Tackling Piracy in Asia: The Current Situation and Outlook

By Sam Bateman

Until armed boatloads of modern-day pirates off the coast of Somalia began grabbing headlines in recent years, talk of piracy was confined mostly to ship crews and owners, their insurers and specialists in maritime security.

But pirates have operated for years in Asian waters, and they continue to pose a threat. Maritime security expert Sam Bateman outlines the problem, the possible solutions, and the major obstacles to stamping out piracy.

SEAPIRACY IS A MAJOR maritime security problem for Asia, although the threat can be exaggerated for economic, strategic or political purposes. Attacks by Somali pirates off the Horn of Africa and far out into the Arabian Sea attract most attention, but incidents continue in South and Southeast Asia, most seriously in the southern part of the South China Sea.

Most war-risk areas listed by Lloyd’s of London, mainly due to piracy, are in Asia and the Indian Ocean, including Djibouti, Somalia and adjacent areas of the Indian Ocean, the Gulf of Aden, Balikpapan and Jakarta in Indonesia, and the northeast coast of Sumatra.

Table 1 opposite shows trends in the incidence of piracy and armed robbery against ships worldwide from 2005 to September 2010. Attacks were down slightly in the first nine months of 2010 in comparison with the same period of 2009. As the table shows, by far the greatest concentration of piracy incidents is off the Horn of Africa. The greater number of attacks globally in 2008 and 2009 was entirely due to increased attacks by Somali pirates. Reasons for this increase include the breakdown in governance onshore in Somalia, the pirates’ improved operational expertise and initial delays in the international community getting itself together to deal with the situation.

HORN OF AFRICA

Somali pirates are well organized. They hijack ships and crews purely for ransom and are not interested in stealing anything. Originally attacks occurred mostly off Somalia itself, but richer pickings were available in the Gulf of Aden, where many attacks occurred in 2009. More effective security arrangements there then pushed pirates further afield. Attacks now occur over a wide geo-
normally try to gain access to the ship’s safe, seize any valuables and rob the crew. The Information Sharing Centre set up by the Regional Co-operation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) advises ships to stay clear of Mangkai Island and observe anti-piracy precautions.

The second area of concern is the eastern part of the Singapore Strait off the coast of Johor in Malaysia. Thirteen incidents occurred in this area in 2009 and six in the first nine months of 2010, all involving ships at anchor. This is an area where many ships are laid up with skeleton crews as a consequence of the depressed shipping market.

**Vulnerability of Ships**

The vulnerability of ships to attack depends on factors such as ship type, size and speed — and freeboard, or the distance from the waterline to the deck of the ship. With the obvious exception of the large tankers that have been hijacked, vessels successfully hijacked tend to be older and smaller.

Larger vessels gain protection from their size and speed. A large ship traveling at over 15 knots, and taking all appropriate precautions, should avoid successful attack unless it slows down or stops. The pirates understand this and use weapons to persuade a vessel to slow down or stop.

Sub-standard ships (so-called “rust-buckets”) are more likely to be successfully hijacked than

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**Table 1 Global Piracy: Actual and Attempted Attacks 2005-2010**


first is the southern part of the South China Sea off the east coast of Malaysia and around Mangkai, Anambas and Natuna islands in Indonesia. Few attacks now occur in the Malacca Strait due largely to better policing both ashore and afloat.

The situation off Mangkai and Anambas islands has become more serious, with 15 attacks in the first nine months of 2010. Much shipping passes near these islands, which have a limited police and naval presence. Attacks tend to be hit-and-run, usually under cover of darkness. The pirates of the large tankers that have been hijacked, vessels successfully hijacked tend to be older and smaller.

Larger vessels gain protection from their size and speed. A large ship traveling at over 15 knots, and taking all appropriate precautions, should avoid successful attack unless it slows down or stops. The pirates understand this and use weapons to persuade a vessel to slow down or stop.

Sub-standard ships (so-called “rust-buckets”) are more likely to be successfully hijacked than
high-quality vessels. Age suggests a possible sub-standard ship. A ship may start her life with a reputable company, but over the years, she may change her name and flag, progressively ending up with less responsible owners. Well-operated and maintained vessels with well-trained and efficient crews are much more likely to take all necessary precautions against attack. The author has heard that Somali pirates appreciate this and target vessels that might be sub-standard.

Most ships transiting high-risk areas do the right thing, complying with best management practices and engaging fully with the security forces. However, there are still ships not following these procedures for countering piracy. These vessels figure prominently in the hijacking statistics.

INDUSTRY ISSUES
The shipping industry has a leading role to play in countering piracy. However, while it badgers governments to do more, its own practices could be making the pirates’ job easier. It could help counter piracy by ensuring that crews are well trained and efficient, maintaining adequate crew numbers, and reducing the employment of sub-standard ships. With the currently depressed shipping market caused by the global financial crisis, ship-owners have cut costs by reducing crew numbers and wages.

Also, there are larger numbers of laid-up ships in anchorages prone to attacks, such as off Johor in the Singapore Strait. Instead of laying up a ship, a ship-owner may prefer to keep it in service waiting for its next charter. Then the ship may be loitering at sea, including in high-risk areas in the southern South China Sea, or even the Gulf of Aden.

As most insurance policies cover the entire period a ship is held for ransom, some owners may choose to leave it in the pirates’ hands because they can recover daily costs while it is detained. Such costs could not be recovered if the ship was not detained and no cargo was offering for the ship.

The direct costs to the shipping industry of piracy are not great in the greater scheme of things. The number of ships successfully attacked is small relative to the number of ships passing through risky areas. International fishing interests have also suffered losses, however. Both Thailand and Taiwan claim they have had to cut back fishing operations in the Arabian Sea. Thailand has even sent warships to protect its fishing vessels. This is ironic, because much of the fishing activity in the region would probably be classified as illegal, un-reported or unregulated (IUU) fishing.
Apart from the pirates themselves, others gain from piracy. This could lead to some exaggeration of the threat. The media get good stories from piracy. Marine insurance companies charge higher premiums even though the insured vessel might be at low risk of attack.

Ship hijackings off Somalia have created new business opportunities for private security companies. These companies win in many ways by conducting risk assessments, offering security protection for ships and crews, and handling the payment of ransoms.

Navies also benefit from piracy. At a time when naval budgets are under pressure, piracy allows navies to demonstrate their utility in peacetime, and provides a scenario to show the benefits of naval cooperation. Deploying warships to counter piracy operations off the Horn of Africa also serves the purpose of governments wishing to establish a strategic presence and influence in a region that is politically unstable but vital as a source of energy.

**POLICY CONSIDERATIONS**

Current efforts to fight Somali piracy are mainly about treating the symptoms of the disease rather than the disease itself. Improved governance onshore would be the most effective measure, but in comparison, funds for capacity-building assistance to Somalia fall well short of the costs of maintaining international naval forces in the region. Aggregate statistics for pirate attacks are misleading. We need to understand why some ships are successfully attacked and others are not. Much depends on the quality of a ship and her crew. A valuable ship with a valuable cargo is more likely to be operated by a well-trained and motivated crew who will take all precautions against attack.

Insufficient attention has been given to the responsibilities of flag states and ship-owners in preventing piracy. The International Maritime Organisation (IMO) is the body responsible for ensuring the safety and security of shipping. It is doing its best, but Port State Control (PSC), as the main regime for verifying that relevant conventions and regulations are being implemented, is ineffective in many parts of Asia.

The IMO has limited resources. Its annual budget of about $42 million is about the cost of one offshore patrol vessel, or the cost of maintaining the naval counter-piracy flotilla off Somalia for less than two months. Improving the capacity of IMO would assist in countering piracy, including by ensuring that all ships follow the correct anti-piracy measures and by eradicating substandard shipping.

**OUTLOOK**

The success of anti-piracy activities in the Malacca Strait provides grounds for believing that the situation in the South China Sea will also be brought under control. The main responsibility rests with Indonesia to improve policing onshore and offshore, particularly around Mangkai Island, as well by enhanced cooperation with its neighbor Malaysia. Minor attacks in ports and anchorages in Southeast Asia continue to inflate the piracy statistics for this region. The security of these areas is the responsibility of relevant port and coastal states, but some international assistance to build the capacity of these states to provide this security might be welcome.

It is unlikely that Somali piracy will spread elsewhere in Asia. Poor governance onshore and the ability of the pirates to roam over a wide maritime area make the Somali situation unique.

The Somali pirates will be defeated eventually. Measures, such as improved governance onshore, better enforcement by local security forces, enhanced cooperation between foreign navies, and greater vigilance by merchant ships, all support this optimistic assessment. Improved governance onshore is the vital factor, but it is also the most difficult to achieve.

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