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# Indian Ocean Watch

*A Monthly Newsletter on the Indian Ocean Region*



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**This Newsletter tracks developments in the following countries of the Indian Ocean region**

Australia, Bangladesh, Comoros, India, Indonesia, Iran, Kenya, Madagascar, Malaysia, Mauritius, Mozambique, Oman, Seychelles, Singapore, South Africa, Sri Lanka, Tanzania, Thailand, United Arab Emirates, Yemen

## **Disclaimer**

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## EDITOR'S NOTE

In the month of February, there were many significant developments in the Indian Ocean region. In the maritime security field, Australia stood for a 'code of conduct' for the South China Sea. It also gave two boats to Malaysia to stop people-smuggling through its waters. The Chinese military exercised between Christmas Island and Indonesia. Two Indian naval officers were killed and seven sailors injured in an unfortunate accident in the Indian Navy's submarine INS Sindhuratna. Seventeen nations participated in the 'Milan' multinational naval exercise in the Andaman and Nicobar Islands. The Malaysian Maritime Enforcement Agency claimed that it has made the Malacca Strait a "pirate free" zone. China takes fresh initiative to revive its presence in the Indian Ocean through the Maritime Silk Route.

On the economic scene, Dhaka and Delhi pushed to intensify their cooperation on health. India and Seychelles saw themselves as partners in the 'Blue Economy' for Africa's sustainable development. Indonesia realised that it had received a record number of foreign visitors in 2013 which exceeded the official target. Malaysia aspired to realise its potential to become an international tuna port. The Malaysian prime minister called for a strategy to tap four 'megatrends' for tourism.

On the environmental front, the Western Australia state government policy to cull sharks was challenged by the Sea Shepherds group. The planned Central Java thermal power plant worried both locals and environmentalists. The Interpol reported a record poaching in 2013. Seychelles has called for a framework for sustainable management of oceans.

Hope the readers will find this issue useful.

**Ruchita Beri**

**Editor**

## MARITIME SECURITY

### **Australia-India roundtable held in Sydney**

Anil Wadhwa, Secretary (East), of the Indian Ministry of External Affairs, led the Indian delegation to Australia-India roundtable held in Sydney on February 3, 2014. Australia-India roundtable is an informal dialogue aimed at producing practical recommendations to advance Australia-India relations in trade and investment, education, people-to-people ties, defence and diplomatic cooperation in multilateral frameworks as the G20 and the Indian Ocean Naval Symposium. The Indian delegation consisted of many high level officials and experts including Sanjay Bhattacharya, Joint Secretary (South) and C. Raja Mohan, head of Strategic Affairs Studies, Observer Research Foundation (New Delhi). The Indian delegation met with about 40 Australian scholars, officials, journalists, parliamentarians and business representatives to exchange views and share ideas.<sup>1</sup>

### **Australian Navy catches a vessel carrying large amount of heroin off coast of Tanzania**

HMAS Melbourne seized a vessel carrying heroin worth US\$ 700 million off coast of Tanzania. The team from the naval frigate destroyed the heroin after taking samples. The naval ship discovered the vessel while it was on a terrorism deterrent mission in Indian Ocean. Australian Commodore Daryl Bates said it was a blow for the funding of terrorist networks and it shows Australia's commitment to Indian Ocean Region. As a part of Combined Maritime Forces, Australia has successfully deterred piracy attacks and conducted four successful narcotics seizures, seizing 23.8 kilograms of methamphetamines and now 353 kilograms of heroin.

Combined Maritime Force is a multi-national naval partnership aimed to promote peace, security and partnership in the Indian Ocean Region.<sup>2</sup>

### **Australia supports 'code of conduct' for South China Sea**

During her visit to Philippines on February 20, 2014, Australian Foreign Minister, Julie Bishop, said that Australia supports ASEAN's objective of concluding a Code of Conduct for South China Sea. The minister said that Australia remains neutral in this conflict and stressed that issue should be resolved peacefully. The minister pointed out the salience of South China Sea to Australia's interest as 60 per cent of its exports and 40 per cent of its imports passed from the area. The ASEAN members Brunei, Malaysia, Philippines and Vietnam have territorial claims in South China Sea. China claims the entire South China Sea right up till the borders of its neighbours. Meanwhile, Philippines has been garnering international support to challenge China's territorial claims in the South China Sea.<sup>3</sup>

### **Australia will give two boats to Malaysia to stop people-smuggling**

Australia will give Malaysia a gift of two customs boats as a part of its strategy to tackle people-smuggling in the region. Malaysia is sometimes used as a transit country to transport people through the Thai-Malay border to Sumatra across the Malacca Strait. Most of the asylum-seeker boats heading for Australia make the precarious start from Indonesia. The vessels would be handed over in mid-2015. It is a practical operational strategy to stem the criminal trade of human trafficking.

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<sup>1</sup> "Australia-India roundtable begins in Sydney", *Firstpost.com*, February 3, 2014, at <http://www.firstpost.com/fwire/australia-india-roundtable-begins-in-sydney-1372411.html>

<sup>2</sup> "Australian Navy seize and destroy massive heroin haul off Tanzania", *The Telegraph*, February 8, 2014, at <http://www.telegraph.co.uk/news/worldnews/australiaandthepacific/australia/10625796/Australian-Navy-seize-and-destroy-massive-heroin-haul-off-Tanzania.html>

<sup>3</sup> "Australia endorses 'code of conduct' for South China Sea", *Times of Oman*, February 20, 2014, at <http://www.timesofoman.com/News/Article-30095.aspx>



Disrupting asylum-seekers crossing the Thai-Malay border and preventing their passage to Indonesia is a critical plank of the Australian government's policy. The vessels will enhance Australia-Malaysia partnership in regional and bilateral efforts against people-smuggling. They will increase search, rescue and interception capacity of the Malaysian Maritime Enforcement Agency's border protection operations. Although no boats have made it to Australia since December 19, hundreds of asylum-seekers have already died in the past making the sea voyage from Indonesia in recent years.<sup>4</sup>

### **Australia will buy eight Poseidon patrol aircrafts for US\$3.6 billion**

Australia will buy eight Poseidon aircrafts for US\$3.6 billion to bolster its maritime security. The aircrafts will form the core of the Australian surveillance and maritime strike capacity for the forthcoming decades. The planes will monitor over 2.5 million square kilometers of the country's marine jurisdiction. In fact they are expected to be used to patrol far over the Indian Ocean that has become one of the world's most vital energy supply routes. The new aircrafts are to replace Australia's ageing Lockheed AP-3C Orion aircrafts. The P-8A is able to "conduct search and rescue, anti-submarine and maritime strike missions using torpedoes and Harpoon missiles." They would give Australia a cutting edge advantage in protecting its borders. Prime Minister Abbott cautiously played down their possible use in halting the flow of asylum-seeker boats that depart from Indonesia and Sri Lanka. The first aircraft will be operational in service by 2017.<sup>5</sup>

### **Chinese military exercise between Christmas Island and Indonesia monitored by Royal Australian Air Force**

Royal Australian Air Force monitored a naval exercise

carried out by three Chinese warships in the international waters north of Australia. In the unannounced naval exercise, the Chinese warships sailed through the Sunda Strait between the Indonesian islands of Java and Sumatra. The ships then travelled along the southern edge of Java, close to Christmas Island, and then through the Lombok Strait between Lombok and Bali. Analysts believe that the naval exercise demonstrates that China considers Indian Ocean as its strategic priority and it will deploy military in the region to protect its interests.<sup>6</sup>

### **Indian Ocean Naval Symposium may take in more members**

The Indian Ocean Naval Symposium (IONS) will open up new membership and accord observer status to new countries in a phased manner once its charter of business is firmed up in the next meeting in Australia. The former Indian naval chief Admiral D.K. Joshi said that some developed nations have inquired for membership and observer status. IONS is a regional maritime forum that has been formulated at the assertion of Indian Navy. The current members of the IONS are Australia, Bahrain, Bangladesh, Comoros, Djibouti, Egypt, Eritrea, France, India and Indonesia.<sup>7</sup>

### **Pirates held for attack on Indian vessel will be tried in Seychelles**

The five Somali pirates arrested in a raid by EU Naval Force (EU NAVFOR) with the help of Japanese naval assets on January 18, 2014, will be prosecuted in the Republic of Seychelles for acts of piracy. Eleven crew members of Indian vessel Shan-e-Hind were released in the raid. The pirates had held the Indian vessel and used it as a mother ship to attack an oil tanker in the Gulf of Aden. According to EUNAVFOR, the oil

<sup>4</sup> "Australia to give Malaysia boats to tackle people-smuggling", *Jakarta Globe*, February 6, 2014, at <http://www.thejakartaglobe.com/international/australia-to-give-malaysia-boats-to-tackle-people-smuggling/>

<sup>5</sup> "Australia spends \$4b on border patrol aircraft", *Jakarta Globe*, February 21, 2014, at <http://www.thejakartaglobe.com/international/australia-spends-4b-on-border-patrol-aircraft/>

<sup>6</sup> "RAAF monitored Chinese military exercise in waters between Christmas Island and Indonesia", *ABC*, February 13, 2014, at <http://www.abc.net.au/news/2014-02-13/china-flexed-military-muscle-north-of-australia/5257686>

<sup>7</sup> "Indian Ocean naval forum to take in more members", *The Hindu*, February 5, 2014, at <http://www.thehindu.com/news/national/indian-ocean-naval-forum-to-take-in-more-members/article5656853.ece>

tanker issued distress calls while the private armed guards on the ship were able to repel the attack.<sup>8</sup>

### **Two officers killed and seven sailors injured as Indian Navy's submarine INS Sindhuratna catches fire**

A fire erupted on Indian submarine INS Sindhuratna on February 26, 2014, around 40 nautical miles off coast of Mumbai, killing two officers and injuring seven sailors. INS Sindhuratna is a Russian Kilo-Class submarine. The fire occurred when the submarine was conducting “sea workout” after a refit at the Mumbai dockyard. As part of the procedures, the Western Naval Command’s commodore commanding submarines, S. R. Kapoor, and his inspection team were on board to test both the crew and the submarine before clearing it for operational deployment. In all, there were 94 personnel on board. A comprehensive inquiry will be carried out to ascertain the cause of the accident, a senior naval official said. Preliminary reports indicate that a leak in the battery pit, which runs under the third compartment, might have caused the smoke to engulf the submarine.<sup>9</sup>

### **Milan naval exercise in Andaman and Nicobar Islands**

The multi-nation naval exercise and conclave, ‘Milan’, was held from February 4, 2014, off the coast of Andaman and Nicobar Islands. Naval delegations and warships from India and 16 other countries participated in the exercise. The focus during the Milan exercise was on humanitarian assistance and disaster relief (HADR) but issues like maritime terrorism, piracy and poaching were also discussed during the professional interactions. The participants other than India were Australia, Bangladesh, Philippines, Cambodia, New Zealand,

Myanmar, Thailand, Indonesia, Sri Lanka, Singapore, Malaysia, Maldives, Seychelles, Mauritius, Kenya and Tanzania. “Milan 2014” was the biggest edition of the exercise since its inception in 1995. The Western Indian Ocean countries participated for the first time.<sup>10</sup>

### **Iran moves its warships towards US maritime borders**

As a response to the stationing of US vessels in the Gulf, a number of Iranian warships were ordered to approach the US maritime borders. It was considered as a move with some message. The vessels had started their voyage towards the Atlantic Ocean through “waters near South Africa”. It is perceived that the plan was a part of “Iran’s response to Washington’s beefed up naval presence in the Persian Gulf”. A US defence official casted doubt on any claims that the Iranian ships were approaching US maritime borders but added that “ships are free to operate in international waters”. While the US military has stationed its Fifth Fleet in the Gulf Arab Kingdom of Bahrain, Iran considers the Gulf as its own backyard and tries to assert itself as it claims legitimate interest in expanding its influence in the region. The Iranian navy had been regularly developing its presence in international waters since 2010.<sup>11</sup>

### **China seeks strong foothold in the Indian Ocean through the Maritime Silk Route**

China made waves by taking two significant initiatives in somewhat quiet and unchartered waters of the Indian Ocean. First, it conducted naval exercises in eastern parts of the Indian Ocean and secondly, it invited India to be a part of its Maritime Silk Route Initiative during the 17th Round of India–China Special Representatives (SR) Talks on border issues in New Delhi. The idea was originally proposed during the Chinese President

<sup>8</sup> “Pirates to be tried in Seychelles”, *Times of Oman*, February 2, 2014, at <http://www.timesofoman.com/News/Article-29154.aspx>

<sup>9</sup> “Two officers killed after fire erupts inside INS Sindhuratna”, *The Times of India*, February 27, 2014, at <http://timesofindia.indiatimes.com/india/Two-officers-killed-after-fire-erupts-inside-INS-Sindhuratna/articleshow/31062364.cms>

<sup>10</sup> “India, 16 Others take part in ‘Milan 2014’ naval exercise”, *New Indian Express*, February 9, 2014, at [http://www.newindianexpress.com/nation/India-16-Others-Take-Part-in-Milan-2014-Naval-Exercise/2014/02/09/article2047375.ece#.Ux\\_oRs7m42E](http://www.newindianexpress.com/nation/India-16-Others-Take-Part-in-Milan-2014-Naval-Exercise/2014/02/09/article2047375.ece#.Ux_oRs7m42E)

<sup>11</sup> “Iran says warships sailing towards U.S. – agency”, *The Star*, February 9, 2014, at <http://www.thestar.com.my/News/World/2014/02/09/Iran-says-warships-sailing-towards-US—agency/>

Xi Jinping's visit to Indonesia in October 2013 when he invited Jakarta to join the initiative. Expressively, it aims at strengthening maritime connectivity among the partner countries by developing maritime infrastructure, but the details of the initiative are not yet known. India and Indonesia have interpreted and responded to these two initiatives differently. Indonesian responses have varied between being somewhat passive about the idea of a maritime silk route and permissive about allowing the Chinese navy to use its maritime passage. In India, these two initiatives have generated an intense debate with the discussion over the idea of the maritime silk route drawing attention and apprehension about Chinese naval exercises. Indian writing on the maritime silk route brought forth three different perspectives: first, China's projection as a great maritime power; second, China's attempt "to counter regional anxieties about its fast-expanding naval presence" and third, Beijing's efforts to charm New Delhi. There has been no official response by the Indian government.<sup>12</sup>

#### **EUNAVFOR commander visits Mombasa**

The Force Commander of the EU Naval Force, Rear Admiral Hervé Bléjean, paid a visit to Kenyan military and civilian authorities during a three-day port visit to Mombasa. He visited the Mombasa Regional Maritime Rescue Coordination Centre (MRCC) and the Information Sharing Centre. Embarked in the FS Siroco, the EU Naval Force flagship, he also met Major General Ngewa Mukala, the Kenyan Navy Commander. The exchanges with local government permitted a better understanding of EU Naval Force missions and the EU's comprehensive approach to strengthen stability in the region. He wanted to get an overview of the naval capabilities of this region. He expressed that mutual understanding and information

sharing are the keys to success for counter-piracy actions in particular and maritime safety in general.<sup>13</sup>

#### **Pirates fail to hijack Mombasa ship headed for Somalia**

Five heavily armed people aboard a white hulled skiff attacked a merchant ship, MV Andrea in the Somali waters on its way to Mogadishu port. The attackers launched two unsuccessful attempts to hijack the ship. He said the first attempt was at around 2 p.m. and the second happened as the evening approached. Firing by the security team aboard the ship forced the gunmen to abort the attack. No one was injured during the gunfight. The ship had a Sierra Leone flag and was operated and managed by the Mombasa-based Alpha Logistics Company. The pirates wanted to take advantage of the few security personnel on board and if the pirates had come on three or four skiffs, they would have succeeded to hijack the vessel.<sup>14</sup>

#### **Vessels suspected of illegal fishing and human trafficking denied entry at Mombasa**

Kenyan authorities informed that two Indonesian illegal fishing vessels - Berkat Menjala No. 23 and Samdera Pacific No. 8 - were barred from entering the Kenyan waters in the first week of February. The ships intended to dock at the Port of Mombasa for ship stores, bunkers and fresh water supply. They are among the suspected ships to be involved in illegal fishing and human trafficking. The Seafarers Union of Kenya suspects that the ships could still be in Kenyan waters. According to Andrew Mwangura, Seafarers Secretary General, they were among 10 vessels that were impounded by the South African Department of Agriculture, Forestry and Fisheries in November 2013. The vessels have a record of escaping from Cape Town

<sup>12</sup> "Maritime Silk Route? China's foothold in the Indian Ocean", *Jakarta Post*, February 25, 2014, at <http://www.thejakartapost.com/news/2014/02/25/maritime-silk-route-china-s-foothold-indian-ocean.html>

<sup>13</sup> "EU Naval Force commander visits Kenyan military and civilian authorities during port visit to Mombasa", *EUNAVFOR Somalia*, February 25, 2014, at <http://eunavfor.eu/eu-naval-force-commander-visits-kenyan-military-and-civilian-authorities-during-port-visit-to-mombasa/>

<sup>14</sup> "Pirates attack Mombasa ship headed for Somalia", *The Star*, February 15, 2014, at <http://www.the-star.co.ke/news/article-155440/pirates-attack-mombasa-ship-headed-somalia>

harbor in December 2013, and the South African authorities are still looking for them.<sup>15</sup>

### **Madagascar seizes a Tanzanian ship with smuggled rosewood**

A Tanzanian vessel laden with thousands of logs of the rare and precious red ruby coloured rosewood has been seized by Madagascar authorities. The vessel was found stranded on a beach where logging has been restricted and export is now banned to save the endangered tree. The director of police security and intelligence, Colonel Anthony Rakotoarison, told that the ship had developed a technical problem. He suspected the logs were intended for Tanzania in transit to some other final destination. The crew members, all Tanzanians, have been arrested. The precious wood is being smuggled out of Madagascar at alarming rates. The illicit trade had exploded after the 2009 coup in the country. The new President Hery Rajaonarimampianina has vowed to end the plunder of the country's resources.<sup>16</sup>

### **Esscom increases security along Sabah's eastern coast**

Datuk Mohammad Mentek, the director-general of the Sabah Eastern Security Command (Esscom), told that security has been beefed up along the border of southern Philippines. But no one can be sure of stopping another armed intrusion into Sabah. Land and maritime security are the two aspects to be considered in this regard. Esscom pays attention to Maritime security. Islands along the coastline are vulnerable to kidnapping for ransom incidents. The Esscom has a tree-tier approach to deal with this. The navy remains on the

first line of defence, next the Malaysian Maritime Enforcement Agency (APMM) and lastly, along the shoreline and islands, remains the marine police. The Kampung Tanduo incident reminds that security cannot be taken for granted. Esscom and all branches of the security forces, together with the people will ensure that such incident does not recur.<sup>17</sup>

### **Malaysian Maritime Enforcement Agency makes Malacca Strait "pirate-free"**

Due to the Malaysian Maritime Enforcement Agency and its better work, the Straits of Malacca, that used to be notorious for piracy, is "pirate-free" now. Before the agency took over maritime enforcement along the waterway ten years ago, there were 38 cases of pirate attacks there. Admiral Datuk Mohd Amdan Kurish, Director-General Maritime, said that the agency's enforcement efforts were getting better since taking over the coast guard duties in 2005. It has been tracking and fighting pirates along the straits and has successfully lowered the number of pirate attacks gradually. In 2009, no cases were reported and there have only been two cases since then in 2011. The pirates involved in these two cases were caught soon after. The agency also patrolled the South China Sea, especially the waters off Johor, Sarawak and Sabah to prevent intrusion by foreigners. The agency detained 4,929 illegal immigrants who encroached into the Malaysian waters and seized 636 boats since 2005. It cooperates with the Malaysian marine police. When marine police vessels are in hot pursuit of pirates and enter areas under the agency's jurisdiction it allows them to continue.<sup>18</sup>

<sup>15</sup> "Two vessels denied entry at Mombasa", *The Star*, February 13, 2014, at <http://www.the-star.co.ke/news/article-155108/two-vessels-denied-entry-mombasa>

<sup>16</sup> "Madagascar seizes Tanzanian ship with protected rosewood", *Google*, February 26, 2014, at <http://www.google.com/hostednews/afp/article/ALeqM5iWYbz3-LURUvN4uXuLJ9Hy-xECwQ?docId=47aa731c-d8bf-4bcc-a005-0c0e2424ebf6>

<sup>17</sup> "Esscom confident of security along Sabah's east coast", *The Star*, February 15, 2014, at <http://www.thestar.com.my/News/Nation/2014/02/15/Esscom-confident-of-preparedness/>

<sup>18</sup> "Notorious straits now pirate-free", *The Star*, February 9, 2014, at <http://www.thestar.com.my/News/Nation/2014/02/08/Notorious-straits-now-piratefree-MMEA-to-focus-on-illegals-and-smuggling/>



## ECONOMIC COOPERATION

### Rise in Govt-to-Govt export of manpower from Bangladesh to Malaysia

Some 3,023 Bangladeshi workers got jobs in Malaysia under government-to-government arrangements, told Expatriates Welfare and Overseas Employment Minister Khandaker Mosharraf Hossain to the Bangladeshi parliament. The visas are coming in an ongoing process and the workers are going to Malaysia on regular basis. Some 14.5 lakh workers have been registered for jobs in Malaysia under government-to-government programme initially, and 36,000 of them were selected through lotteries. He also told that the government is sending workers to South Korea too on government-to-government basis. The minister told the parliament that the government is able to send workers to Malaysia in the shortest possible time whenever a new demand is placed.<sup>19</sup>

### Health cooperation between Dhaka and Delhi to intensify

The joint working group (JWG) on health cooperation between Bangladesh and India conducted its first meeting on February 26-27, 2014 in New Delhi. The two-day meeting focused on development of human resources for health, cross-border health issues and an exchange of visits. The Bangladesh delegation also visited several health-related institutions and organization during the visit. The JWG was established as a follow-up to the discussion between the Prime Ministers of the two countries over setting up a programme to train Bangladeshi doctors in premier Indian medical institutes. It was mentioned in the joint statement released on the occasion of the visit of Indian Prime Minister Dr.

Manmohan Singh to Bangladesh in September 2011.<sup>20</sup>

### Bangladesh seeks Japanese investment in gas exploration

Japanese investment in gas exploration and technological support has been sought by Bangladesh to boost the efficiency of its fertilizer factories. Industries Minister of Bangladesh, Amir Hossain Amu, had a meeting with the Japanese Ambassador, Shiro Sadoshima, and they discussed various issues related to bilateral cooperation, including enhancing productivity in agricultural sector, boosting efficiency in fertilizer production, and cooperation in the education sector and gas exploration.

The Minister urged the Japanese entrepreneurs to come forward to invest in Bangladesh's agriculture sector. He also suggested that Japan could also hire manpower from Bangladesh in large number. The Japanese envoy assured that Japan's support for the socioeconomic development of Bangladesh will continue with an appreciation for the investment prospect in Bangladesh.<sup>21</sup>

### Bangladesh takes steps to remove hurdles in shrimp export to Russia

After a meeting with the Russian Ambassador in Dhaka, Fisheries and Livelihood Minister, Mohammed Sayedul Haque, told reporters that the Bangladesh government has taken steps to negotiate the removal of restriction on exporting shrimp to Russian market. Bangladesh looks for enhancing the negotiation with the relevant Russian parties to resume shrimp export there. Bangladesh will send a delegation to Russia to inspect the standard control research centres of the country's

<sup>19</sup> "Govt-to-Govt export of manpower to Malaysia rising, says minister", *The Asian Mail*, February 26, 2014, at <http://www.theasianmail.com/?p=2175>

<sup>20</sup> "Dhaka, Delhi to intensify health cooperation", *The Asian Mail*, February 25, 2014, at <http://www.theasianmail.com/?p=2163>

<sup>21</sup> "Japanese investment sought in gas exploration", *The Asian Mail*, February 18, 2014, at <http://www.theasianmail.com/?p=2001>

fisheries institutions and explore the possibilities of shrimp export to Russia. It is to be noted that four Russian institutions suspended shrimp import, raising question about its quality, from Bangladesh in October 2013. Although many countries are currently importing shrimp from Bangladesh, shrimp export to Russia faces difficulty due to differences of opinion between the two countries about its quality.<sup>22</sup>

### **India and Seychelles partner in ‘Blue Economy’ for Africa’s sustainable development**

India and Seychelles are working closely to develop the “Blue Economy” concept - a blueprint to tap the ocean’s resources for transforming their coastal economies and the African continent. The Vice President of Seychelles, Danny Faure in an interview with Indo-Asian News Service (IANS), said that the oceans play a pivotal role in world trade, extracting mineral wealth and food security and hence the Blue Economy concept is important as oceans are critical for sustainable development. Moreover, Africa’s ocean mass is greater than its land mass, hence oceans are critical to Africa’s development. Therefore, the concept of Blue Economy was also endorsed by African Union in its Addis Ababa Summit in January 2014. The minister pointed out that that India with its technological dynamism is a vital partner in the Blue Economy concept. India and Seychelles have a maritime security framework under which priority issues like maritime pollution and overfishing are dealt with and joint hydraulic surveys are conducted.<sup>23</sup>

### **Record number of foreign visitors in Indonesia exceeds 2013 official target**

As visitor numbers exceeded government targets to an

all-time high, underscoring tourism as a growing contributor to the nation’s economy, Indonesia reaped more than US\$10 billion in foreign exchange earnings from overseas tourists in 2013. The total Indonesian foreign exchange earnings are estimated to have risen by 11 per cent from the previous year. The number of the overseas visitors coming to Indonesia in the twelve month period was 8.8 million, a record high that exceeded the government’s own target of 8.6 million visitors. That was up 9.5 percent from the number of foreign travelers in 2012. Bali remains one of the most attractive tourist destinations in the country that successfully, despite protests from Muslim hard-liners, hosted the Miss World beauty pageant final in September 2013. Indonesia hopes to narrow its current account deficit with the earnings from foreign visitors.<sup>24</sup>

### **MCTA appeals for lifting of Mombasa night travel ban**

The Kenyan Government’s ban on night travel by public service vehicles has affected tourism, the Mombasa and Coast Tourism Association (MCTA) has said. According to Ms. Millicent Odhiambo, the chief executive officer of MCTA, poor bookings have been recorded since the ban in force. Coming to Mombasa for a weekend is not possible with the night travel ban in place, unless one has his/her own vehicle. Ms. Odhiambo wishes for the ban to be lifted and she appealed to the Transport Cabinet Secretary James Kamau for the same so that the tourism industry could be saved from collapse. She is of the view that Mombasa is surviving on local tourists and the night ban is doing more harm than good.<sup>25</sup>

<sup>22</sup> “Steps taken to remove restriction on shrimp export to Russia”, *The Asian Mail*, February 26, 2014, at <http://www.theasianmail.com/?p=2166>

<sup>23</sup> “India, Seychelles partners in ‘Blue Economy’ for Africa’s development”, *daijiworld.com*, February 16, 2014, at [http://www.daijiworld.com/news/news\\_disp.asp?n\\_id=217933](http://www.daijiworld.com/news/news_disp.asp?n_id=217933)

<sup>24</sup> “Indonesia 2013 visitor numbers exceed Govt target to record high but trails its neighbors”, *Jakarta Globe*, February 3, 2014, at <http://www.thejakartaglobe.com/business/indonesias-2013-visitor-numbers-exceed-govt-target-to-record-high-but-trails-its-neighbors/>

<sup>25</sup> “Tourism group wants travel ban lifted”, *The Star*, February 27, 2014, at <http://www.the-star.co.ke/news/article-157015/tourism-group-wants-travel-ban-lifted>

### Malaysia tops 'halal holidays' destinations

According to a survey, Malaysia is the world's friendliest destination for Muslim travelers. In the recent rankings for "halal" friendly holiday destinations released by Singapore-based Muslim travel specialist Crescentrating, Malaysia was followed by the United Arab Emirates, Turkey, Indonesia and Saudi Arabia. The survey evaluates countries in terms of their attentiveness to the needs of Muslim travelers, including the presence and accessibility of halal restaurants with meat slaughtered to Islamic standards, and the provision of prayer rooms at airports, shopping malls and hotels. An increasing number of hotels are also now catering to the specific needs of Muslim travelers and there are more hotel kitchens with halal certification. Muslim travel market accounts for almost 13 per cent of the global total and was valued US\$140 billion in 2013. The market is expected to rise to US\$200 billion by 2020.<sup>26</sup>

### Malaysia has a potential to become an international tuna port

Due to its location near to the Indian Ocean, a tuna spawning ground, Malaysia has the potential to become an international tuna port. Datuk Ahamad Sabki Mahmood, Director General, Fisheries Department, said that this could be achieved easily with better facilities and partnership with other tuna harvesting countries. He urged private companies to explore more into the tuna fishing industry because of its high value and demand. The private sector can help promote the growth of other economic sub-sectors such as processing, marketing and support services including maintenance of tuna fishing vessels. Malaysia, so far, only have five vessels out in the Indian Ocean but it needs about 135 vessels to achieve its target. The Malaysian tuna industry needs to seize the opportunity

and be more creative to attract more foreign investment. Malaysia recorded a total of 7,000 metric tonnes of tuna harvests in 2013 and all the products were exported to Japan, Taiwan, Europe and the Middle East.<sup>27</sup>

### Strategy to tap four 'megatrends' for tourism in Malaysia

Four global and economic 'megatrends' - the creation of a global elite; faster pace of life; providing greater convenience; and development of new market leaders - have been identified to catapult the Malaysian tourism industry further. Datuk Seri Najib Tun Razak, the prime minister of Malaysia, speaking at the launch of the Malacca Gateway masterplan at Pulau Melaka, said that the industry should adapt to these "megatrends" to cater to the wants of holidaymakers. The megatrends are of utmost importance for high-end products and high service levels as the demand is growing ever greater. The prime minister earlier unveiled the blueprint of the project to be developed over an area spanning more than 246 hectare of man-made islands overlooking the Straits of Malacca. It will include a Malaysia Eye, International Fashion Street, sunset beach, cruise shopping gallery, Malacca International Cruise and Ferry Terminal and Gateway Terminal. The proposed Malacca Gateway, with its luxury offerings of an international cruise jetty and the largest marina in Asia, could play a role in tapping the "megatrends".<sup>28</sup>

### Possibilities in Seychelles-Sri Lanka Business Forum

A Sri Lankan business promotion mission was at the Seychelles Trading Company (STC) conference hall to attend the Seychelles-Sri Lanka business forum. They were exploring the possibilities of trade and business with Seychelles. They had an overview of the Seychelles business atmosphere and on what both countries are

<sup>26</sup> "Malaysia tops survey of 'Halal Holidays' for Muslims", *Jakarta Globe*, February 18, 2014, at <http://www.thejakartaglobe.com/features/malaysia-tops-survey-of-halal-holidays-for-muslims/>

<sup>27</sup> "Industry full of potential", *The Star*, February 8, 2014, at <http://www.thestar.com.my/News/Community/2014/02/08/Industry-full-of-potential/>

<sup>28</sup> "Four 'megatrends' to spearhead tourism in Malaysia", *The Star*, February 8, 2014, at <http://www.thestar.com.my/News/Nation/2014/02/08/Four-megatrends-to-spearhead-tourism-in-Malaysia/>

hoping to achieve through that forum. They were also exposed to the investment and potential business opportunities in various sectors of the Seychelles economy through presentations from officials representing local companies and organisations - Seychelles Investment Board, the Seychelles Chamber of Commerce and Industries, the Seychelles Fishing Authority, the Department of Tourism, the Seychelles Trading Company (STC) and the National Plant Protection Office (NPPO) of the Ministry of Natural Resources.<sup>29</sup>

### Major fisheries conference hosted in Seychelles

Seychelles hosted fisheries delegates from the South West Indian Ocean countries for a three-day conference on 'Fisheries Development and its Contribution to the Millennium Development Goals'. The aim of the conference was to share ideas, evaluate their progress

and lessons learnt in areas of fishing over the past decade. It was to also examine how fisheries have contributed to their national economies, their contribution to poverty alleviation and food security which are among the eight world millennium development goals. The Ministry for Natural Resources and the Seychelles Fishing Authority (SFA) jointly organised the conference in collaboration with the United Nations Food and Agriculture Organisation (FAO). Delegates were from the member countries of the South West Indian Ocean Fisheries Commission (SWIOFC) i.e. Seychelles, Kenya, Tanzania, Zanzibar, Mozambique, Somalia, Yemen, Mauritius, Madagascar, Comoros, France and the Maldives. The commission promotes sustainable utilisation of marine resources by addressing common problems of fisheries management and development faced by its members.<sup>30</sup>

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<sup>29</sup> "Seychelles-Sri Lanka business forum: Exploring trade and business possibilities", *Seychelles Nation*, February 5, 2014, at <http://www.nation.sc/article.html?id=240588>

<sup>30</sup> "Seychelles hosts major fisheries conference", *Seychelles Nation*, February 11, 2014, at <http://www.nation.sc/article.html?id=240648>



## ENVIRONMENTAL CONCERNS/ DISASTER RISK MANAGEMENT

### Western Australian policy to cull sharks challenged by Sea Shepherds

Sea Shepherd, a Militant environmental group, is seeking a Supreme Court ban on a controversial shark culling policy in Western Australia. The group known for battling Japanese whalers in the Antarctic has teamed up with Sharon Burden, the mother of a shark attack victim, to apply for a judicial review of the culling decision. It is claimed that the policy involves the unlawful killing of a protected species. The group believes that the tender process was unlawful and the Western Australia state government has been acting unlawfully by allowing the killing of protected animals. It is to be noted that after six fatal attacks in the past couple of years, the controversial policy to catch and kill sharks off popular west coast beaches was given the green light in January 2014. Any shark longer than three metres snagged by the lines and deemed to be a threat - including great white, bull and tiger sharks - is being destroyed. The culling has angered conservationists who are rallying at different sites around the country.<sup>31</sup>

### Planned Central Java power plant worries both locals and environmentalists

Local communities in Batang, Central Java and Greenpeace Indonesia have alleged alarmingly high greenhouse gas emissions and pollutants from a thermal power plant being built in the district. “Ugly facts” behind the 2,000-megawatt project, being built at a cost of US\$4 billion, were revealed by the residents from the villages surrounding the site of the plant. According to the Greenpeace, the coal power plant would release

10.8 million tons of carbon dioxide, equivalent to the entire carbon emissions of Myanmar in 2009, once it starts operating. It would also release some 226 kilograms of mercury each year into the nearby Ujungnegoro-Roban regional maritime protected area. This threatens to devastate the thriving local traditional fishing industry. The project is backed by a joint venture of Indonesian and Japanese companies. Some residents say they have been threatened and intimidated by gangs and thugs they suspect were hired by the business consortium behind the project. The potential environmental, health and social impacts the plant will have on the local community is worrying the environmentalists.<sup>32</sup>

### Authorities rapped for not solving problem of illegal dumping in Sungai Kelang

Global Environment Centre spokesman, Dr K. Kalithasan, has rapped the authorities for playing a blame game over the illegal dumping of waste in Sungai Kelang. He asked the authorities to take action rather than passing the buck to others. No one wants to take responsibility on the dumping of waste on the Petaling Jaya Selatan (PJS) side of the river. The illegal dumping has been going for more than a decade. He said that the Selangor Water Management Authority (Luas) has the most “power” and has the authority to catch the culprits who are dumping trash into the river. He feels that the Drainage and Irrigation Department (DID) has fewer jurisdictions over the matter. He rapped the Petaling Jaya City Council (MBPJ) and the Subang Jaya Municipal Council (MPSJ) also for not taking action as solid waste management came under the local authority’s purview. Dumping and open burning occurred on a daily basis at the site and the residents in the surrounding area suffer greatly. It is a breeding

<sup>31</sup> “Sea Shepherd challenges shark kill policy in Australia”, *The Star*, February 26, 2014, at <http://www.thestar.com.my/News/Regional/2014/02/26/Sea-Shepherd-challenges-shark-kill-policy-in-Australia/>

<sup>32</sup> “Indonesians, environmentalists see common threat in C. Java planned power plant”, *Jakarta Globe*, February 17, 2014, at <http://www.thejakartaglobe.com/business/indonesians-environmentalists-see-common-threat-in-c-java-planned-power-plant/>

ground for both mosquitoes and rodents besides river pollution. Elizabeth Wong, State Executive Councillor for Tourism, Consumer Affairs and Environment, said that it was the duty of the local council to put a stop to illegal dumping.<sup>33</sup>

### US ready to cooperate with Kenya in the fight against poaching

The US is ready to partner with Kenya to eradicate poaching in its Northern parts. The US Ambassador to Kenya, Robert Godec, launched Nasuulu community conservancy headquarters in Isiolo. He said that conservancies are one of the USAid/Kenya's pioneer environmental governance approaches that have changed management of natural resources outside formally protected areas. Conservancies are crucial in protecting endangered wildlife and ensuring the survival of pastoral communities, reducing conflicts and safeguarding wildlife tourism. The successful work in combating wildlife menace in the region by the stakeholders for the formation of the conservancies was praised by the ambassador.<sup>34</sup>

### Interpol reports record poaching in 2013

The year 2013 recorded the largest global large-scale ivory and rhino horn seizures in East Africa, reveals an Interpol report. This accounted for 41.6 tonnes of ivory, mirroring heightened elephant poaching throughout Africa. The report is titled as 'Elephant Poaching and Ivory Trafficking in East Africa, Assessment for an Affective Law Enforcement Response'. Trafficking syndicates operate in multiple countries with East

Africa's elephants and rhinos facing possible extinction. The majority of large-scale ivory seizures have occurred in maritime ports. The ivory is usually concealed by lawful goods and normally hidden in shipping containers. According to the report, after illegal drugs, human trafficking and trade in illegal arms, wildlife crime ranks world's fourth largest global illegal trade estimated to be worth US\$15-20 billion annually.<sup>35</sup>

### Seychelles calls for a sustainable management of oceans framework

The Vice-President of Seychelles, Danny Faure, representing his country at the Delhi Sustainable Development Summit (DSDS), focused on the sustainability of the oceans and the blue economy. The summit was organised by The Energy and Resources Institute (Teri). The summit welcomed his focus as the focus of DSDS traditionally has been on land-based issues. Mr. Faure emphasised that the small islands know very well that it is the oceans that drive the global climate; it is the oceans that contributes significantly to the air that the people on earth breathe, and the food that we eat; it is the oceans that connect us through trade routes. He lamented that while humankind has been notorious in exploiting and polluting the oceans, it has yet to define a framework for the sustainable management of the oceans. He highlighted in his conclusion that "Our blue economy is the green economy". He said that climate change continues to affect the poor countries more than the developed countries and a fundamental shift would be needed to integrate policy-making and reverse this trend.<sup>36</sup>

<sup>33</sup> "Environmentalists raps authorities for not solving problem of illegal dumping", *The star*, February 12, 2014, at <http://www.thestar.com.my/News/Community/2014/02/12/Dont-pass-the-buck-Environmentalists-raps-authorities-for-not-solving-problem-of-illegal-dumping/>

<sup>34</sup> "U.S., Kenya to fight poaching", *The Star*, February 26, 2014, at <http://www.the-star.co.ke/news/article-156795/us-kenya-fight-poaching>

<sup>35</sup> "Poaching hit record in 2013, says Interpol", *The Star*, February 27, 2014 at <http://www.the-star.co.ke/news/article-156993/poaching-hit-record-2013-says-interpol>

<sup>36</sup> "Seychelles calls for framework for sustainable management of oceans", *Seychelles Nation*, February 8, 2014, at <http://www.nation.sc/article.html?id=240616>

## About the IDSA

### Africa, Latin America, Caribbean & UN Centre

The Institute for Defence Studies and Analyses (IDSA) is a non-partisan, autonomous body dedicated to objective research and policy relevant studies on all aspects of defence and security. Its mission is to promote national and international security through the generation and dissemination of knowledge on defence and security-related issues.

The Africa, Latin America, Caribbean & UN Centre of IDSA focuses on understanding developments in the African and the Indian Ocean Region. The Centre also endeavours to analyse India's engagement with Latin American countries, particularly in forums such as the IBSA and BRICS. In addition, the Centre carries out research on the broader theme of India and the United Nations.

This newsletter, compiled by the IDSA covers the recent developments in the fields of maritime security, economic cooperation and environmental concerns/ disaster risk management in the various countries of the Indian Ocean region.



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