleshow/2632828.cms

Western Ports Draw Private Funds to Meet NMDP Targets

States along the west coast that have been aggressive in attracting private investment for developing ports and shipyards along their coastlines also seem to have clocked the maximum progress in implementing the Ministry of Shipping's Rs 55,000-crore National Maritime Development Programme (NMDP). Minister for shipping, road transport and highways T R Baalu recently informed Parliament that ports like Kandla in Gujarat, Kochi in Kerala, Jawaharlal Nehru Port Trust (JNPT) in Mumbai and Mormugao in Goa, have so far spent the highest sums in implementing NMDP projects. The NMDP, launched in 2005, is aimed at modernising and upgrading the infrastructure and capacity of the 12 major ports in the country by 2011-12.

Leading the pack of spenders is Kandla port, which has used over 25 per cent of its Rs 5,000-crore outlay in the last three years. The port — which has to undertake 26 projects under NMDP — has already finished six projects, is currently working on nine more, and the rest are slated to be taken up over the next five years. Mumbai's leading container port JNPT, too, has made significant headway in undertaking the 32 projects it has been accorded under NMDP. It has so far spent Rs 1,220 crore of its approximate Rs 7,200-crore project outlay to deepen channels and berths, procure better equipment and construct other support infrastructure. Mormugao Port Trust in Goa, which exports 33 per cent of India's iron ore, has managed to spend an encouraging 25 per cent of its Rs 800-crore outlay under NMDP over the last three years, placing it in a competitive position to take on rival ore-exporting ports on the east coast like Paradip and Vizag. The Kochi port in Kerala, which is scheduled to undertake a total 14 projects, has also done well in spending over Rs 700 crore — 10 per cent of its total planned outlay — since 2005. Put together, these four ports account for 77 per cent of the Rs 4,500 crore expenditure incurred by all the 12 major ports in the country over the last three years.

Compared to this, ports on the east coast have yet to make any substantial strides on projects under NMDP. Most of the ports, including Vizag, Kolkata, Tuticorin, New Mangalore, Ennore and Paradip, have spent an average of only 5 per cent out of their total envisaged expenditure under NMDP. "A total of 276 projects covering the entire gamut of activities in ports including deepening channels, construction/ reconstruction of berths, procurement of equipment, rail and road connectivity works have been identified under NMDP," Baalu informed. Of the projected Rs 55,000 crore to be spent on these 276 projects, as much as 60 per cent is expected to come in through private participation, while around 25 per cent is meant to be funded by the major ports through internal accruals.

Source(s): Zeenat Nazir, *The Indian Express*, Dec 24, 2007
<http://www.indianexpress.com/story/253552.html>

Ruias and the Nandigram Mega Marine Park

Not only the petrochemical hub, but other mega industrial projects are also considering moving out of Nandigram, and even out of West Bengal, if the political deadlock in the area is not resolved soon. One such project is a massive marine park at Nandigram, which was being developed by P K Ruia-owned Jessop Shipyard Ltd. The marine park would include a shipbuilding and repairing facility, a captive steel and power plant, a cold-rolling plant and a cargo facility. The Ruias had made a presentation to Chief Minister Buddhadeb Bhattacharjee on the project in October 2006, but the plan has been on hold ever since violence first broke out in Nandigram in January 2007. The Ruias are seriously considering taking the project somewhere else if the situation in Nandigram does not stabilise soon. The project is likely to cost anywhere between Rs 3000-4000 crore, would require 1500 acres of land and it is estimated that it would be one of the largest employment generating projects in the state with a potential of employing 16,000 people with a capacity of producing 12 large vessels in a year. State Commerce and Industries Minister Nirupam Sen told *The Indian Express*: "They (Ruia group) have not had any discussions with us on the matter." When asked whether the state Government would consider offering an alternative location to the Ruias for the project, Sen said these things would be decided only after talking to Jessop.

Source(s): Aweek Datta, *indianexpress*, Dec 26, 2007
<http://www.indianexpress.com/story/254702.html>

Congestion at Chennai

Containers are piling up at the Chennai Port Terminal (CCT) due to the rudimentary infrastructure that delays cargo movements between India and major ports in the region. Added to this are the constant labour disputes which have also affected the port's productivity over the last three months, leading to a massive pile-up of almost 6,000 twenty-foot equivalent units (TEUs), which is beginning to worry the business and shipping community, mainly in South India.

The unwarranted delay at Chennai Port also triggers serious repercussions in neighbouring transshipment ports like Colombo Port. The result is that textiles, garments, prayer items plus foodstuff such as spices, onions, vegetables, buffalo and goat meat, Basmati rice and dhal are likely to reach their destinations rather late this year. Chennai Port was only handling 300,000 TEUs annually but after its privatisation in 2001 and under the management of Dubai-based DP World, throughput tripled to about one million containers - with about 3,000 containers moving in and out of the port daily. Chennai Port Trust Chairman K. Suresh blamed the congestion on the NE monsoons and claimed the container movements are gradually improving.

Source(s): P. Vijian, Bernama, New Delhi, Dec 27, 2007
http://www.bernama.com.my/bernama/v3/news_lite.php?id=304605

Russia Transneft Says Private Ports a Concern

Russian pipeline monopoly Transneft will prioritise oil shipments via sea ports over pipeline exports to Europe, but is concerned that most Russian sea terminals are privately controlled. "If there is free capacity -- as we have now in (the Black Sea port of) Novorossiisk -- we should fully use it," Nikolai Tokarev said in an interview. "Why should we give crude away to other places, for example abroad, if we can use our own potential?" he said.

Tokarev took over in October 2007 from Semyon Vainshtok as head of the world's largest pipeline network. Vainshtok expanded ports and built a new outlet on the Baltic Sea, Primorsk, which became Russia's largest. Vainshtok also gradually reduced exports via the Soviet-era Druzhba ('Friendship') pipeline to central Europe. Oil firms say seaborne shipments are often much more profitable. Tokarev supported the strategy but was concerned sea ports' loading facilities are often privately held. "The state has very limited ability to control exports via sea terminals from start to finish," he said. "Their private owners can decide any moment to resell them or hold an IPO. They can export sunoil instead of oil for example, or fully close down facilities to avoid investing money."

Tokarev said Transneft will focus on top investment projects -- a pipeline to Asia, expanding its pipelines to the Baltic Sea and a new link from Bulgaria to Greece to bypass the Bosphorus. The idea to expand the Baltic system emerged this year after Belarus suspended flows via Druzhba to Poland and Germany over a pricing dispute with Moscow. Some officials have suggested Russia may fully shut down Druzhba at some point. Tokarev said this scenario was unlikely, but predicted that logistics would change and Russian oil firms will gradually stop using intermediaries like Sunimex in Germany or J&S in Poland. "Frankly, it makes sense for oil firms to have direct deals with consumers in countries where supplies go," he said.

Primorsk exports 1.5 million bpd and the Baltic expansion should allow either Primorsk or neighbouring Ust-Luga supply an extra 1 million bpd. The government will decide on the final destination in early 2008 after both options are studied. Construction of the 700,000 bpd Bulgaria to Greece pipeline, known as Burgas-Alexandroupolis, can start in late 2008 or early 2009 and will take 12-18 months: "The optimistic scenario is to launch the pipeline at the end of 2009 or in 2010," he said. By that time, Transneft expects the Caspian Pipeline Consortium (CPC), which pumps oil from Kazakhstan across Russia, to expand to 1.3 million bpd from the current 700,000 bpd. "The aim is to synchronise the launch of Burgas-Alexandroupolis with the CPC expansion," said Tokarev, adding that CPC has committed to supply some 340,000 bpd to the Bulgarian-Greek pipeline. Russia had opposed CPC's expansion, saying it would pressure the congested Turkish Straits, but Kazakh President Nursultan Nazarbayev said this month that Moscow had swung round after oil majors working in Kazakhstan agreed to join the link to Burgas. Tokarev said Transneft will invest 200 billion roubles (\$8.1 billion) in 2008, slightly less than in 2007, on all projects, including the expansion of pipelines to major refineries in Volgograd, Ryazan, Tuapse and Kirishi that plan large upgrades.

Source(s): Tanya Mosolova, Reuters, Moscow, Dec 28, 2007
<http://www.guardian.co.uk/feedarticle?id=7183197>



Logistics Company Aims to Buy out New Players

Indian shipping logistics provider Gateway Distriparks Ltd, which is part-owned by Temasek Holdings Pte, may seek acquisitions as new entrants struggle to achieve the scale needed. "There'll be a lot of consolidation fairly soon and some of them may merge," said Gopinath Pillai, chairman Gateway Distriparks. There's "very stiff competition from a lot of new players" as about a dozen private companies have entered the rail logistics and freight business, not all of which may survive, Pillai said.

"The container business can handle three or four big players," he said. "The rest of it, in trains for instance, I can't see more than two or three players." Gateway, which has invested Rs200 crore in the rail business, expects revenue from its joint venture depot with state-run Container Corp. of India Ltd (Concor) by the second quarter of next year. "Initially, it won't be very significant", but towards the year-end it should account for a 10% increase in total revenue from the year earlier, he said. The Gateway Rail Freight Ltd unit signed an agreement with Concor in March to form a joint venture to operate the rail-linked inland container depot at Garhi Harsaru, Gurgaon, just outside New Delhi. "The reason for the joint venture is that Garhi is a very large piece of property. It's the best location outside Delhi for a container hub," Pillai said. "With the help of Concor, we hope to make it a hub for double-stack containers. Concor now does double-stack to Jaipur, and if we can link it up, it could have huge potential." The depot will help to more than double the total containers handled by Gateway Distriparks from the 300,000 it does now at all its locations. The Garhi depot can handle as many as 400,000 containers a year, Pillai said, citing Concor.

Source(s): Liza Lin, Bloomberg, Singapore, Dec 12, 2007.

<http://www.livemint.com/Articles/2007/12/12213101/Logistics-company-aims-to-buy.html>

Asia and the ASEAN Key trading Partners

Asia and the ASEAN (Association of South-East Asian Nations) region have emerged as key trading partners for India with growing export of agricultural produce, frozen meat and seafood, and import of China-made goods lifting trade on these routes to higher levels. India's exports to Asia and the Asean region jumped 28.86% to Rs2.85 trillion in the 12 months to March 2007, accounting for 49.78% of India's total exports by value, according to data compiled by the Directorate General of Commercial Intelligence and Statistics. In comparison, exports to North America (US) rose 11.39% to Rs90,616.76 crore in the same period, making up 15.85% of exports by value.

"Trade between India and the rest of Asia is very buoyant and will grow strongly in future," said an executive at Singapore-based container shipping firm Pacific International Lines (Pte) Ltd, which runs a regular service from Jawaharlal Nehru (JN) Port in Mumbai to several Asian countries such as China, Malaysia, Thailand, Indonesia, Vietnam, the Philippines, Korea and Japan. The booming trade between India and the rest of Asia has come as a silver lining for container shipping firms, which, reeling under a slowdown in the US, have cut freight rates to less than half of what was prevailing two years ago. This has forced many carriers to cut capacity by discontinuing service on the Asia-US sector. Container shipping lines are now earning more on cargo coming into India from Asia, particularly China, than on those going out of India, said Shanat Shetty, head, ocean freight services centre, India, at Swiss freight forwarder Panalpina.

Indian corporations such as Reliance Industries Ltd and Pantaloon Retail Ltd are importing large quantities of products from China and a shortage of shipping capacity on this route has made freight rates rise \$1,050 for shipping a 20-ft cargo container, or twenty-foot equivalent unit (TEU), from Shanghai to India. For a 40-ft container (double the size of a TEU), the ocean freight rate on the same route is now hovering at \$1,800. India ships more than 100,000 TEUs to Asia, at a growth of more than 10% a year, said an official at state-owned Shipping Corp. of India, which runs container shipping services from JN and Chennai ports to Shanghai. The ocean freight for hauling container cargo from India to Asia is comparatively less due to a large number of services operated by a slew of shipping lines.

Exports to the US so far constituted a major chunk of India's exports. "But following the housing market slump in the US, there is a slowdown in that market. There is, therefore, a need to tap markets elsewhere, such as the Asian countries and Asean which have registered very good growth rates," said Priya Safaya Fotedar, director, policy at the Federation of Indian Export Organizations. The US economy is expected to grow at 2% this year. In a letter written recently to the finance ministry's department of economic affairs, Ajay Sahai, Director General of the Federation, has urged the government to make an assessment of the product-country matrix for the Asia and Asean region, for which the government has targeted an export of \$50 billion by 2010. The Federation has also suggested that the Reserve Bank of India consider issuing guidelines for 'entrepot trade' as South-East Asian countries such as Singapore are important transit routes where value addition can be made on Indian merchandise for further export, Sahai said. Entrepot trade refers to goods shipped from one country to another through a third country for further processing or assembly.

Source(s): India Brand Equity Foundation, News Archives, Mumbai, December 13, 2007

http://www.ibef.org/artdisplay.aspx?cat_id=401&art_id=17369&arc=show

New Ship Hiring Guidelines may not be Effective

A draft proposal by India's maritime regulator to check older and sub-standard ships from calling at its ports to avert potential accidents excludes ships hired by foreign entities. It will therefore not be successful unless the ports themselves put a ban on the entry of such vessels. From 1 January, the Directorate General of Shipping (DGS), the government body responsible for implementing India's shipping policy will give permission to Indian entities for hiring ships to carry cargo only if the ships are less than 25 years old. In the case of gas carriers, ceiling will be 30 years.

The eligibility criteria that the DGS plans to impose also includes mandatory safety rating given by the Indian Register of Shipping, an independent rating agency, for crude oil and petroleum product tankers because of the huge environmental cost associated with tackling any spillage of oil or petroleum products. And they mandate that bulk carriers and offshore support vessels should have undergone inspection and rectification of deficiencies of hull, machinery, safety appliances and operational requirements before they enter Indian territorial waters to enhance maritime safety. Such requirements have been enforced in the US, the UK, Australia and all crude oil loading ports. The new rules will deter substandard ships, particularly foreign-registered older ships, from operating on Indian coast, says U.C. Grover, director, technical and offshore services, Shipping Corp. of India Ltd. "Shipowners will be required to maintain very high standards for trading. Otherwise, they will fade out," he says.

Changing the ship hiring rules could be easier, but implementation is the issue, says T.V. Shanbhag, who headed the union government's chartering division in the shipping ministry for 10 years till 2005. That's because most of the contracts signed by Indian companies, government departments, or others, for buying and selling goods puts the responsibility of shipping the cargo on the foreign sellers and buyers. "Not more than 15-20% of the ships coming to Indian ports for loading and unloading cargo are hired by Indian entities with the permission of the director general of shipping," Shanbhag adds. "In such circumstances, what is it they are trying to control?" asks Shanbhag. "If, instead, all the ports say that vessels of a certain age cannot call during a certain period, or the committee recommendation for tightening of surveys and inspections of ships is enforced, that will have a greater impact on restricting older and substandard ships from calling at Indian ports. Merely changing the ship hiring guidelines may not serve the purpose for which it is intended," he says.

The shipping ministry had set up a committee in July 2007 to suggest measures for averting marine casualties following a rise in accidents in and around Indian waters. On analysing the accidents over the last three years, the panel found a high correlation between age of ships and the breakdowns that led to these accidents. Accordingly, it recommended revising guidelines to restrict the age of ships plying in Indian waters during rough weather (15 May to 30 November) and to make surveys and inspections of ships more stringent.

Source(s): P. Manoj and P.R. Sanjai, Mumbai, Dec 18, 2007.

<http://www.livemint.com/2007/12/17224522/New-ship-hiring-guidelines-may.html>



MARITIME TOURISM

Kochi Carves Out Space On Maritime Map Tourism Trail

Proximity to the international shipping route has already made Kochi a preferred destination for yachts and cruise ships travelling to South-East Asia and Australia. The organisers of the world-famous Volvo Ocean Race have confirmed their stopover in Kochi in December 2008, making Kochi the sole city in India to play host to the 30 yachts participating in the event. The city is one among the 11 ports of call of the Race, scheduled to sail out of Spain in October 2008. During the nine-month journey, the race will sail across 39,000 nautical miles, covering Europe, Africa, India, S.E. Asia and China.



The country's first marina is scheduled to come up on land owned by the Kerala Tourism Development Corporation on Bolghatty Island and work is expected to begin by January, once the State Cabinet accords administrative sanction. The marina will have the facility to berth 50 yachts. Thirty-two more cruise ships, including Queen Victoria, are expected to call at the port city this tourist season. Three have already come. This despite Kochi not having a full-fledged cruise terminal. The work for constructing the terminal at the northern end of the Ernakulam Wharf has already been awarded and the consultant's report is awaited.

Source(s): The Hindu, Dec 05, 2007

<http://www.hindu.com/2007/12/05/stories/2007120550320200.htm>



Indian Firms to Set Up Shipyards at Rs 10,000-Cr Outlay

Scarcity of bulk carriers and offshore supply vessel in the global market has forced several Indian companies to look at setting up large shipbuilding yards in the country at a total investment of Rs 10,000 crore. ABG Shipyard plans to invest Rs600 crore at its new shipbuilding yard in Dahej that is under construction. The Dahej unit would specialise in making oil rigs. The HK Mittal family -- promoter of domestic shipping company Mercator is setting up two shipbuilding yards, one each in Gujarat and Maharashtra with an investment of Rs 1,500 crore. The shipbuilding yards would make specialised offshore vessels, jack-up rigs and chemical tankers, up to 75,000 dead weight tons.

After much flip-flop about the location of its new green field shipyard project, L&T has finally shortlisted a location in Tamil Nadu. On the other hand the Shipping Corporation of India has announced plans to set up at least two shipbuilding yards with an investment of Rs2,000 crore each. It would be bidding for the projects announced by the government. "Globally, shipbuilding yards are running choc-o-bloc. We cannot take delivery of ships till 2011," SCI CMD S C Hajara said.. Besides, SKIL Infrastructure, Good Earth Maritime, Apeejay Shipping have announced plans to enter shipbuilding. There have been reports that Tata Group is mulling to enter shipbuilding because of the huge opportunities that the industry promises. Existing players such as ABG Shipyard, Bharati Shipyard, Cochin, Hindustan, Mazagon Dock and Goa Shipyard have announced plans to expand their existing facilities. The Central Government has announced that it wants to set up two big shipbuilding yards, one in east coast and another in west coast, each attracting an investment of Rs 2,000 crore each.

Source(s): Economic Times, Live Mint, Dec 2, 2007.

<http://www.livemint.com/2007/12/02145424/LampT-plans-to-invest-about.html>

http://economictimes.indiatimes.com/News/News_By_Industry/Transportation/Shipping_Transport/Indian_firms_to_set_up_shipyards_at_Rs_10000-cr_outlay/articleshow/2589226.cms

New India-Brazil-South Africa Shipping Line Mooted

South Africa has suggested floating a private shipping company with government support as a way to boost trade between India, Brazil and South Africa. Government officials said that India and South Africa were on the verge of signing a memorandum of understanding on the proposed shipping line, with the state-owned Indian Shipping Corp controlling things from the Indian side, according to a report published in the Business Report daily. The shipping line idea flows from proposals tabled at the recent India-Brazil-South Africa (IBSA) Summit in Pretoria between the presidents of the three countries, who called for easier air and sea links between their countries to support IBSA objectives of further bolstering the \$4.5-billion trilateral trade. "We are trying to build reliable connectivity and unlock the potential for more trade because the biggest (obstacle to this) is the underdevelopment of our infrastructure," Jerry Matjila, head of the South African Foreign Affairs Department's Asia and Middle East Desk, told Business Report. There are also expectations that other countries on the eastern, western and southern coast of Africa will benefit from any new shipping line that is developed, creating further opportunities for IBSA countries as well as the vessels' call-of-ports in countries such as Sierra Leone, Nigeria and Maputo.

Source(s): December 06, 2007

<http://intellibriefs.blogspot.com/2007/12/new-india-brazil-south-africa-shipping.html>

Korea's Major Yards Take Measures To Increase Output

In order to cope with record backlog during the ongoing unprecedented shipbuilding boom, Korea's major yards are investing in ways to rapidly increase production. Hyundai Heavy Industries in Ulsan, the world's largest shipbuilder, currently employs some 33,000 workers and is able to complete 82 ships using 1.53 million tons of steel a year. However, after a record first half during which it took in 100 more vessels - including a landmark \$1.3bn order for eight 13,100teu containerships from Nordcapital of Germany - it now has to step up production to handle its massive backlog, which in mid-October stood at 328 vessels of 35.7m dwt. The yard is therefore doubling the capacity of its pioneering 'on-ground shipbuilding' method begun in 2004 from eight to 16 ships a year as well as constructing a new offshore drydock. In this way its output will rise by 2009 to 102 (larger) vessels employing a total 2.13 million tons of steel, a 40% increase.

Samsung Heavy Industries (SHI) currently produces around 40 vessels a year but plans to increase that number to 70 to cope with an orderbook of 200 vessels, including containerships as large as 15,000teu. Block building and partial assembly is therefore being outsourced to two facilities in China, at Rongsheng and Ningbo, with the resulting 'mega-blocks' then floated to SHI's main

facility at Geoje island, off the southern coast of Korea, for final assembly. Daewoo Shipbuilding & Marine Engineering (DSME), also on Geoje island, currently builds around 47 ships a year but as of mid-October had a backlog of 206 ships. It has therefore expanded its Korean block fabrication activities by buying the Shin-han facility near Ulsan, which used to build blocks for SHI. It is also constructing a new floating dock, which will give DSME two drydocks plus four floating docks and allow it to build around 80 vessels a year.

Serious expansion plans are also underway at Hyundai Samho Heavy Industries (HSHI) in Mopko, which is currently the world's fifth largest shipbuilder, just behind fellow Hyundai group member Hyundai Mipo, the product tanker specialist. It is also Korea's most modern yard having been fully refurbished since being taken over by Hyundai in 1999. HSHI currently averages about 30 vessels a year but plans to have increased that total to over 40 by 2009. As of early next year it will introduce its own on-ground construction facility - for building Suezmax tankers - followed by a floating drydock, thereby leapfrogging it over Hyundai Mipo of Ulsan into fourth position worldwide.

Source(s): Dec 7, 2007

<http://www.seatradeasia-online.com/News/2067.html>

India's First Dredger Building Yard

Kandla will soon become the country's first and Asia's second shipbuilding and ship-repair yard of international standards for building and repairing dredgers. The Rs 450-crore venture has been made by the Kandla-based internationally renowned private company, which is again the only company in India engaged in dredging in the private sector. While the Netherlands had the monopoly over this business, it was China that was the first to set up such a facility in Asia. "Now, it is India's turn to do so and we are the first and only private sector company in our country to build and repair dredgers at the lowest cost in the whole world. The biggest thing here would be that they would be built as per local environment to cut dredging cost considerably," said Sujay Kewalramni, Director (Technical) of Jaisu Shipping,. The present cost of a new dredger from The Netherlands was Rs 300 crore, while new entrant China built it at a cost of Rs 70 crore. Their cost would work out to Rs 45 crore to Rs 50 crore when built in India.

"Dutch dredgers are built in cold climate and for soil strata of their country which did not prove efficient in warm climates like India. Here the Indian dredger would be built keeping in minds local conditions and would be useful in the Indian sub-continent," Kewalramni added. He said that theirs would be Steel Floating Dry Dock (SFDD) which would be arriving from Korea by the end of January 2008. He said it would be of the same size and capacity as China: 150 metres in length with a lifting capacity of 6,000 tonnes and it could be taken anywhere. To a query, he said the country's 12 major ports, including Kandla, required annual maintenance dredging of their navigation channels worth Rs 600 crore. The new or capital dredging work worked out to Rs 3,000 crore at all the major ports.

Source(s): The Indian Express, December 09, 2007

<http://www.expressindia.com/latest-news/Indias-first-dredgerbuilding/248330/>



MARITIME COOPERATION

26 Nations on Board Indian Navy's IONS Initiative

The response to the Indian Navy steered Indian Ocean Naval Symposium (IONS) has been overwhelming with 26 littoral states of the Indian Ocean countries already on board. Thirty-one countries, in a broad swathe from South Africa to Australia had been invited for the inaugural meet on Feb 14-18 2008, timed to coincide with the biennial Defexpo international exposition. For the moment, however, China and the US have been excluded as they are not littoral states, Indian Navy chief (CNS) Admiral Sureesh Mehta said here Monday December 3, 2007. Pakistan has also been invited and it is for them to confirm they will attend,' he said in response to a question. For such countries as do not possess a formally established 'navy', the 'head of the principal maritime agency' has been invited.

IONS would be conducted in two parts, with the first two days devoted to a seminar, in association with the National Maritime Foundation (NMF), that would consider an overview of the maritime scenario in the Indian Ocean Region, discuss contemporary maritime challenges and ways to ensure synergy through cooperative approaches. The formal theme of the seminar is "Contemporary Trans-national Challenges - International Maritime Connectivities". The next three days would be devoted a closed-door conclave of navy chiefs aimed at establishing mechanisms to mitigate security concerns of the region and develop interoperability among its navies.

According to the CNS, 'Many navies of the Indian Ocean Region (IOR) look to India to promote regional maritime security. It is thus prudent that India launches an inclusive forum for discussing and taking forward issues of common interest.' Elaborating, he said: 'While Southeast and East Asian countries of the (US-backed) Western Pacific Naval Symposium are heavily engaged in the maritime domain, there is an engagement deficiency in the Indian Ocean, particularly in the western Indian Ocean. 'Consequently, external players are rapidly forging new maritime security relationships. Establishment of a regional naval grouping would promote greater mutual interaction and curtail growing dependency on extra regional players in the region. 'This apart, the symposium will enable Indian Ocean nations address their problems without external assistance,' he added.

Source(s): Indian Navy and Indo-Asian News Service, 03 Dec 2007

<http://www.indiannavy.gov.in/ion.htm>

<http://www.earthtimes.org/articles/show/152388.html>

Multilateral Cooperation Critical to Gulf Region Security

US Defense Secretary Robert M. Gates pressed for expanded multilateral cooperation that could better protect the Persian Gulf region at the 'Manama Dialogue' in Manama, Bahrain. The annual summit, now in its fourth year, brings together about 200 senior military leaders from 23 countries to discuss mutual security interests. He called broader security relationships, with closer multilateral ties and cooperation, "an absolute necessity" that will enhance the entire region's security. Such a framework could help pave the way for a regional air and missile defense system that would provide a regional defense umbrella and deter a missile attack. "We should bear in mind the deterrent effect such a system would have. If the chances of a successful attack are greatly reduced, then so too is the value of pursuing offensive weapons systems and delivery systems." Regional cooperation also would enhance maritime security by providing a better "maritime surface picture" and standardized procedures to improve defenses. These would help protect against seaborne threats such as terrorism, piracy, narcotics trafficking and smuggling. He also urged more cooperative military training and exercise participation to promote interoperability among participating countries' armed forces. With 40 years of personal engagement in the region, Gates told the questioner, he doesn't have "enough fingers and toes to count the times when the United States has helped its friends and allies in the region – all of its friends and allies." "We have been the primary sponsor of virtually every peace agreement and cease-fire signed in this region for the last 35 years," he said.

Source(s): Dec 9, 2007

<http://www.emilitary.org/article.php?aid=12994>

Pakistan and Iran Participation In Indian Navy Conclave Uncertain

Pakistan and Iran are yet to confirm their participation in the Indian Navy's pioneering initiative, a regional conclave which will underline New Delhi's pivotal role in the maritime security of the Indian Ocean. 'Twenty-six nations are already on board, but we are yet to hear from Pakistan and Iran about their participation,' an official source told IANS.

Source(s): Indo-Asian News Service, New Delhi, Dec 25, 2007

<http://www.earthtimes.org/articles/show/164165.html>

Two Koreas to Press for Joint Port Development

Officials from the two Koreas will inspect a North Korean port seen as a key element of plans to expand economic ties, according to a joint statement. Haeju, one of the major ports along North Korea's west coast, lies some 75 kilometres (50 miles) from Kaesong, a Seoul-funded industrial complex which produces garments and other labour-intensive goods. Under a plan agreed at an October 2007 summit, the two Koreas want to create an economic cooperation zone encompassing Kaesong, Haeju and the South's nearby port of Incheon. Seoul hopes to replace the once disputed border area with a "special peace cooperation zone" in the Yellow (West) Sea. The two Koreas clashed in 1999 and 2002 near the sea border. The communist North has never recognised a maritime border drawn up by the US-led United Nations allies after the 1950-1953 Korean war. At what was only their second ever summit, leaders of the two Koreas agreed in October to push for a joint fishing area near the disputed sea border. The North's state Korean Central News Agency singled out that October 2-4 summit Saturday as one of the year's most notable events, saying that it had "opened up a new epochal phase in the movement for national reunification." A cross-border railway cargo service to Kaesong started earlier this month for the first time since the war, and the government in Seoul said a commuter service would follow suit in the first half of next year.

Source(s): AFP, Dec 29, 2007

<http://afp.google.com/article/ALeqM5jC9jlVqIHovCzAzhOcmAWUup4rq>

2008 To See More Wargames with the US

The Indian armed forces have already chalked out at least five joint combat exercises with the American forces in 2008. Indian forces will also hold wargames with countries like China and Russia during the action-packed year. The exercise with China, for instance, will be held in India this time as a reciprocal gesture to the first-ever joint military exercise between the two countries which concluded in Kunming last month. The Indian forces will also hold military manoeuvres with UK, France, Seychelles, Mongolia, Maldives, Singapore and Thailand during 2008. But the sheer scale of the military engagement with the US dwarfs all other such endeavours, with the Indian and US armed forces having held around 50 joint exercises in the last six-seven years to build "interoperability".

The military engagement with US will kick off in April-May with the "Vajra Prahar" counter-terrorism exercise in India, during which the special forces from the two countries will match their "unconventional warfare" skills against each other. The "return" Vajra Prahar exercise will be held in US in August-September. Around the same time, six Indian fighter jets, two transport aircraft and an IL-78 mid-air refueller will be at the Nellis US Air Force base at Nevada to take part in the world-famous "Red Flag" exercise, the training ground for Nato air combat forces. Defence minister A K Antony, who has declared that the "military interaction with US will continue" as before, has told Parliament that IAF participation in the Red Flag exercise will cost around Rs 80 crore. India and US will also hold a "command post" exercise "Yudh Abhyas", with special focus on counter-terrorism operations, in Alaska in October-November. Just before this, the navies from the two nations will hold the 14th round of Malabar exercise in the Indian Ocean. Incidentally, the 13th Malabar exercise held in the Bay of Bengal last September had led to strong protests from the Left, more so because the wargames had been extended to include close American military allies like Japan and Australia, who are part of the US-led trilateral security cooperation in the Pacific region.

Source(s): Rajat Pandit, TNN, New Delhi, Dec 30, 2007

http://timesofindia.indiatimes.com/India/Despite_Left_stand_2008_to_see_more_wargames_with_US/articleshow/2661409.cms



MARITIME SECURITY

Malaysia Against Foreign Forces

Prime Minister Datuk Seri Abdullah Ahmad Badawi welcomes foreign monetary and technical aid to enhance security in the Straits of Malacca, but is against foreign forces patrolling the busy waterway. The United States had proposed that an international force, namely the US-led Regional Maritime Security Initiative (RMSI), patrol the Straits of Malacca. "We are strongly against any involvement of foreign assets to ensure security of the strait," said Abdullah in his keynote address read out by Defence Ministry secretary-general Datuk Abu Bakar Abdullah at the opening of the Lima 2007 International Maritime Conference at Awana Porto Malai here on 2 December.

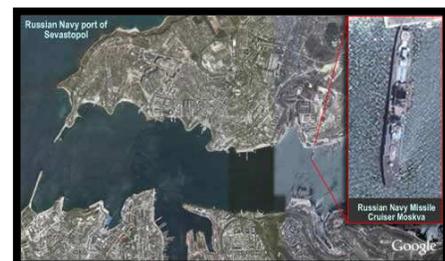
"The presence of stakeholders with differing interests at the (Lima) conference reflects Malaysia's commitment to being transparent and open about how best we can manage these issues (related to security of the strait)," he said. Malaysia Maritime Enforcement Agency northern region head First Admiral Zammani said that Malaysia and Indonesia were against having forces from outside the region manning the security of the strait. Singapore, which is a participant of the US-led RMSI, had been the "leading voice" advocating an external presence in the strait, he said. The event had attracted eight warships and a submarine from eight countries in addition to 150 exhibitors from 20 countries.

Source(s): The Star, Dec 3, 2007

<http://thestar.com.my/news/story.asp?file=/2007/12/3/nation/19645005&sec=nation>

Russian Mediterranean Build-Up Challenges NATO Sixth Fleet Domination

The second week of December witnessed a great thrust by Russia to demonstrate its military strength, when Russian President Vladimir Putin alarmed Europe by finally declaring Russia's official rejection of the Conventional Armed Forces in Europe Treaty (CFE). The treaty entered into force on July 17, 1992 limiting the number of combat elements that Russia could deploy along its borders with Europe.



This will be the first prolonged stay of a Russian carrier to the eastern Mediterranean in waters dominated with regular patrolled by the US Sixth Fleet and in vicinity of Israel's shores. On its decks Admiral Kuznetsov carries 47 warplanes (mostly Su-33) and 10 helicopters.

Other vessels escorting the carrier as part of the task force are Admiral Levchenko and Admiral Chabanenko anti-submarine ships, and the Sergei Osipov and Nikolai Chiker support ships. The group is expected to be joined by the flagship Moskva a guided missile cruiser and four additional ships in the Mediterranean. The contingent, will rely on the naval facilities at Syria's Tartous port. The Russian Black Sea fleet's 720th Logistics Support Point at Tartus has been in disuse since 1991, when the Soviet Union imploded. Yet it remains the only Russian military base outside the post-Soviet Commonwealth of Independent States territory. Last year Russia reportedly dredged Tartus and began building a new dock at Latakia.



Its presence for several months will be a complication for the Israel navy's operations opposite the Lebanese and Syrian coasts, especially if the Russians could be joined at Tartous by Iranian extended *Kilo* class submarines. The Russian Kuznetsov carrier group will conduct three tactical exercises, including real and simulated launch of missiles, said Serdyukov, adding 11 port visits are expected to be made.

Source(s): Xinhuanet, Dec 6, 2007

http://news.xinhuanet.com/english/2007-12/06/content_7206722.htm

[A Different Theory for 100 Percent Container Scanning](#)

The requirements to scan containers were contained in the United States' SAFE Port Act signed into law in October 2006, and the Implementing Recommendations of the 9/11 Commission Act of 2007 (9/11 Commission Act of 2007), signed into law in August 2007.

The SAFE Port Act says this about scanning at U.S. seaports: "SCANNING CONTAINERS.- Subject to section 1318 of title 19, United States Code, not later than December 31, 2007, all containers entering the United States through the 22 ports through which the greatest volume of containers enter the United States by vessel shall be scanned for radiation. To the extent practicable, the Secretary shall deploy next generation radiation detection technology." (Section 121). Additionally, the Act says that scanning must detect "shielded and unshielded nuclear and radiological material" (Section 231).

The new 9/11 Commission Act of 2007 goes further by amending the SAFE Port Act to say: "IN GENERAL.-A container that was loaded on a vessel in a foreign port shall not enter the United States (either directly or via a foreign port) unless the container was scanned by nonintrusive imaging equipment and radiation detection equipment at a foreign port before it was loaded on a vessel also mandate scanning." (Section 1701)

However, scanning of containers could generate different set of problems for operation countries. There are four basic problems. The first is that the US as a nation, cannot or should not mandate another nation to provide the means for or perform the scanning of containers in their ports inbound to the United States. There is a clear question of sovereignty and a foreign nation's right to decide what steps to take within its sovereign territory.

The second problem is that both the Safe Port Act and the 9/11 Commission Act of 2007 contain a fatal flaw, the use of the word, "at." The SAFE Port Act contains 20 references to scanning containers but only two need to be used to demonstrate where the scanning is to take place. The SAFE Port Act which codified the Container Security Initiative, reveals the following:

"...scanning, and inspection protocols and technologies utilized at designated seaports and the effect on the flow of commerce at such seaports, as well as any recommendations for improving the effectiveness of screening, scanning, and inspection protocols and technologies utilized at designated seaports." (Section 205)

And with respect to scanning at U.S. domestic ports:

"SCREENING OF CARGO CONTAINERS.-The Secretary shall ensure that 100 percent of the cargo containers originating outside the United States and unloaded at a United States seaport undergo a screening to identify high-risk containers.

The third problem is that these portal scanning machines used to detect shielded radiation do not exist, and Congress knew that they did not exist when the legislation was drafted. In referencing the requirement to scan at foreign ports, the 9/11 Commission Act of 2007 reflects the following with respect to its application:

"...shall apply with respect to containers loaded on a vessel in a foreign country on or after the earlier of-- (A) July 1, 2012; or (B) such other date as may be established by the Secretary under paragraph (3)." (Section 1701)

And, the fourth problem is clear and easily documented. Both laws have failed to designate land ports-of-entry as critical infrastructure. Neither these nor any other U.S. laws designate land ports as critical. Therefore, no funding is available under the critical infrastructure umbrella and they are not included in the concept of ports outlined in the SAFE Port Act and the 9/11 Commission Act of 2007. Congress has also clearly failed to consider the criticality of land ports and the risks and vulnerabilities these ports host as brought to the attention of the Congressional homeland security committees early in 2007 prior to creating the 9/11 Commission Act of 2007 (Homeland Defense Journal, February 2007).

Source(s): December 10, 2007

<http://www.securityinfowatch.com/online/The-Latest-for-Security-Executives/A-Different-Theory-for-100-Percent-Container-Scanning/13448SIW305>

Marshall Islands and USCG Maritime Security Agreement

In a historic first for the Republic of the Marshall Islands, the United States Coast Guard supported RMI law enforcement personnel in conducting a ship boarding and vessel inspection operation within RMI's territorial sea. The Guam-based USCG Cutter Sequoia visited Majuro, Marshall Islands, December 2-4 to conduct a law enforcement professional exchange with RMI Sea Patrol personnel. The exchange concluded with armed boarding teams, carried by Sequoia's high speed inflatables, intercepting and boarding three foreign fishing vessels in the vicinity of Majuro, the nation's capitol.



The joint operation was authorized by both governments via a Shiprider Agreement that was recently concluded through an exchange of diplomatic notes. Clyde Bishop, the United States Ambassador to the RMI, expressed his appreciation to both the RMI and the Coast Guard for successfully implementing the agreement. He expressed his hope that more such operations will be conducted in the near future with the goal of deterring various forms of transnational crime within the territorial waters of the RMI and helping to ensure the viability of the multi-billion dollar fishing industry in the Pacific Islands.

Source(s): Yokwe Online, December 14, 2007

<http://www.yokwe.net/index.php?name=News&file=article&sid=2018>

India Should Wield Smart Power

'The world would like India to play a more active role in global affairs. India can blend a mixture of hard and soft power. India can wield smart power,' said Cronin, director of The International Institute for Strategic Studies (IISS). India's global rise, coming as it does on the back of a fast growing, liberalising economy and a shift in power from the West to the East, presents unique opportunities for the world, Cronin told IANS in an exclusive interview. 'The world is looking at India afresh. It's seen as a major democracy, which is no longer wedded to non-alignment in the conventional sense and the Cold War world,' said Cronin, a former head of the US Agency for International Development.

'India is now a rising global power. That is especially true in the economic sense. It's also true in the political and cultural sense.' Cronin, who has authored defining books on contemporary strategic issue like 'The United States and Coercive Diplomacy', 'The US-Japan Alliance: Past Present and Future', and '2015: Power and Progress', was in India to participate in a foreign policy dialogue between the IISS and the Indian foreign office.

'The rise of India will help the world in several ways. It is in the interests of the world to have India contributing to a whole basket of issues, including nuclear non-proliferation and maritime security,' he said. Cronin made a strong pitch for India playing a bigger role in the UN Security Council. 'India's political voice has to be heard more widely. It involves reforms of the UN Security Council. At security level, India ranks very high and can play a major role in UN peacekeeping operations and in combating trans-national crimes, maritime piracy and counter-terrorism,' he said. 'India has a tremendous role to play in the security of the Indian Ocean region,' he added. Comparing India's rise with that of China, Cronin stressed that despite China's continuing spell of economic growth and extensive modernisation of its army and navy, India's chances of succeeding as a smart power are greater as it is the world's major democracy with liberal ethos.

Smart power, in the words of US expert Joesph Nye, is the ability to combine the hard power of coercion or payment with the soft power of attraction into a successful strategy.

Source(s): Manish Chand, The Earth Times, Dec 16, 2007

<http://www.earthtimes.org/articles/show/161225.html>



Why Teddy Roosevelt Claimed the Seas

Bret Stephens' almost passing comment in the Wall Street Journal's, Global View that the U.S. Navy is going "through something of an identity crisis" is a major reason why he calls for "a supremely powerful Navy" to counter the rise of the "Chinese Great White Fleet."

Just 13 years after the Great White Fleet returned to the U.S., it was physically scrapped under the terms of the Washington Naval Treaty, which set strict limits on the number and size of battleships the major powers could build and deploy. Only after Pearl Harbor and World War II did Americans really seem to learn the lesson that their position as a maritime power could not be wished away, and that their maritime interests could only be defended by a powerful Navy.

That remains no less true today, even as the Navy goes through something of an identity crisis. America's wars have become up-country affairs, and the big ships of our blue-water Navy are not quite adapted to brown-green waters where today's conflicts are likely to take place. John McCain, whose grandfather sailed with the fleet (and was among the officers pictured here listening to Roosevelt), recently complained to The Wall Street Journal about the huge cost overruns in the development of a new generation of so-called Littoral Combat Ships.

Whatever the procurement problems or tactical issues, a supremely powerful Navy is not a luxury the U.S. can safely dispense with. In September, ships of the People's Liberation Army Navy made their first-ever port calls in Germany, France, Britain and Italy, and Chinese admirals are frequent guests on American warships. "The Chinese Great White Fleet is not too far off on the horizon," says a senior Navy official in a recent conversation. China's current rise, like America's a century ago, is not something anyone can stop. It can be steered. Making sure our vision for the Navy stays true to Teddy Roosevelt's is one way of ensuring the Chinese don't make the mistake of steering it our way.

Unfortunately, the naval identity crisis is real and potentially poses great harm for the U.S. Rather than focusing on full-spectrum warfare against a future "peer-competitor," the Navy wants to become a second-best "Coast Guard." Its admirals talk incessantly about humanitarian operations, maritime policing against civil threats, and the importance of "soft power," while the new Maritime Strategy for 21st-century Seapower doesn't even mention the rise of Chinese naval power, much to Congress' chagrin. Instead of a near-schizophrenic search for new identity, the Navy should stay true to its warfighting heritage -- as embodied in TR's Great White Fleet -- and focus on deterring and if need be defeating any other navy, including the Chinese.

Source(s):

Bret Stephens, *Why TR Claimed the Seas*, The Wall Street Journal, Dec 18, 2007

<http://online.wsj.com/article/SB119794038039835579.html?mod=Letters>

Bruce Stubbs, The Wall Street Journal, Dec 24, 2007

http://online.wsj.com/article/SB119846542125748367.html?mod=googlenews_wsj

Indian Navy may go for European Reconnaissance Aircraft

The Indian Navy needs the aircraft to replace its ageing fleet of eight Soviet-era Tupolev Tu-42s that are on the verge of completing their service life and also the remaining two IL-38 aircraft. The Navy seems to have narrowed down its choice to the offering from the European consortium of EADS. A four-member Navy team, headed by a one-star officer, had observed trials in July on MRA derivatives of the Airbus A-319, manufactured by the EADS Spain and the Boeing P-8A Poseidon in the US. It is understood that the price, at which the EADS would be arming the Indian Navy with the eight MRAs, is almost \$ 400 million less than the price offered by Boeing.

Airbus used an A319 aircraft for flight trials in France and a P-3C for testing avionics and surveillance systems. The Indian team also visited EADS' airborne center in Hamburg, Germany, for lab testing and technical document verification. The Boeing tests were carried out on surrogate aircraft carrying some systems expected to be in the final aircraft. Boeing used a 737-800 for flight trials, a C-40 for handling trials and P-3 Orions for systems trials.

Other bidders are Israel Aerospace Industries and Elta Systems with a Dassault Falcon 900 business jet derivative, Lockheed Martin with a refurbished P-3C Orion, and a Russian consortium with the upgraded Ilyushin Il-38SD. The Navy is also in talks with the state-owned Hindustan Aeronautics Limited (HAL) for developing a rotary-wing unmanned aerial vehicle (UAV) to enhance its maritime surveillance capabilities.

Source(s): Girja Shankar Kaura, December 31, 2007

<http://www.tribuneindia.com/2008/20080101/main5.htm>

<http://www.defensenews.com/story.php?F=3227856&C=asiapac>

Japan to Resume Afghan Mission

"In this very moment, in the Indian Ocean, many countries are cooperating with each other in continuing their fight against terrorism. I would like to show Japan working hard for the world with other countries as soon as possible," said Yasuo Fukuda in a New Year's statement. Japan terminated the Maritime Force's refuelling mission in the Indian Ocean on Nov. 1 when a special law authorizing the mission expired after the ruling and opposition parties failed to reach an agreement to extend the law. The mission was recalled because the opposition parties raised concerns that the operation did not have explicit support from the United Nations. The opposition also said the mission possibly violated Japan's pacifist constitution. Fukuda's new bill allows the ships to be deployed again, but in a more limited role. The ruling bloc is expected to use its majority in the lower house to push the bill through the upper chamber, which is controlled by the opposition.

Source(s): December 31, 2007

<http://www.presstv.ir/detail.aspx?id=37075§ionid=351020406>



MARINE ENVIRONMENT

Antarctic Sinking Raises Safety, Environment Issues

The sinking of the M/S Explorer in Antarctica's icy waters on Nov. 23 has raised concerns on several fronts, including passenger safety on cruises to the area as well as what effect the sinking, and increasing tourism, will have on the environment. The 100-passenger ship was the first commercial passenger ship ever to sink in the coldest, driest, most desolate place on Earth. A gash about the size of a fist inflicted the mortal wound on the vessel when it struck ice in waters surrounding an island chain that is part of the Antarctic Peninsula well north of the Antarctic Circle, where most cruises operate.

The 246-foot Explorer, built in Finland in 1969, was not an icebreaker and did not have a double hull. But according to its owners, G.A.P. Adventures of Toronto, it was specially reinforced to withstand blows from ice and was certified at the highest rating given by Finland and Sweden for non-icebreakers -- 1A1. Denise Landau, executive director of the 99-member International Association of Antarctica Tour Operators (IAATO), headquartered in Basalt, Colo., said that the non-profit organization has had a safety plan in place since its founding in 1991 and, according to Landau, it was the main reason three ships responded so swiftly to the Explorer's SOS. That plan includes maintaining a list of all vessels, their schedules and itineraries so every maritime operation knows who's where and when, and how to respond in case of an emergency. "Everyone is overreacting" to the accident, Landau said.

Source(s): The Chicago Tribune, Dec 02, 2007

http://www.chicagotribune.com/travel/chi-page_3_rewrite_pmdec02.0.1688065.story

Sea Turtles Face Threat from Orissa Ports Plan

Tata Steel, is building a £294m deepwater port at Dhamra, near the river mouth, a mere eight miles north-west of the nesting beaches of the Gahirmatha marine sanctuary. This is one of the largest nesting beaches in the world for marine turtles, with 100,000 to 300,000 nesting there every year. The Olive Ridley, among the smallest of the world's seven marine turtle species, is found in the tropical and subtropical waters of the Pacific, Indian and Atlantic oceans, and swims great distances to haul itself out on to the sandy beaches of Orissa for its annual egg laying ritual. However, over the past 13 years, more than 130,000 Olive Ridelys have been washed up dead in the area, after being caught in the nets of trawlers and gill netters and has been listed as "vulnerable" by the World Conservation Union. On the other side of the nesting beaches, the Korean steelmaker Posco has proposed a £343m dedicated port for its 12 million-ton steel plant, 42 miles to the south. Conservation groups such as Operation Kachhapa and Greenpeace fear the ports would add to the existing problem of loss of suitable undisturbed breeding habitat.

Source(s): The Independent, Dec 03, 2007

<http://news.independent.co.uk/world/asia/article3218053.ece>

Ocean Fertilization is "Not Justified"

Signatories to international maritime protection treaties, the London Convention and London Protocol, have said that large-scale "ocean fertilization" operations are not justified. The London Convention, which was set up in 1975 and has 82 states as parties, limits dumping of wastes at sea

to substances not on a banned list. The London Protocol prohibits all dumping of wastes at sea except for possibly acceptable wastes on its "reverse list". The protocol came into force in March 2006 and currently has 31 parties: eventually it should replace the convention. Ocean fertilization – adding iron or other micro-nutrients – has been proposed as a means of boosting plankton growth and increasing carbon sequestration. But it's unclear how effective the technique would be in practice. "Speculative technologies and unregulated voluntary markets for carbon offsets are a potentially lethal brew," said Kristina Gjerde, high-seas policy adviser to the World Conservation Union. Scientists around the world have completed at least 10 small-scale iron fertilization projects to date. At a meeting in early November, parties to the London Convention and Protocol urged states to use the utmost caution when considering proposals for large-scale ocean fertilization operations on a case-by-case basis. There was also agreement to further study the issue from scientific and legal perspectives with a view to its regulation.

Source(s): [Environmental Research Web, Dec 07, 2007](http://environmentalresearchweb.org/cws/article/futures/32118)
<http://environmentalresearchweb.org/cws/article/futures/32118>

Greenpeace Shuts Down Eu Fishing Quota Talks

Greenpeace protesters have shut down the EU building in Brussels where fisheries ministers were due to meet to decide on new catch quotas. Ministers were expected to call for quotas to be increased by 25% for many fish stocks, despite scientific evidence that 80% are being fished outside "known safe biological limits". Greenpeace said that if the meeting goes ahead, ministers will once again impose fishing quotas which will push depleted stocks closer towards extinction. Almost 200 volunteers blocked off entrances with metal fences and constructed a 30m-long, 2m high wall shutting off the main entrance, sprayed with the words: "Shut down until fish stocks recover". The campaigners fear that if fishing for species like cod is allowed to continue at the present levels, such fish could



be wiped out in the North Sea and other areas. They are calling not only for a halt to unsustainable cod fishing, but also for large areas of the oceans to become protected as "marine reserves". In Brussels, Willie Mackenzie, Greenpeace's oceans campaigner, said: "Every year, these bungling bureaucrats preside over the decimation of Europe's fish stocks, ignore the advice of their own scientists and set fishing quotas which will only push species like cod in the North Sea further towards extinction.

In its new briefing, Hook, Line and Sinker, the WWF points to Canada's Grand Banks, where historic Atlantic cod grounds were made commercially extinct. It says that lie now, decision-makers ignored scientific advice and chose to cash-in on the early signs of recovery, with the result of further deterioration of the stocks. Helen McLachlan, senior marine policy officer at WWF says: "Europe cannot afford to repeat the same mistakes by fishing out cod at the first signs of recovery. EU ministers and the European commission have to wake up to the reality that what is at stake at the fisheries council is cods' survival in the North Sea." Oceana, an international ocean group, fears scientific advice will again be ignored by the council this year. It says that over the last 20 years, Ices has given over 1,500 pieces of scientific advice to EU and other governments in the north-eastern Atlantic for the correct management of fish stocks. Of these, only 350 (22%) have been properly respected, it says, and over 1,200 warnings have been totally ignored.

Source(s): [The Guardian, Dec 17, 2007](http://www.guardian.co.uk/environment/2007/dec/17/fishing.conservaion1)
<http://www.guardian.co.uk/environment/2007/dec/17/fishing.conservaion1>

IMO Expert Group Completes Emissions Study

A comprehensive study commissioned by the International Maritime Organization to assist in the planned revision of regulations governing air pollution from ships has been successfully completed. The informal cross government/industry scientific group of experts was set up, in July 2007, by IMO Secretary-General Efthimios E. Mitropoulos following approval by the Organization's Marine Environment Protection Committee (MEPC). It was tasked with reviewing the impact on the environment, on human health and on the shipping and petroleum industries, of applying any of the fuel options proposed to reduce SOx and particulate matter generated by shipping, as well as the consequential impact such fuel options could have on other emissions, including CO2 emissions from ships and refineries.



The group's report will now be presented to IMO's Sub-Committee on Bulk Liquids and Gases (BLG), at its February 2008 session and the MEPC, at its March/April session. The BLG Sub-Committee is expected to finalize proposals for amendments to Annex VI of the MARPOL Convention, which regulates the emission of atmospheric pollutants in ships' exhausts. These proposals will then be forwarded to the MEPC for approval and subsequent formal adoption at its next session in October 2008. Amendments to MARPOL normally enter into force 16 months after their adoption.

Source(s): [seatradeasia-online, Dec 24, 2007](http://www.seatradeasia-online.com/News/2126.html)
<http://www.seatradeasia-online.com/News/2126.html>

Plastic Killing Fields in the Ocean

In one of the few places on Earth where people can rarely be found, the human race has well and truly made its mark. In the middle of the Pacific Ocean lies a floating garbage patch twice the size of Britain. A place where the water is filled with six times as much plastic as plankton. This plastic-plankton soup is entering the food chain and heading for your dinner table. For hundreds of years, sailors and fisherman have known to avoid the area between the Equator and 50 degrees north latitude about halfway between California and Hawaii. As one of the ocean's deserts, the North Pacific Subtropical Gyre lacks the wind that sailors need to survive, as well as the nutrients to support large fish or the men who hunt them.

But 10 years ago, Captain Charles Moore took a short cut through the airless doldrums in his catamaran, *Alguita*, and caught sight of something that changed his life. As he looked out at what should have been a clear blue ocean, Moore saw a sea of plastic. As far as he could see, day after day, were bottles, wrappers and fragments of plastic in every colour.

Historically, the ocean's circular currents have led to accumulation of flotsam and jetsam in the subtropical high, where the waste has biodegraded with the help of marine micro-organisms. But since humans developed a material designed for durability, which can survive exposure to any bacteria, the gyre has been filling with a substance it can't get rid of. Rather than biodegrading, plastic photodegrades, breaking down in the sunlight into smaller and smaller pieces. But no matter how small it gets, it's still plastic, and causes havoc when it enters the stomachs of marine life.

Source(s): [The Sydney Morning Herald, Dec 29, 2007](http://www.smh.com.au/)
<http://www.smh.com.au/>

HUMAN RESOURCES

Dearth of Maritime Manpower

Speaking at the annual lecture of the Nigerian Chamber of Shipping (NCS) held in Lagos recently, the Chief Executive of the International Naval Survey Bureau, Akin Olaniyan, said that the need for a continuous training of human capital in this sector cannot be overemphasised. He explained that over the last forty years, seaborne trade has risen from less than 6 billion tonnes to 25 billion tonnes and so the need for qualified crew men has also increased drastically. The operations of merchant ships have contributed over USD350 billion in freight rates which is equivalent to about 5% of total world trade. He emphasised on the need for a continuous human capital management and development in the maritime industry which has been bedeviled by shortage of crew, technical and managerial expertise, low retention rates, question in quality of seafarers and more recently the under-utilisation of experienced man power. Apart from shortage of man power, some of the teaching staff need further training to enhance their efficiency. Another issue that should be paid attention to is the standardisation and regulation of maritime training institutions or institutions offering maritime related courses.

Source(s): [Vanguard, Dec 27, 2007](http://www.vanguardngr.com/index.php?option=com_content&task=view&id=3690&Itemid=0)
http://www.vanguardngr.com/index.php?option=com_content&task=view&id=3690&Itemid=0

MARINE TECHNOLOGY

Marine Electronic Highway for Straits Awaits Green Light

IMO hopes to receive the final go-ahead for a \$17m Marine Electronic Highway (MEH) project in the Straits of Malacca and Singapore. A grant covering around half (\$8.3m) of the total funding needed was agreed in mid-June by the Global Environment Facility (GEF)/World Bank, \$1.44m of which will go on equipment for maritime safety facilities in Indonesia, the rest to the IMO for implementation of the other facilities needed. However, GEH/World Bank funds are conditional on

endorsement of the implementation plan for the MEH by the littoral states of Singapore, Malaysia and Indonesia, which have to contribute the remainder. They have been requested by the IMO to submit their formal agreement, on which go-ahead of the project now hinges.

Described as a 'demonstration project' for a wider regional MEH, the programme will concentrate on implementing a Traffic Separation Scheme along some 320km of the total 1,000km of the Straits. It will be built on a network of ECDIS and environmental management tools, says the IMO, and is designed to make available a maximum amount of information both to ships and shore-based users such as vessel traffic services. Production of electronic navigation charts of the Straits will be included. Confident that endorsement will take place shortly, IMO has already published advertisements for a project launching consultant and procurement consultant. Both positions will be based out of a project management office to be set up in Batam, Indonesia, programme coordination officer James Paw told Seatrade. A preparatory phase of the project costing just under \$500,000 took place 2001 to 2005. Owner bodies ICS and Intertanko, as well as the International Hydrographic Organization, are supporting the project.

Source(s): Seatrade-asia Maritime News, December 8, 2007
<http://www.seatradeasia-online.com/News/338.html>

China Builds New-Generation Surface Combatants

The Navy of China's People's Liberation Army (PLAN) has continued to induct new-generation principal surface combatants at a hectic pace in 2007. The latest entrants are the first two of the four improved Type 054A Jiankai-class guided-missile frigates (FFG) with pennant numbers 530 and 586. They are now undergoing sea trials after the first 054A FFG (pennant number 530) was launched on 30 September 2006 at Huangpu Shipyard belonging to state-owned China State Shipbuilding Corp (CSSC) as well as Hudong Zhonghua Shipyard in Shanghai. Both these FFGs feature a 32-cell vertical-launch system at position B (in front of the bridge) that houses the HQF-91M vertically-launched medium-range surface-to-air missiles (M-SAM) developed and built by China State National Precision Machinery Import-Export Corp (CPMIEC).

The main gun for these FFGs is a licence-built variant of the Russian Arsenal AK-176 76mm anti-surface/anti-air gun. For close-in air defence, two Type 730 gun-based CIWS on both sides of the aft mast are installed. A Sea Eagle 3-D airspace surveillance radar is installed on top of the foremast. The shipyard has since completed outfitting the FFG with the Russia-supplied Mineral-ME radar, a Fregat M-2EM air-surface search radar and two MR-90 Orekh target illumination radars for the HQF-91M M-SAMs. Both Mineral-ME1 active and Mineral-ME2 passive radars have been fitted to the FFG to provide target designation for eight CPMIEC-built YJ-83/C-802A anti-ship cruise missiles. The Mineral-ME1 works in I-band while the ME2 works across the I, G, E, F, and D-bands up to 450 km. With the targeting function engaged, the system can work up firing solutions for 10 different targets. Upon entering service, the Type 054A FFGs will supplement the two existing Type 054 Jiankai-class FFGs (525 Maanshan and 526 Wenzhou) that were built by the CSSC's Hudong Zhonghua Shipyard to replace PLAN's obsolete Jianghu-class FFGs. Like the Type 054A, the Type 054s feature a stealthy superstructure. However, given its relatively small size, it lacks a state-of-the-art combat management system and weapons suite. Instead, it is only protected by an improved CPMIEC-built HHQ-7 (FM-90N) SAM-based short-ranged air defence system (SHORADS) and four AK-630 30mm, six-barrelled guns. Interestingly, the AK-630 guns feature new stealthy turrets. However, a single Type 347G fire-control radar is installed on top of the hanger, suggesting that the AK-630s can only engage incoming anti-ship cruise missiles from one direction at a time. Other on-board weapon systems include a single 100-mm stealthy main gun (the same type also being fitted on board the new Type 052B/C DDGs) and twin quadruple YJ-83/C-802A anti-ship cruise missile launchers, semi-recessed between the forward and rear masts. One Kamov Ka-28PL ASW helicopter equipped with a dunking sonar is carried on board. A new ESM suite (HZ-10) is installed on both sides of the forward mast with drum-like antennae. The displacement of the Type 054 FFG is 3,500 tonnes and its propulsion system is of the CODAD type, with MTU-956/1163 diesel engines.

Due to the limited protection provided by the HHQ-7 SAM and AK-630, only two Type 054 FFGs were built. FFG 525 Maanshan was launched in Shanghai on 11 September 2003, while FFG 526 Wenzhou was launched in late November 2003 at Huangpu Shipyard in Guangzhou. The Maanshan was commissioned on 18 February 2005, while Wenzhou was inducted on 26 September 2005. Presently, both FFGs are serving with the East Sea Fleet.

Source(s) : Prasun K. Sengupta, Force, December 2007 Issue
<http://www.forceindia.net/december/feature.asp>



EU Adopts Marine Protection Directives amid NGO Criticism

The European Parliament on 11th December adopted a new directive setting out guidelines for the protection of the marine environment during its plenary session in Strasbourg. But the new strategy received a lukewarm response from environmental NGOs. The Marine Strategy Framework Directive seeks to protect Europe's oceans by obliging member states to take measures to "achieve good environmental status in the marine environment by 2020". European policies in this field are currently based on a mixture of legislation at regional, national, EU and global level, as agreement over an integrated EU strategy has stalled ([EurActiv 24/07/07](#)) since the directive was originally proposed in October 2005 ([EurActiv 25/10/05](#)). The EU's marine strategy complements the Water Framework Directive, which similarly requires surface freshwater bodies such as lakes, rivers and estuaries to achieve "good ecological status" by 2015.

Source(s): [EurActiv, Dec 12, 2007](#)

<http://www.euractiv.com/en/environment/parliament-adopts-marine-protection-strategy-amid-ngo-criticism/article-169062>

World Court Rules for Colombia in Maritime Dispute with Nicaragua

Ruling in a case brought by Nicaragua, the International Court of Justice found Dec. 13 that three Caribbean islands in the disputed San Andrés Archipelago belong to Colombia under a 1928 treaty. But the ICJ said the treaty did not determine the status of other islands in the archipelago or the maritime boundary. The archipelago, which is believed to have oil, lies 775 kilometers (480 miles) off Colombia and just 220 kilometers (140 miles) off Nicaragua's Miskito Coast. In 2003, Nicaragua invited oil companies to explore in the archipelago's waters—drawing protests from Colombian officials.

The Court partially rejected a Colombian challenge to its jurisdiction in the case. Colombia denied that there was any dispute over which the Court had authority, asserting that the issue was settled by the 1928 Esquerro-Bárcenas treaty, establishing the 82nd meridian (just west of the archipelago) as the maritime boundary. Nicaragua claimed the treaty, made when the country was occupied by the US Marines, was illegitimate—and that its diplomats had been forced to sign in order to aid reconciliation efforts between Washington and Colombia after the dispute over Panama.

Nicaragua annulled the treaty in 1980, after the left-nationalist Sandinista regime took power. Alain Pellet, attorney for Nicaragua in the case, said the treaty "gave them what they already possessed, the Mosquito Coast, in exchange for what [also] belonged to them, the San Andrés Archipelago." Pellet invoked the Bogotá Pact of 1948, which designates the World Court as the final authority in disputes between Latin American nations.

The ICJ rejected these arguments. "The court finds that the 1928 treaty between Colombia and Nicaragua settled the matter of sovereignty over the islands of San Andrés, Providencia and Santa Catalina," the ruling said, noting that Nicaragua had not contested the treaty for 50 years. "There is no extant legal dispute between the parties on that question. The court thus cannot have jurisdiction over the question."

Nicaragua brought the case in 2001, two years after bringing case against neighboring Honduras following a new Honduras-Colombia treaty carving up 130,000 square kilometers of the Caribbean. In this treaty, Honduras recognized Colombia's claim to the San Andrés islands in return for Colombian recognition of Honduran sovereignty over other waters claimed by Nicaragua. In retaliation, Nicaragua slapped a 35% tariff on imports from Honduras, and went to the World Court.

This October, the Court ruled for Honduras over disputed keys and islands off the Miskito Coast, while also granting some disputed waters to Nicaragua. While the governments of both Honduras and Nicaragua expressed satisfaction with that ruling, the new one in the dispute with Colombia—over the region's real prize, the San Andrés islands—is a different story.

Source(s): [Bill Weinberg, Dec 14, 2007](#)

[AP, Reuters, EFE, Dec 13, 2007. http://www.ww4report.com/node/4807](http://www.ww4report.com/node/4807)

Exxon to Argue Damages Award Conflicts with Maritime Law

Exxon has filed a brief, arguing mostly that trial and appellate courts erred in blaming the company for the actions of captain Joe Hazelwood when the Exxon Valdez hit a reef in Prince William Sound in 1989 and spilled nearly 11 million gallons of crude oil. The company will also argue that it was punished enough and that the \$2.5 billion is an excessive addition to the money the company

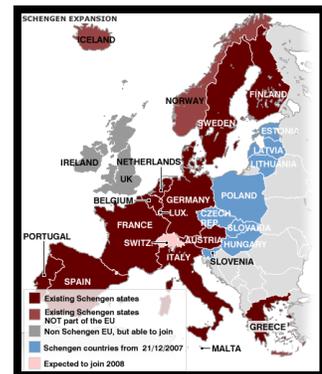
has already paid, said Exxon spokesman Tony Cudmore. "We don't believe the punitive damages are warranted in this case," he said. "The company has spent over \$3.5 billion on compensation, cleanup payments, settlements and fines. It's a case about whether further punishment is warranted, and we do not believe that punitive damages are warranted in this case." The Supreme Court announced in October that it will examine the fundamental legal issues in the case, which dates to the early 1990s. Exxon has been appealing since 1994, when an Anchorage jury returned a \$5 billion punitive damages award against the company. Last year, the 9th U.S. Circuit Court of Appeals in San Francisco cut the award to \$2.5 billion; Exxon appealed that decision to the Supreme Court. The company has long argued that it invested significant amounts of time, money and effort to address what happened to the environment, wildlife and Alaska residents after the oil spill. The oil giant has had more than a dozen business groups and shipping associations file friend-of-the-court briefs objecting to the size of the verdict and how maritime law was applied in the case.

Now, the State of Alaska is expected to step in. Gov. Sarah Palin has asked the attorney general to file a friend-of-the-court brief on behalf of the fishermen and residents who first brought the suit. The state will probably have the backing of the Alaska congressional delegation. "It is in Alaska's interest to see justice concluded for the 33,000 Alaska commercial fishermen, cannery workers, landowners and Natives impacted by this horrendous spill," said Meredith Kenny, a spokeswoman for U.S. Rep. Don Young. "Representative Young has always been predisposed to signing onto the brief and looks forward to reviewing a final copy of it to accomplish that action."

Source(s): Erika Bolstad, *Anchorage Daily News*, Dec 19, 2007
<http://dwb.adn.com/front/story/9528748p-9439582c.html>

Europe's Border-Free Zone Expands

The Schengen agreement, which allows passport-free travel across the area, now embraces 24 nations with nine new states joining a European border-free zone. The Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia joined the zone. German Chancellor Angela Merkel and Polish PM Donald Tusk will mark the event on Friday morning in the town of Zittau, near the point where Germany, Poland and the Czech Republic meet. A checkpoint between Austria and Slovakia was dismantled in one of several events marking the enlargement from the Baltic Sea to the Adriatic. Slovak Prime Minister Robert Fico and Austrian Chancellor Alfred Gusenbauer sawed through a barrier at the Berg border crossing. Other ceremonies took place in Hungary, Slovenia, the Czech Republic, Poland and the Baltic states.



Source(s): BBC Dec 21, 2007
<http://aftermathnews.wordpress.com/2007/12/21/europes-border-free-zone-expands/>

MARITIME HERITAGE

Portuguese Trade in the Indian Ocean

When Vasco da Gama sailed into the Indian Ocean in late 1497, he came into contact with an extensive and long-established network of maritime trade connecting ports from East Africa to what is now Indonesia. The countries of the region had a glorious history of commercial activity. The Portuguese quickly realised that they had struck a goldmine in trade much vaster in scope than the actual goldmine they were looking for in Africa. They quickly developed a strategy for entering this arena of trade by creating the Estado da India (State of India), a series of trading posts, and vital coastal cities that slowly but ultimately stretched from Mozambique to Macao. The administrative headquarters was in Goa, on the west coast of India.



Even though the Portuguese did not really achieve a monopoly in the spice trade, Portuguese merchants made up for their lack of success in the spice trade by doing tremendously well in luxury goods. Artwork and furniture that survive from the period attest to the extraordinary skills of the artists and craftsmen as well as to the richness and rarity of the materials used in their manufacture. In addition to serving as headquarters of the Estado da India, "Golden Goa" was an acknowledged

entrepot for costly objects, made locally and elsewhere in India, which were sent to Europe and other Portuguese ports in Asia, Africa and South America.

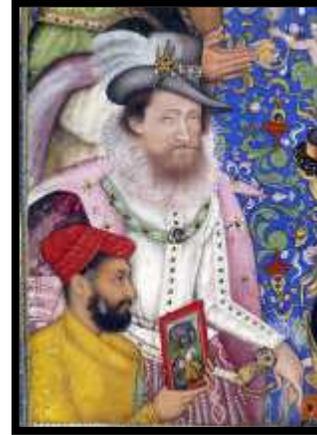
Sri Lanka, called Ceilao in Portuguese was the source of cinnamon, one of the most sought-after Asian spices. In 1505, a Portuguese fleet that had been blown off course from the Maldiv Islands reached Colombo, capital of the kingdom of Kotte in the southwestern part of the island. By 1518, the Portuguese had constructed a fort in Colombo and eventually established control over all of Kotte until they were displaced by the Dutch in the following century. A work in ivory entitled Nativity (Sri Lanka, 1575-1625), occupied an important place in the exhibition besides a casket made in ivory, gold, rubies and sapphires.

Portugal's growing maritime commerce in the South China Sea in the mid-16th century necessitated a secure harbour in Chinese territory. In 1557, authorities in Guandong province allowed the Portuguese to start a settlement on the Macao peninsula, near the mouth of the Pearl River. By the end of the century, Macao had become one of Asia's great commercial ports. Macao stayed under Portugal's control until December 1999, when it was formally handed over to China. The Portuguese were also engaged in huge commercial activity in south of Japan. They purchased Chinese goods, principally silks, which were then sold in exchange for silver, extracted from Japan's rich mines.

As was the case in India and China, a market in objects made specifically for the Portuguese also developed in Japan. European-style serving dishes and furniture, including domed chests in various sizes, richly decorated in Japanese lacquer with gold and silver dust and mother-of-pearl inlays were taken back to Portugal. The discovery of the new sea lanes not only developed trade and commercial activities (that later led to territorial rivalries), but also set in motion an exchange of scientific ideas between Europe and Asia.

Source(s): The Hindu, December 16, 2007

<http://www.hindu.com/mag/2007/12/16/stories/2007121650090200.htm>



Navy's Maritime Museum Project Hits Another Sandhead

Even after Indian Navy's final retreat to INS Vikrant ten years ago, the Rs124-crore proposal to convert it into IMS (Indian Museum Services) Vikrant—India's first floating museum—is still anchored, with no concrete decision being made over the move.

A meeting of the apex committee for IMS Vikrant slated today was postponed at the request of state Chief Secretary Johny Joseph citing a cabinet meeting. "For the last two years, the apex committee meeting has been put off. Joseph's inability to attend meeting has again put the agenda on hold," said an official.

While the ministry of environment and the forest department issued the no-objection-certificate for the project, the Brihanmumbai Municipal Corporation (BMC) decided to develop the road leading to Oyster Rock near Botanical Garden in Colaba, where Vikrant will be anchored for the conversion. This had encouraged the DGNP to execute the project by appointing a reputed décor and fabrication firm—the only snag that would have been cleared in today's meeting. A DGNP source said the floating of tender for ship's conversion into museum was in its last stages and was to be given the green signal at DGNP's apex body meeting. MMRDA has already released Rs5-crore equity fund for the project and the state government has opened its Rs10-crore kitty. BMC will develop the road in three phases.

Source(s): Chittaranjan Tembhekar, Dec 17, 2007

<http://www.dnaindia.com/report.asp?newsid=1139822>

China Raises 13th Century Ship from Seabed

Chinese archaeologists have successfully raised the wreck of the Nanhai No 1, an 800-year-old merchant ship, from the depths of the South China Sea and will begin the laborious process of sifting through its cargo of exquisite porcelain and other treasures. The ship went down in storms as it left a southern Chinese port to sail the rich trade route known as the ancient Marine Silk Road and was quickly buried in silt, which has preserved the priceless haul of 80,000 relics on board. At 30 metres long and 10 metres wide, it is the largest cargo ship discovered from that golden age of Chinese merchant history.



Salvage experts used a specially designed sealed steel box containing tons of seawater and silt to lift the ship from the seabed while keeping it in the environment in which it has been preserved for hundreds of years. "We haven't seen any silt or water leakage from the box. The boat is still in almost the same environment as it has been over the centuries," Wu Jiancheng, head of the excavation project, told the Xinhua news agency. Tow boats pulled the barge carrying Nanhai No. 1, which translates as "South China Sea No. 1", to a temporary port where it will be put on a huge air bed and sent to a custom-designed museum, built at a cost of 150 million yuan (£10.3m) by the Guangdong provincial government.

Initial excavations have yielded gorgeous green glazed porcelain plates, blue porcelain and gold, silver and tin pots, chinaware specially designed for markets in the Middle East, as well as 6,000 copper coins from the Song Dynasty (960-1279) when the boat was built. Mr Jiancheng reckons there are still up to 80,000 relics on the ship.

The treasure is impossible to put a value on, although given the prices antique Chinese vases are garnering in the world's auction houses these days, the haul must be worth billions of pounds. Some Chinese cultural relics experts in China say the importance of the find could be equal to that of the Terracotta Warriors in Xi'an. Chinese traders began selling silks, porcelain and tea along the Marine Silk Road around 2,000 years ago, from southern ports in Guangdong and Fujian to countries in south-east Asia, Arab countries and Europe. There have been several ships discovered in the area and the Nanhai No 1 was the first in 1987. Being buried in two metres of silt has done much to protect the vessel, but it has also made excavation challenging in the murky water.

The museum features a "Crystal Palace" – a glass-walled pool filled with sea water to house the ship – where the water temperature, pressure and other environmental conditions would be the same as the sea bed to better preserve the wreck. Visitors will be able to watch archaeologists at work through the glass. According to Huang Zongwei, a professor with the Guangdong-based Sun Yat-Sen University, the boat was proof of the existence of a "Marine Silk Road". As early as 2,000 years ago, ancient Chinese traders began taking china, silk and cloth textiles and other commodities to foreign countries along the trading route. It started from ports at today's Guangdong and Fujian provinces to countries in southeast Asia, Africa and Europe. "The 'Marine Silk Road', like the ancient Silk Road that connected China with south, west and central Asia and Europe, was also a bridge for connecting Eastern and Western cultures," Huang said. "But evidence for existence of the path was rare."

Raising the shipwreck and keeping its valuable haul of porcelain intact has been a major challenge as scientists face stiff competition to rescue historical artefacts from both local fishermen and from high-tech salvage experts, often working secretly. The treasures often find their way to auction houses in the US and other foreign markets.

Source(s): By Clifford Coonan, China Correspondent 24 December 2007

<http://news.independent.co.uk/world/asia/article3280457.ece>

http://news.xinhuanet.com/english/2007-12/22/content_7296095.htm



LRIT SOLAS Amendment Enters into Force

A new SOLAS regulation on long-range identification and tracking of ships enters into force on 1 January 2008, giving SOLAS Contracting Governments a year to set up and test the LRIT system and ship operators a year to start fitting the necessary equipment or upgrading so that their ships can transmit LRIT information. The LRIT system is intended to be operational with respect to the transmission of LRIT information by ships from 30 December 2008. This is among a series of amendments to IMO instruments entering into force on the same day, covering training requirements for ship security officers, launching/recovery of fast rescue boats and including an amendment to the International Maritime Dangerous Goods (IMDG) Code.

The regulation in SOLAS chapter V Safety of Navigation, introduces LRIT as a mandatory requirement for the following ships on international voyages: passenger ships, including high-speed craft; cargo ships, including high-speed craft, of 300 gross tonnage and upward; and mobile offshore drilling units. Ships constructed on or after 31 December 2008 must be fitted with a system to transmit automatically the identity of the ship, the position of the ship (latitude and longitude) and the date and time of the position provided.

Ships constructed before 31 December 2008 and certified for operations in sea areas A1 and A2, or A1, A2 and A3, must be fitted with the equipment not later than the first survey of the radio

installation after 31 December 2008. Ships constructed before 31 December 2008 certified for operations in sea areas A1, A2, A3 and A4, must comply not later than the first survey of the radio installation after 1 July 2009 (but must comply earlier, as above, if they operate within sea areas A2 and A3). Ships operating exclusively in sea area A1 and fitted with an automatic identification system (AIS) are exempted from the requirement to transmit LRIT information.

Amendments to the STCW convention and Code, adopted in May 2006 and entering into force on 1 January 2008, add new minimum mandatory training and certification requirements for persons to be designated as ship security officers (SSOs). The amendments to the STCW Convention and to parts A and B of the STCW Code include Requirements for the issue of certificates of proficiency for Ship Security Officers; Specifications of minimum standards of proficiency for ship security officers; and Guidance regarding training for Ship Security Officers. The amendments also provide that until 1 July 2009, an STCW Party may continue to recognize personnel who hold or can document qualifications as ship security officers issued before the entry into force of the regulation.

Source(s): Briefing 53, 20 December 2007
<http://www.imo.org/>

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