



Welcome

Welcome once again to another issue of our Seacurus monthly bulletin, which offers you insight into the latest issues facing the market, and also rounds-up the month's developments.

It seems that the West of Africa is increasingly ramping up as the latest pirate hot-spot, and with tankers taken and a political morass in the region it seems that rapid improvements in security are unlikely.

Over in the East, the monsoon winds and waves will soon be retreating from the Indian Ocean, and it will be with bated breath that so many of us watch to see if, when and how many pirates emerge from their seeming summer hibernation.

Those pirates who do take once more to their skiffs will be greeted by navies, guards and seafarers with an ever greater resolve to fight their corner, buoyed by the praise from Knights, Lords and Politicians.



Captain Thomas Brown
Managing Director –
Seacurus Limited

As ever we hope you find the Monthly Bulletin of interest, and please do feel free to forward on to your colleagues.

Content

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Lords Heap Praise – brief highlights of the House of Lords report finds praise for industry efforts to protect itself.

Taking a Wider View – a look at how the prosecution of pirates is helping to suppress the problem of Somali piracy.

Certification Acceleration – a look at the latest list of SAMI approvals.

Class Acts – a look at why Classification Societies are not rushing to assist with PMSC approvals.

Alarming Response – radio silence from Conakry Port Control – the IMB raises questions of who ship's crews can turn to when under attack.

Monthly Seacurus News Round-up

Securing Nigeria



While the eyes of shipowners, security companies and naval commanders are trained on the Indian Ocean, wondering when the pirates will take to the seas once more. Over on the West Coast there appears to be a piracy epidemic breaking out.

This rise in maritime crime has been met with calls for greater commercial involvement in maritime security in the area, and the private maritime security industry is lobbying to play a role. Leading the lobbying has been Maritime UK, the group has urged the British prime minister to learn the lessons from Somalia and not shy away from a similar sense of urgency which has brought security dividends over in the Indian Ocean.

It seems that an international effort bringing together armed forces, the shipping industry and PMSCs may help avert a security disaster off the coast of Nigeria and its neighbouring countries.

The past months have seen the British oil tanker “Anuket Emerald” and the Isle of Man flagged product tanker “Energy Centurion” taken by pirates in the Gulf of Guinea within 10 days of each other off the coast of Togo. There are fears these are the herald of a spate of attacks if action is not taken.

The 19 crew on “Anuket Emerald” were released after four days, and the pattern of hijack was repeated when the 24 crew members on board “Energy Centurion” were freed unharmed after four days in captivity – during which time the tanker’s cargo was taken.

It is understood that the UK Foreign Office and Ministry of Defence are already working with West African governments to help build up their naval capacity, but there are concerns that such long term building may be too slow in the face of the piracy epidemic facing shipping.

In Nigeria a working group is lobbying the government to rethink its stance on private maritime security, however concerns abound that an all-out transition to private armed security could fuel corruption and violence if not handled properly.

At the moment international private maritime security companies are permitted to operate in the Gulf of Guinea only as consultants and are barred from carrying weapons. The recent spate of attacks within the so-called “Togo Triangle” are bringing global attention and upping the ante.

There is a precedent in and off Nigeria for spending big on security, after news emerged that Shell has pumped vast amounts into ensuring it can safely and securely continue pumping oil out. According to media reports, the oil giant spent 40pc of its almost \$1bn worldwide security budget between 2007 and 2009 on protecting staff and infrastructure in Nigeria. The company also allegedly maintains a 1,200-strong internal police force, plus a network of plainclothes informants.

The documents suggest that Shell’s worldwide security costs almost doubled in the three-year period, coinciding with the rise of armed insurgency in the Niger Delta. Not perhaps without good cause, in 2008, 62 Shell employees or contractors were kidnapped and three killed in the region.

Currently it seems the threat to oil interests in the Niger Delta have diminished slightly, as the attention has now turned out to sea and as the pirates keep attacking the calls for action will only get louder.

Lords Heap Praise

The House of Lords recently released a new report on piracy and the issues of guarding against it. The, "Turning the Tide on Piracy, Building Somalia's Future", published last month puts forward a new revised view of the issues, and of solutions too.

Initially the Lords took a dim view of private security guards – stating that they should not be placed on commercial

shipping. They seemed to believe that having armed guards could increase the risks to ships and crew – the facts appear to have proven this view wrong, and so the new report takes a different tack.

The Lords heard the views of a number of organisations in compiling the report, and the Chamber of Shipping, claimed that there was no evidence of escalation of violence thus far. However the chamber warned that armed guards should not become institutionalised as they are not legal or readily accepted in the jurisdictions of many third-party states. Nor perhaps the budgets of most shipowners...

Lloyd's Market Association (LMA) represented the view of the insurance industry, and stressed that it welcomed the use of commercial armed protection. However, there were problems too – according to the LMA, there was disquiet in the industry about the proviso that arms could only be carried in the high-risk area, which created legal complications on weapon sourcing and access.

The problems and issues relating to these weapon carriage issues are serious, and are at risk of undermining the efforts of many to safeguard shipping. LMA explained that the rules being imposed by a number of littoral States around the Indian Ocean are presenting practical problems for embarking and disembarking armed teams.



For some companies the answer has been simple – they use floating armouries to pick up or drop off weapons. This is the pragmatic, workaround solution – however, it is not (legally) open to all security firms. The majority of armed teams do still come from UK companies, and these are not always allowed to use the armouries owing to the strict requirements of their government trade export licences.

Despite a streamlining of the government processes, there are still issues which stop companies from using the same provisions as their competitors. This, according to many, causes concern not just for the UK private maritime security companies, but could also undermine quality, while driving up price.

In addition to expressing a positive view on private security, the military were also praised in the report. With the success of EUNAVFORs Operation ATALANTA singled out. The report stated that the naval forces had made clear progress in reducing the number of ships pirated, with only 8 vessels and 215 hostages held in June 2012 compared to 23 vessels and 501 hostages in the same month in 2011.

Commenting Lord Teverson, Chairman of the Lords EU Committee for External Affairs, said: "Operation ATALANTA has clearly made real progress in reducing the threat of Somali piracy. However if the situation is to continue to improve it is important the pirates know the international commitment to stop their activities is real and ongoing. To ensure this, Operation ATALANTA should now have its remit extended beyond 2014."

Nonetheless the report makes clear that it is vital this effort is extended beyond 2014 to show the EU will not walk away from confronting piracy in the Indian Ocean. Otherwise organisations and individuals that organise piracy will simply wait out the operation before returning to their previous activities.



Taking a Wider View

The House of Lords report took a holistic view of the problems of piracy, but so too the successes in fighting it.

One of the welcomed steps has been the increase in trials and imprisonment of pirates and praise was given to the role played by the Seychelles. The number of trials has shot up, and this is seen as having a knock on effect on the pirates. It is no longer a crime without punishment, which many have long believed was one of the problems sustaining the problem.



However, despite the successes, the Committee expressed concerns about the policy of transferring sentenced pirates back to Somalia for imprisonment and suggested there is a risk of breakouts. A number of journalists have visited the so called "UN prisons", and it appears that they are not quite to the standards that may be expected. As such the Lords have called on the EU and UN to work together to monitor pirate prisons, and to ensure that they are constructed and manned in a manner which may provide the international community with a little more reassurance.

Simply locking up the pirate prisoners will only delay the problem, it is unlikely to eradicate it, so the Lords believes that efforts should be made to ensure the imprisonment includes some efforts at rehabilitation as well as punishment, particularly for young pirates.

According to the Lords, Somali piracy will never be completely eradicated until the root causes of the problems in the country are addressed. The Committee therefore welcomed EU efforts to increase aid to the country and stated that aid should be focused on providing alternative livelihoods for the Somali people to reduce the incentives to engage in piracy. It was stressed once again that piracy requires reducing the incentive for Somalis to become pirates as well as a need for viable alternatives for Somalis to provide for their families. The Lords also called for an increase in the risk associated with committing piracy by improving detection and punishment of those engaged in piracy. Again it was seen that the EU is making progress which has helped the anti-piracy cause significantly.

Outside of the EU, there was praise too for the high degree of international co-operation in tackling Somali piracy with national navies of Russia, China and India all playing a role. The role of China was singled out for praise and seen as welcome evidence of its increasing cooperation with the international community it was felt that such an integrated and positive response should act as a model for military co-operation in other theatres including EU-NATO relations. Interestingly, despite Iran's claims to have done so much to reduce piracy, there was no mention of their efforts.

Certification Acceleration

It seems that the private maritime security industry has suddenly awoken to the pressure on companies to get themselves certified. In the past month there has been a flurry activity within both the ISO arena and also within the Security Association for the Maritime Industry's (SAMI) certification programme.

It was announced in August that six more companies have successfully passed through the SAMI certification programme. Actus International, British Maritime Security, Gemini Maritime, Marine One (PTE), Ocean Protection Services and Trident Group have joined a number of companies in successfully passing through the programme.

The checks assess a range of different areas of a given company's operations, confirming that various legal, compliance and quality issues have been adequately addressed, in turn ensuring compliance with a range of minimum standards in line with guidelines issued by the International Maritime Organization (IMO).

This takes the number of certified members to 18, while there are a further 36 are in the system currently being independently assessed. A recent welcome change to the SAMI constitution now forces all members to enter into the system of checks, so hopefully this group will grow ever more as the year progresses.

The current list of certified members of SAMI is as follows:

- Actus International Security (www.actussecurity.com)
- Ambrey Risk (www.ambreyrisk.com)
- British Maritime Security (www.britishmaritimesolutions.com)
- Control Risks (www.controlrisks.com)
- Diaplous (www.diaplous-ms.com)
- Gemini Maritime (www.geminimaritime.com)
- IMSA Ltd (www.imsaltd.com)
- Marine One (PVT) (www.marinelanka.com)
- MIRIS International (www.miris-int.com)
- Ocean Protection Services Ltd (www.oceanprotectionservices.com)
- Orchid (www.orchid-maritime.com)
- Salama Fikira (www.salamafikira.com)
- Seagull International Security (www.seagullsecurity.com)
- Securewest International (www.securewest.com)
- Solace Global Maritime Services (www.solaceglobalmaritime.com)
- Spirit Security Services (www.spiritsecurityservices.com)



Security Association for
the Maritime Industry

Class Acts

Perhaps one of the most surprising elements of all the talk about standards and certification in maritime security had been the silence of most Classification Societies. Aside from Bureau Veritas (BV), who expressed a desire to start its own system, the rest have remained resolutely on the sidelines... until recently.

With the push by the IMO to hand over responsibility for creating a new maritime standard to the International Standardisation Organisation (ISO) – and the impending ISO 28007, there have seemingly been some parallel developments within the realms of quality management.

Ambrey Risk recently became (according to their press release) the first to be issued with ISO 9001:2008 status from Lloyd's Register Quality Assurance (LRQA), and the focus of the certification was designed specifically for "provision of maritime security for vessels in the commercial shipping and oil and gas industries".

While perhaps there should not be too much excitement as ISO 9001:2008 is simply a generic management standard and not a measure of the firm's abilities to actually guard vessels, but it is interesting to see that more and more are pursuing this – as they seek to build up their credentials and dance to the tune rightly played by the clients and insurers.

In essence what we are seeing is the stop gap being filled – while the industry awaits the new standard (due some time next year); PMSCs and Classification Societies are looking to fill the void. Until the new standard is available, LRQA states that ISO 9001 offers a viable option for organisations looking for recognition on the management of services provided in this arena.

There had been some comment in the past that Lloyd's Register was perhaps a little twitchy about the arming debate – given their "Life Matters" marketing mantra. There is perhaps a danger that being sucked into the murky world of men with guns does not perhaps fit with the finding Nemo type imagery of clean oceans.

The seeming acceleration of PMSCs seeking to legitimise their businesses and operations is interesting, and on the whole positive. As the work of the International Organization for Standardization (ISO) progresses it is reassuring to note that all sides of the security equation – both providers and clients are taking standards seriously.

This is against the backdrop of a number of insurers and P&I Clubs looking to go their own route in "vetting" and assessing the quality of PSMCs. Catlin has developed its own list of around 40 companies, while north P&I uses Gray Page, and West of England P&I recently announced a tie in with Flag Victor.

Alarming Response

When the worst happens and a vessel is attacked by pirates, the master and crew can only hope that when they call for help that someone, somewhere responds. Unfortunately it seems that when a vessel was attacked at anchor off Conakry Port, Guinea, the port authorities either turned a blind eye, or a deaf ear.

A General cargo ship was attacked off the port of Conakry in the Gulf of Guinea last month. According to reports from the International Maritime Bureau (IMB), at 0230 hrs, seven armed robbers in a fast boat approached as the vessel sat quietly at anchor during a spell of heavy rain.

Six robbers then boarded the vessel and entered the bridge by firing at and breaking the bridge windows. Initially in the violent struggle the electrical officer, second officer and third officer were taken hostage. Their hands were tied and they were taken to the master's cabin.

Pirates then ransacked the master's cabin, along with four others, and stole cash and other valuable belongings. The group then escaped in their waiting boat.

According to the IMB, once the pirates had departed the master rushed to contact Conakry port control but received no response.



Despite the high profile rise of Somali piracy, such violent smash and grab raids in ports and at anchorages continue to be the bread and butter of maritime crime. Vessels sat alongside or waiting to enter port are enticing, and relatively easy targets.

When violence and crime does strike, it is imperative that some form of port or law enforcement response ensues. Without some kind of reaction, then it is all too simple for the pirates to simply attack again and again.

In this instance, thankfully only the Third Officer suffered any physical harm – however the mental scars of this swift but brutal raid may be felt longer and deeper by all those onboard. When seafarers look for help, it is particularly concerning that even so close to port that they cannot seemingly get it.

Despite the announcement by the IMB that this attack was reported, it appears that the Conakry Port Authority has yet to respond to the criticisms. Which is perhaps adding insult, quite literally, to injury.

Monthly Seacurus News Round-up

Tanker Freed

"Energy Centurion", the oil tanker seized by pirates off the west coast of Africa has been released by the hijackers, the operators of the vessel said. An official with Golden Energy Management, the Greek company that chartered the ship, said the Energy Centurion was released Thursday, some 60 miles east of Lagos, Nigeria, and was steaming toward a "safe port." All 24 crew members -- mostly Russian -- who are still on board the ship are safe.

<http://goo.gl/kVjh7>

GoG Model

Strategy Page has succinctly summed up the new spate of piracy off West Africa. The pirates target tankers operating in the Gulf of Guinea (where Nigeria and its neighbours have oil fields). The pirates quickly board and seize control of a tanker at night. The crew is locked up in an internal space and the tracking devices are disabled. Then the tanker is taken to rendezvous with another tanker, which takes the oil from the hijacked tanker.

<http://goo.gl/9WfMf>

Stain On Our Conscience

The plight of the "Iceberg1" crew held hostage for more than two and half years has become a "scar on the conscience of the shipping industry". No ransom has been forthcoming to free her crew of 24, nor has a foreign navy tried to rescue them. Instead, nearly two and a half years later, they are still in captivity on the high seas - seemingly abandoned by the ship's owners, and with the dubious distinction of being the longest hijack case in modern maritime history.

<http://goo.gl/0CLQr>

Navy Figures

Acts of piracy around the Horn of Africa have fallen sharply in 2012, according to statistics released by the United States Navy. Data showed 46 pirate attacks in the area this year, compared with 222 in all of last year and 239 in 2010. Even so, senior Navy officers have been careful not to declare victory. "The pirates are very adaptable, and they are very flexible," said Vice Adm. Mark I. Fox. "We are watching carefully."

<http://goo.gl/xyCEz>



Fishing Change

Many believe that illegal fishing activities were a catalyst for Somali piracy. Now as a new regime settle into the country the government is set to ensure that fishing is undertaken as per the law. Now according to fishing license agreements, foreign trawlers will be limited to the species and quantity of fishes to net. All licensed foreign fishing trawlers will now also have a Somali ministry employee on board to ensure that contractual agreements are adhered to.

<http://goo.gl/97is9>

Pirate Prison

The Guardian has run a piece on the Somali pirate prisons. Their reporter visits a, "cream-coloured fortress", officially opened in November 2010 after a \$1.5m (£950,000) refurbishment funded by the UN, to contain the pirates convicted of hijacking at sea off the Horn of Africa. Inside a picture builds of languishing prisoners, planned escapes, and the dull workaday reality of holding large groups of men in close confinement, against the backdrop of the local khat dealers.

<http://goo.gl/Sq50c>

Clear Message

SOS, the SaveOurSeafarers Campaign supports the continued EU anti-piracy operations off the Somali coast. Alastair Evitt, Chair international anti-Somali piracy campaign, said the international community must continue to send out a clear message of its ongoing commitment to combating piracy off the Somali coast, in the Gulf of Aden and in the Indian Ocean. We also welcome the Report's recognition of the importance of international naval co-operation in tackling this issue.

<http://goo.gl/vzL2M>

Weather Window

Much has been made of the drop in pirate attacks of late, as strong winds, heavy rain and big waves have led to a massive 74% reduction in Somali pirate activity. This has led some to believe that the pirate threat is over, but is it? The optimists claim that nature, has combined with armed guards, navies, African armies and the global banking system to put a rain lashed, foam topped squeezed on the sea bandits. As conditions change the pirates will be back out.

<http://goo.gl/tVxcX>

EU To Continue

The European Union should continue to use warships to tackle pirates off the coast of Somalia following a reduction in the rate of kidnappings, a parliamentary committee has said. Operation ATALANTA, which also involves putting armed guards on ships, has been in place since 2008. The Lords EU Committee said hostage-taking had more than halved in the last year and said funding should go beyond a planned cut-off at the end of 2014.

<http://goo.gl/07oGK>

Incredible Escapes

Attempts by pirates to hijack two Iranian cargo ships in waters South of India were foiled after timely action by Iranian naval forces. Iran's Navy thwarted attempts by pirates to seize two Iranian merchant vessels near Bab el-Mandeb Strait, which connects the Red Sea to the Gulf of Aden off the coast of Somalia. Incredibly, the FARS News Agency claims the vessels were attacked by "30-50 pirate speedboats respectively".

<http://goo.gl/nnEQu>

New Dawn

Somalia's new parliament is preparing to hold a vote to name a president for the country. The vote will mark the end of a period of eight years of rule by the UN-backed Transitional Federal Government, whose mandate expires.

Security is reported to be heavy across the capital, Mogadishu, with troops and police officers patrolling the streets. Outgoing President Sheikh Sharif Sheikh Ahmed, in power since 2009, is seen as a favourite for the role.

<http://goo.gl/SkuaE>

History Lesson

We romanticize pirates, the question is why? Historically they did very bad things, not only stealing but performing incredible acts of brutality. François l'Olonnais, a French pirate active in the Caribbean in the 1660s, was known to cut open the chests of his victims and take a bite out of their hearts. And modern pirates are no better. It's a question Thomas Oertling, a lecturer in maritime studies at Texas A&M University at Galveston, has given some thought.

<http://goo.gl/GhUSy>

Weak Spot

According to Lloyd's List, armed guards and vessels are increasingly at risk from attack as they enter ports in the High Risk Area. The latest report suggests that unless governments look to create a multilateral system for the management of legal weapons, then they risk a piracy disaster on their own port limits. A number of security companies believe it is only a matter of time before an armed team comes under attack as it enters port.

<http://goo.gl/ZHIAC>

12 Life Sentences

A Somali pirate negotiator jailed for life by US court. Mohammad Shubin given 12 life sentences for acting as ransom negotiator for pirates who killed four American hostages. He was convicted on 15 charges including piracy, hostage taking, kidnapping and conspiracy. He was paid \$30,000-\$50,000 (£19,000-£32,000) in cash for his negotiating services, according to a federal indictment.

<http://goo.gl/2RtCE>

Left Behind

When 7 crew were released from "MV Albedo", they brought with them a letter written those left behind on the captured ship. "Help us, please save us," reads the letter, which is signed by the crew of "the ill-fated MV Albedo". "If you are not able to do so, we will die automatically ... we are malnourished and are facing many other difficulties. We are drinking contaminated water and don't have anything proper to wear.

<http://goo.gl/AhbWT>

Real Numbers

According to Somalia Report's Research Division - there are currently 8 vessels still being held by Somali pirates. In total 250 seafarers are still in captivity - these include 28 ashore and 222 on vessels. In total US\$29.2 million has been paid in ransoms to Somali pirates in 2012.

<http://goo.gl/dPUFN>

Shifted Ashore

The dangers of hijacked crews being moved ashore to Somalia have been highlighted by the Master of the "MV Albedo". He and his crew spent 20 months living in difficult, exposed conditions as hostages ashore. "We were in the bushes and we were exposed to bare nature...no shelter, no shade provided, no canopy provided, all our skin was scorched," said Saleem. They had little food. Almost no water. They started to lose hope.

<http://goo.gl/g6dP1>

Guarded Response

A wave of acceptance of armed guards has seemingly broken across the EU. Belgium, Italy and Germany are all now set to make moves to legalise the use of Private Maritime Security Companies (PMSCs) for counter piracy work.

Local shipowners have been pushing their flags hard, and finally this pressure is bearing the reward they have wanted - namely the freedom to use the security provisions deemed necessary when transiting the High Risk Area.

<http://goo.gl/ftltp>

Money Talks

In the wake of the freeing of a number of "MV Albedo" crew, the media has focused on the issue of ransoms. As things stand, paying ransom seems to be the only solution. But while it's impossible not to sympathise with the decision to pay, it is clear doing so only perpetuates the cycle. Unless more coordinated antipiracy measures are taken, along with efforts to address the root causes of piracy, ships big and small will continue to be victimised.

<http://goo.gl/M9bSU>

Pirate Amnesty

The head of Somalia's corruption-riddled government, whose current mandate expires next month, said he was prepared to let off the 2,000 pirates thought to be operating off the troubled nation's coast. "Those who leave behind what they have done will be forgiven," he said, after campaigning in Balad, 25 miles north of Mogadishu. "The government will make clear that the doors are open, if they want to come in," he added.

<http://goo.gl/3c9TW>

Mass Arrest

Somalia's Puntland Government forces have arrested 53 persons suspected of links to terrorism and piracy crimes, according to a statement from Puntland Ministry of Security. The Ministry's press release stated that the operation is "part of an extensive security campaign" and that the suspects arrested included Al Shabaab terror group members, piracy financiers, and suspected associates of notorious pirate kingpin Isse Yuluh.

<http://goo.gl/ueB9k>