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# Indian Ocean Watch

*A Monthly Newsletter on the Indian Ocean Region*



**idsa**

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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

The month of November witnessed some interesting developments in the Indian Ocean region. To enhance maritime security in the region, India, Indonesia and Australia are set to form the first troika in the Indian Ocean. At the same time, India and Russia recently concluded a programme on anti-piracy operations. On the other hand, the United States has pledged to increase its cooperation with Mozambique in improving maritime security, fighting piracy and in combating drug trafficking. In another positive development, two Seychellois fishermen were rescued from Somali pirates without any ransom being paid.

In the realm of economic cooperation, India's largest private power generator, Tata Power Company has acquired a stake of 26 per cent in an Indonesian coal mine. Meanwhile, China continues to be a steady investor in Tanzania with its investments hitting the US\$ 1 billion mark over a period of one year, thus moving China from the 6th to the 2nd position for foreign investments in the country. In other developments, delegates at the Seatrade Middle East Conference opined that the global shipping industry is facing unprecedented challenges and criticised the protectionist policies of the Western countries.

According to media reports, nearly 68,000 people in Sri Lanka were affected by the adverse weather conditions created by cyclone 'Neelam' and necessary action was taken to respond to the disaster situation. Separately, the UAE and other GCC members are planning to meet growing domestic energy demands in the next decade from renewable sources, primarily solar energy.

We look forward to comments and suggestions from our readers.

**Ruchita Beri**

**Editor**

## MARITIME SECURITY

### Piracy hampering weather forecasts

Piracy in the Indian Ocean is impeding the collection of accurate water surface temperatures by international weather forecasting agencies. Lack of accurate data about subsurface ocean conditions due to piracy in the region had prevented global agencies from predicting El Nino and the Indian Ocean Dipole phenomena this year. Rampant piracy along the African coast has affected several international weather data collection projects.<sup>1</sup>

### First troika in the Indian Ocean region

India, Indonesia and Australia will take the first step towards a trilateral grouping in Asia, thus forming the first 'troika' in the Indian Ocean. The troika is believed to be significant as all three countries seek to counter possible Chinese expansionism in the region.<sup>2</sup>

### Seven Indians continue to be held in captivity by Somali pirates

Asphalt Venture, an asphalt/bitumen tanker employing Indian crew off the coast of Dar Es Salaam that was hijacked by Somali pirates two years ago continues to be held in captivity. Of the total 15-member crew, eight of them were

released in April 2011. The release of the rest of the crew has been withheld pending the release of convicted Somali pirates held in India. Meanwhile, the tanker's Mumbai-based ship management agency tried through a third-party negotiator to persuade the pirates to release the crew members but to no avail.<sup>3</sup>

### India and Russia carry out joint naval programme on anti-piracy operations

Russia's naval military vessel, Marshall Shaposhnikov (BPK 543) arrived in India's Mumbai port to carry out a joint programme with the Indian navy. The two navies will exchange ideas and train on anti-piracy operations in the sea. After the programme, the Russian Navy Pacific fleet will visit Djibouti and join an international naval anti-piracy force which comprises vessels from the European Union, the United States, China, India, Iran and South Korea.<sup>4</sup>

### India and China can shape security environment in the Indo-Pacific region: Chinese analysts

Against the backdrop of China unveiling its plans to become a maritime power with the commissioning of its first aircraft carrier, Chinese

<sup>1</sup> "Pirates in Indian Ocean feature as a new variable in marine weather forecasts", *The Economic Times*, November 20, 2012 at [http://articles.economictimes.indiatimes.com/2012-11-20/news/35226050\\_1\\_surface-temperatures-el-ninds-pai](http://articles.economictimes.indiatimes.com/2012-11-20/news/35226050_1_surface-temperatures-el-ninds-pai)

<sup>2</sup> "India, Australia join hands with Indonesia to counter China", *The Times of India*, November 30, 2012 at [http://articles.timesofindia.indiatimes.com/2012-11-30/india/35484678\\_1\\_peter-varghese-australian-high-commissioner-indonesia-and-australia](http://articles.timesofindia.indiatimes.com/2012-11-30/india/35484678_1_peter-varghese-australian-high-commissioner-indonesia-and-australia)

<sup>3</sup> "After 2 years, Indian seamen still captives of Somali pirates", *Business Line*, November 20, 2012 at <http://www.thehindubusinessline.com/industry-and-economy/logistics/after-2-years-indian-seamen-still-captives-of-somali-pirates/article4115777.ece?homepage=true>

<sup>4</sup> "Indian, Russian navies organise anti-piracy program", *The Times of India*, November 30, 2012 at [http://articles.timesofindia.indiatimes.com/2012-11-30/india/35484613\\_1\\_anti-piracy-indian-navy-vessels](http://articles.timesofindia.indiatimes.com/2012-11-30/india/35484613_1_anti-piracy-indian-navy-vessels)

strategic analysts opine that India and China can “rule waves together” if they address contradictions in their “overlapping” maritime strategies. They further argue that the relationship can shape the security environment in the whole Indo-Pacific region.<sup>5</sup>

### Iran accuses US of illegal actions in the Persian Gulf region

Iran has filed a complaint with the UN Security Council blaming the US Navy for “illegal and provocative acts” near the Iranian coastline. Iran has also cited instances of violations of the country’s airspace by American drones. The letter delivered to the UN reported unauthorised flights over Iran’s coastal regions around Bushehr where a nuclear power plant is located, in addition to a US drone crossing into Iranian airspace on November 1, 2012 despite radio warnings. The Iranian government has pressed the UN chief to warn the US against “continuation of acts in violation of international law”. The US government has insisted that their aircrafts were in international space during the incidents mentioned.<sup>6</sup>

### New Iranian naval base established in Persian Gulf

The commander of the Iranian Navy had earlier stated that the naval forces were closely monitoring movements of “regional and extra-regional forces” in its areas of responsibility. Since

Iranian naval forces are not permitted by international law to be present in international waters, the Navy plans to deploy its vessels in the Atlantic Ocean. Iran is also expected to launch a new domestically-manufactured destroyer soon.<sup>7</sup> A new naval base has also been inaugurated by the Islamic Revolution Guards Corps (IRGC) in the port city of Bandar Lengeh on the Persian Gulf coast to increase the operational capabilities of the IRGC Naval Force and expand its presence in the strategic Persian Gulf region.<sup>8</sup>

### United States AFRICOM to increase its cooperation with Mozambique

General Carter Ham, the Commander of AFRICOM announced that the United States Africa Command (AFRICOM) has pledged to increase its cooperation with Mozambique in improving maritime security, fighting piracy and drug trafficking. Along with President Armando Guebuza of Mozambique, General Ham spoke of the importance of improving and cementing their existing partnership in matters of maritime security. Combating piracy and trade in illicit drugs is important for both countries and they were looking for opportunities to improve their partnership in these areas. Ham further added that the United States will continue to provide assistance to the Mozambican armed forces. They are looking for opportunities for interchanges among the forces of the countries of the region so that they can collaborate in seeking solutions for all the problems that affect the region.<sup>9</sup>

<sup>5</sup> “India, China can rule waves together: Chinese media”, *The Indian Express*, November 28, 2012 at <http://www.indianexpress.com/news/india-china-can-rule-waves-together-chinese-media/1037446/0>

<sup>6</sup> “Iran files complaint with UN over U.S. Navy’s illegal acts in Persian Gulf”, *The Tehran Times*, November 25, 2012 at <http://tehrantimes.com/politics/103535-iran-files-complaint-with-un-over-us-navys-illegal-acts-in-persian-gulf>

<sup>7</sup> “Iranian Navy closely monitoring movements of foreign forces: admiral”, *The Tehran Times*, November 25, 2012 at <http://tehrantimes.com/politics/103111-iranian-navy-closely-monitoring-movements-of-foreign-forces-admiral>

<sup>8</sup> “IRGC establishes new naval base in Persian Gulf”, *The Tehran Times*, November 25, 2012 at <http://tehrantimes.com/politics/103007-irgc-establishes-new-naval-base-in-persian-gulf>

<sup>9</sup> “Guebuza receives Africom commander”, *All Africa*, November 19, 2012, at <http://allafrica.com/stories/201211200731.html>

### International joint operation liberates Seychellois fishermen from pirates

Two Seychellois fishermen who were held in Somalia by pirates were liberated and no ransom was paid despite the captors' demand for over US \$20 million. They were rescued in an operation with the help of other governments who provided necessary support. Further details have been withheld for security reasons.<sup>10</sup>

### UNODC to encourage other countries to share Seychelles' piracy load

The United Nations Office on Drugs and Crime (UNODC) is trying to help other countries to shoulder some of the responsibilities borne by Seychelles in arresting, prosecuting and jailing Somali pirates. Seychelles spends up to 4 per cent of its gross domestic product on anti-piracy efforts. The UNODC plans to encourage other countries, especially Somalia, to take convicted pirates being held in Seychelles especially those serving long sentences.<sup>11</sup>

### Seychelles agrees to help Sri Lanka develop its fishing industry

Seychelles President James A. Michel informed the fisheries and aquatic resources development minister of Sri Lanka, Dr Rajitha Senarathne that Seychelles would help Sri Lanka develop its fisheries industry. The Seychelles President said that his country was ready to share Sri Lanka's experience in maritime security and suggested

establishing closer cooperation between security establishments of the two countries.<sup>12</sup>

### Seychelles ratifies Status of Forces Agreement with Denmark and France

The National Assembly of Seychelles unanimously approved the ratification of the Status of Forces Agreements (SOFA) between the government of Seychelles and the governments of Denmark and France. The agreement with Denmark provides for the status of the Danish military personnel on Seychelles territory but mainly operating in Seychelles waters as part of the European Union (EU) forces patrolling the Indian Ocean in the framework of the military counter-piracy operations. The SOFA with France will provide legal coverage to French military personnel offering armed security on French fishing vessels.<sup>13</sup>

### Commandant of US Coast Guard visits Singapore

The Commandant of the US Coast Guard, Admiral Robert J. Papp, Jr, visited Singapore under the Maritime and Port Authority of Singapore's (MPA) Distinguished Visitors' Programme from November 23 to 28. Maritime issues of mutual interest such as maritime security, protection of the marine environment and other developments at the International Maritime Organisation were discussed during his visit to the country, which was aimed at further strengthening MPA's ties with the US Coast Guard.<sup>14</sup>

<sup>10</sup> "Seychellois fishers were liberated, not just freed", *Seychelles Nation Online*, November 7, 2012, at <http://www.nation.sc/index.php?art=29402>

<sup>11</sup> "UN office hopes to ease our piracy load", *Seychelles Nation Online*, November 20, 2012, at <http://www.nation.sc/index.php?art=29568>

<sup>12</sup> "Seychelles Helps Sri Lanka Develop its Fishing Industry", *The Fish Site News Desk*, November 6, 2012, at <http://www.thefishsite.com/fishnews/18705/seychelles-helps-sri-lanka-develop-its-fishing-industry>

<sup>13</sup> "National Assembly approves three motions", *Seychelles Nation Online*, November 2, 2012, at <http://www.nation.sc/index.php?art=29349>

<sup>14</sup> "Commandant of US Coast Guard visits Singapore under MPA's programme", *Channel News Asia*, November 26, 2012, at <http://www.channelnewsasia.com/stories/singaporelocalnews/view/1239454/1/.html>

### South Africa suggests maritime cluster to coordinate efforts for improving maritime safety

Rear Admiral Bernhard Teuteberg, director of maritime strategy for the South African Navy, said that the lack of coordination between national agencies and the inability of National Treasury to fund Cabinet-supported strategies were hindering efforts to improve maritime safety. He elaborated that the Cabinet endorsed the Southern African Development Community maritime security strategy and that the requisite plans and strategies were generated. But the efforts were constrained by many national agencies and actors in the maritime space. Teuteberg suggested that a maritime cluster, rather than a maritime transport cluster be formed to coordinate and integrate the efforts of all actors in the maritime domain. He added that such a cluster could be placed in the National Planning Commission in the office of the Presidency.<sup>15</sup>

### South Africa delivers three patrol boats to Russia

The Russian Customs Service took delivery of three 14.7 metre patrol boats, designed by South African company, Icarus Marine, and built by Sosnovka Shipyard. The vessels were designed for the harsh conditions of northern Russia. The patrol boats have a top speed of 37 knots under full load, carry four crew members and five passengers.<sup>16</sup>

### South Africa hosted the 2012 Maritime and Coastal Security Africa Conference

Various speakers at the Maritime and Coastal Security Africa 2012 Conference held in Cape Town reiterated greater maritime cooperation and stressed that the urgent implementation of policy was required if Africa wants to ensure maritime security and safeguard her commercial interests. The conference was attended by 200 local and international naval, academic and industry members and discussed harmonised approaches towards maritime governance, risk and defence in the African maritime environment. It was opined that as oil had caused wars previously, possible future oil wars will also impact Africa's maritime and coastal security. It was agreed that the threat of piracy off East and West African coasts was a major issue, which has come to occupy a premiere position on the African collective regional and continental agenda. It was mentioned that a pressing concern was the need for the improvement of collective maritime domain awareness and collective maritime intelligence as also human resource development and training.<sup>17</sup>

### Illegal migrants bound for Australia were arrested off western coast

A naval patrol craft, attached to the western naval command of Sri Lanka Navy, intercepted a fishing trawler as well as two dinghies in the sea off western coast and arrested 47 illegal migrants

<sup>15</sup> "Lack of coordination hampering maritime safety efforts", *Engineering News*, November 8, 2012, at <http://www.engineeringnews.co.za/article/lack-of-coordination-hampering-maritime-safety-efforts-2012-11-08>

<sup>16</sup> "Russia takes delivery of SA-designed patrol boats", *Defence Web*, November 16, 2012, at [http://www.defenceweb.co.za/index.php?option=com\\_content&view=article&id=28547:russia-takes-delivery-of-sa-designed-patrol-boats&catid=51:Sea&Itemid=106](http://www.defenceweb.co.za/index.php?option=com_content&view=article&id=28547:russia-takes-delivery-of-sa-designed-patrol-boats&catid=51:Sea&Itemid=106)

<sup>17</sup> "Greater maritime security cooperation needed in Africa- experts", *Defence Web*, November 8, 2012, at [http://www.defenceweb.co.za/index.php?option=com\\_content&view=article&id=28452:greater-maritime-security-cooperation-needed-in-africa-experts&catid=51:Sea&Itemid=106](http://www.defenceweb.co.za/index.php?option=com_content&view=article&id=28452:greater-maritime-security-cooperation-needed-in-africa-experts&catid=51:Sea&Itemid=106)

bound for Australia. These migrants including 33 Tamils, 9 Sinhalese and 5 Muslims were brought to Mutwall Fisheries Harbour and handed over to the Criminal Investigations Department for further investigations. The Navy has increased vigilance in recent years around the coasts to prevent human smuggling.<sup>18</sup>

### **EU issues yellow card warning to Sri Lanka against illegal fishing**

The European Union took a decision to issue a 'Yellow Card' warning to Sri Lanka and seven other countries over illegal, unreported and unregulated fishing in territorial waters of other countries. The EU complained about 11 cases during 2011 when Sri Lankan fishermen had intruded into territorial waters of other countries. The Sri Lankan fisheries minister Rajitha Senaratne has said that the government would not intervene to secure the release of Sri Lankan fishermen who have been arrested overseas after allegedly straying into territorial waters of other countries. He added that the policy would be adopted from January 2013 as an indication that Sri Lanka was adhering to European Union guidelines. Further, National Aquatic Resources Agency Chairman Sayuru Samarasinghe said that Sri Lanka was preparing a report to be submitted to the European Commission following the warning.<sup>19</sup>

### **Sri Lanka Navy damages boats of Indian fishermen**

Nearly 30 boats of Indian fishermen were damaged by the Sri Lanka Navy when they were fishing near the International Maritime Boundary Line in the Palk Straits. About 2,000 fishermen from Tamil Nadu in 645 boats were fishing when the incident occurred. The Sri Lankan naval personnel allegedly surrounded the boats, pelted stones, threw bottles and iron pieces and damaged about 20 fishing nets. The Sri Lanka Navy said that it conducts routine patrols to deter Indian fishermen from poaching in Sri Lankan waters in order to protect the country's fisheries resources.<sup>20</sup>

### **Yemen to play vital role in anti-piracy efforts**

Yemen has asserted that it will play a vital role in combating piracy and armed robbery in the western Indian Ocean, the Gulf of Aden and around Somalia's coastal region. The Undersecretary of Yemen's Ministry of Transport for Maritime Affairs and Ports was speaking at the first meeting of the Contact Group on Piracy off the Somali Coast held at the International Maritime Organisation headquarters in London. The Regional Center for Combating Piracy based in Yemen's capital, Sana'a has provided extensive support to ensure maritime navigation in the Gulf of Aden and the Indian Ocean.<sup>21</sup>

<sup>18</sup> "Sri Lanka Navy arrests 47 illegal migrants heading to Australia", *Colombo Page*, November 6, 2012, at [http://www.colombopage.com/archive\\_12A/Nov06\\_1352214969CH.php](http://www.colombopage.com/archive_12A/Nov06_1352214969CH.php)

<sup>19</sup> "Illegal fishing: Lanka gets yellow card from EU", *The Sunday Times*, November 25, 2012, at <http://www.sundaytimes.lk/121125/news/illegal-fishing-lanka-gets-yellow-card-from-eu-22157.html>

<sup>20</sup> "Sri Lanka Navy alleged of damaging 30 boats of Indian fishermen", *Colombo Page*, November 4, 2012, at [http://www.colombopage.com/archive\\_12A/Nov04\\_1352052108CH.php](http://www.colombopage.com/archive_12A/Nov04_1352052108CH.php)

<sup>21</sup> "Yemeni official: Yemen plays vital role in combating piracy", *Hellenic Shipping News Worldwide*, November 18, 2012 at <http://www.hellenicshippingnews.com/News.aspx?ElementId=c5d24855-ee37-460a-a4da-aa0df31e2c45>

## ECONOMIC COOPERATION

### Indonesia and Britain strengthen ties

With President Susilo Bambang Yudhoyono's state visit to Britain aimed at boosting bilateral ties, Britain's Prime Minister David Cameron and Indonesian President signed a number of agreements on trade, defence and education on November 1, 2012. They had also finalised a defence deal which would enhance cooperation in research and development, investment and production. They also announced that BP would develop projects worth £7.5 billion (\$12.1 billion, 9.3 billion-euro) develop liquid natural gas in Indonesia, and signed an agreement to establish stronger links between the two countries' universities.<sup>22</sup>

### Tata buys stake in Indonesian coal mine

India's largest private power generator, Tata Power Company has acquired a stake of 26 per cent in Indonesian coal mine, PT Baramulti Sukses Sarana Tbk (BSSR). This will enable the company to ensure fuel security for all its upcoming power plants by sourcing coal from BSSR and its subsidiary PT Antang Gunung Meratus (AGM). Tata had signed a deal in July 2012 with AGM, prior to this agreement. Together BSSR and AGM comprise 1 billion tonne of coal reserves located in south and east of Kalimantan in Indonesia. Although the size of the deal remains undisclosed, industry sources

estimate it to be around Rs.750 crores. The PT Baramulti acquisition further extends Tata Power's presence in Indonesia. Tata Power already possesses a 30 per cent equity stake in Indonesia's coal mines - PT Kaltim Prima Coal and PT Arutmin Indonesia.<sup>23</sup>

### Daewoo and KenGen will build US\$ 1.3 billion coal power plant in Kenya

Kenyan Prime Minister, Raila Odinga signed a deal between Daewoo International and the Kenyan Electricity Generating Company (KenGen) for the construction of the largest power station in East Africa. The US\$1.3 billion power station will have two turbines each producing 300MW. The government has identified generation of power from clean coal as one of the flagship projects towards attaining the Vision 2030. Prime Minister Odinga said that energy remains one of the biggest threats to Kenya's dream of being Africa's hub for creativity and innovation. Scarcity of power is hampering the country's appeal as an investment destination.<sup>24</sup>

### UN gives Ulysses tourism award to Malaysia

This year's United Nations World Tourism Organisation's Ulysses Award went to Malaysia's home stay programme. This tourist programme was selected in the Innovation in Public Policy

<sup>22</sup> "Britain and Indonesia ink deals on trade, defence, education," *AFP*, November 1, 2012 at [http://www.google.com/hostednews/afp/article/ALeqM5gGvSOJIxoFX7ky9klGX\\_yXka4VZg?docId=CNG.c652cad0d3f6a3dd9c80e6d08c946b36.791](http://www.google.com/hostednews/afp/article/ALeqM5gGvSOJIxoFX7ky9klGX_yXka4VZg?docId=CNG.c652cad0d3f6a3dd9c80e6d08c946b36.791)

<sup>23</sup> "Tata Power buys 26% in Indonesian coal mine Baramulti Sukses Sarana", *The Economic Times*, November 9, 2012 at [http://articles.economictimes.indiatimes.com/2012-11-09/news/34994178\\_1\\_pt-antag-gunung-meratus-pt-arutmin-indonesia-tata-power](http://articles.economictimes.indiatimes.com/2012-11-09/news/34994178_1_pt-antag-gunung-meratus-pt-arutmin-indonesia-tata-power)

<sup>24</sup> "PM Odinga in Seoul to sign deal for new power station", *Capital FM*, November 19, 2012, at <http://www.capitalfm.co.ke/business/2012/11/pm-odinga-in-seoul-to-sign-deal-for-new-power-station/>

and Governance category. Datuk Seri Dr Ng Yen Yen, tourism minister of Malaysia said it was the first time for Malaysia to win the Ulysses award after it was instituted in 2003. The home stay programme has enhanced the appeal of Malaysia for tourists as they get to experience local culture first hand and the programme has also helped boost incomes of local residents with the rise in sale of food items and souvenirs.<sup>25</sup>

### Malaysia and India to cooperate on renewable energy

A Memorandum of Understanding between India and Malaysia on November 8, 2012 in New Delhi to establish cooperation in renewable energy, especially in biomass, hydropower, solar and wind power. The Indian side was represented by minister of new and renewable energy, Farooq Abdullah with his Malaysian counterpart, Peter Chin Fah Kui, minister of energy, green technology and water. India and Malaysia have agreed to institute a joint working group for exchange and training of scientific and technical personnel, sharing of available scientific and technologies information and transfer of technological know-how on a non-commercial basis.<sup>26</sup>

### Malaysia and Australia to cooperate on higher education

Malaysia and Australia forged a new partnership in the field of higher education by signing a MoU on November 14, 2012 in Perth. This MoU will enable both the countries to nurture closer ties

through joint research and training and facilitation of greater student exchange.<sup>27</sup>

### Malaysia leads sharing of information on over-fishing

In the 8<sup>th</sup> Coral Triangle Initiative-Coral Reefs Fisheries and Food Security (CTI-CFF) Senior Officials Meeting and the 4<sup>th</sup> Ministerial Meeting held in November 2012, the need to share information regarding checks over fishing was acknowledged and plans were made to address the same. Malaysia which is currently chairing the initiative recognized the need to fast-track this process of sharing information in order to prevent encroachment by foreign fishing vessels. Other members of CTI-CFF include the Philippines, Indonesia, Timor-Leste, Papua New Guinea and the Solomon Islands.<sup>28</sup>

### EU Parliamentary committee backs proposal for fishing agreement with Mauritius

The European Union parliament's fisheries committee has recommended that the parliament approve the European Council's proposed fishing agreement with Mauritius. The new Fishery Partnership Agreement and the new Protocol are balanced and cover the interests of both parties and consent to conclusion by the European parliament. The Council's proposal tables an annual payment of 660,000 euros against catches of 5,500t per year. The deal would allow 41 tuna seiners and 45 surface long liners to fish. The tonnage is lower than the 6,000t which the two sides had agreed in their previous deal, which

<sup>25</sup> "Malaysia wins UN Tourism award," *New Strait Times*, November 22, 2012 at <http://www.nst.com.my/nation/general/malaysia-wins-un-tourism-award-1.174985>

<sup>26</sup> "India, Malaysia ink MoU on renewable energy," *IANS*, November 8, 2012 at <http://india.nydailynews.com/business/67af0c65c608c505ba1b108a2db7e8a3/india-malaysia-ink-mou-on-renewable-energy>

<sup>27</sup> "Malaysia and Australia sign higher education MoU," *The Star online*, November 17, 2012 at <http://thestar.com.my/news/story.asp?file=/2012/11/17/nation/20121117135207&sec=nation>

<sup>28</sup> "Malaysia, 5 other countries to share maritime data to curb over-fishing," *The Star online*, November 26 at <http://thestar.com.my/news/story.asp?file=/2012/11/26/nation/20121126165805&sec=nation>

expired in 2007, yet the financial contribution is higher by 365,000 euros.<sup>29</sup>

### Decline in tourism figures calls for Mauritius to rebuild its quality image

A decline in tourism figures has called for Mauritius to re-position itself as a leading luxury destination. As part of its rapid global expansion, independent health and safety experts, Check Safety First has launched operations with hotels in Mauritius to improve standards and help the country provide the highest quality to visitors. Representing two-thirds of arrivals, visitors from Europe have dropped 9.3 per cent in the past year, which is a massive decline for the Indian Ocean Island's US\$ 10 billion economy. With tour operators and hotel groups demanding to meet the quality offerings of Mauritius' competitors, Check Safety First will play an instrumental part in helping establishments meet safety expectations from Europe and other key markets.<sup>30</sup>

### Mozambique loses over US\$ 30 million annually due to illegal fishing

According to the national director of Fisheries Inspection Manuel Castiano, the Mozambican state is suffering annual losses of revenue of over US\$ 30 million due to illegal fishing. An estimated 2,000 tonnes of fisheries produce is taken from Mozambican waters every year by vessels fishing illegally. Illegal fishing is not just an economic concern, but also a social one as more than 100,000

Mozambicans depend directly on fishing for their livelihood, and a further 530,000 depend indirectly. Illegal fishing is preventing the fisheries sector from increasing its contribution to Mozambique's GDP. Currently, the fisheries industry contributes only three per cent to the GDP.<sup>31</sup>

### Oman and Singapore discuss prospects for strengthening economic cooperation

The Omani-Singaporean Joint Committee held its eleventh session at the Singaporean foreign ministry and discussed the prospects for strengthening economic cooperation, investment, service, tourism, water treatment, technical and other areas of concern to the two countries. During the meeting, Ahmad bin Hassan al-Dheeb, undersecretary of the ministry of commerce and industry for commerce and industry of Oman, affirmed that the economic ties between the Sultanate and the Republic of Singapore sustain growth in various areas of trade and investment, urging businessmen and the private sector in both the countries to take advantage of these relationships in joint ventures. He added that topics related to the Public Establishment for Industrial Estates, Information Technology Authority and the Public Authority for Consumer Protection were also discussed, noting that drafts of memoranda of understanding were delivered to the Singaporean side in the fields of consumer protection, the establishment of a centre for productivity and food centre in the Sultanate.<sup>32</sup>

<sup>29</sup> "Parliamentary committee backs EU proposal for Mauritius fishing deal", *Undercurrentnews*, November 27, 2012, at <http://www.undercurrentnews.com/2012/11/27/committee-backs-eu-proposal-for-mauritius-fishing-deal/#.UMXhNqxT6ho>

<sup>30</sup> "Mauritius rebuilds quality image with Check Safety First", *Travel Daily News*, November 28, 2012, at <http://www.traveldailynews.com/news/article/52255/mauritius-rebuilds-quality-image-with>

<sup>31</sup> "Huge Losses From Illegal Fishing", *All Africa*, November 19, 2012, at <http://allafrica.com/stories/201211200681.html>

<sup>32</sup> "Omani-Singaporean Committee and Mutual Investment Opportunities", *Oman News*, November 7, 2012, at [http://www.omannews.gov.om/ona/english/newsDetails\\_inc.jsp?newsID=153353](http://www.omannews.gov.om/ona/english/newsDetails_inc.jsp?newsID=153353)

### EU and Singapore to complete landmark FTA

Speaking ahead of the Asia-Europe Summit in Vientiane, Laos, the head of the EU delegation in Singapore, Ambassador Marc Ungeheuer said that a landmark free trade agreement (FTA) between the European Union (EU) and Singapore is expected to be completed by the end of 2012. Once completed, the FTA would be the first such agreement between the EU and an ASEAN economy. Further, the FTA will have a chapter on investments, the first of its kind for any trade deal the EU has inked. Ungeheuer described the deal as a building block for a wider FTA between ASEAN and the EU.<sup>33</sup>

### Singapore Tourism Board launches campaign to target Indonesian tourists

Following the model of differentiated marketing campaigns launched in China, Australia and India, the Singapore Tourism Board launched another such campaign designed with the Indonesian tourist in mind. The new campaign, “Only in Singapore, Right Now!”, was launched in Jakarta and focused on tailoring and delivering experiences that are based on a deeper understanding of consumer needs in key visitor-source markets.<sup>34</sup>

### China spends US\$ 1billion in Tanzania

The investment of Chinese companies in Tanzania has hit the US\$ 1billion mark over a period of one year. China has now moved from 6<sup>th</sup> to 2<sup>nd</sup> position as the main foreign investor in Tanzania. According to the Chinese ambassador to

Tanzania, increased Chinese investments have strengthened the friendship between the two countries as well as maintained a sound momentum of development. He also said that when economic crisis hit the world many global companies decreased their overseas investments to seek investment protection, but Chinese firms overseas have never given up and never down sized.<sup>35</sup>

### Tanzania ranks fifth in Africa investment destination rankings

Rand Merchant Bank’s second edition on ‘Where to Invest in Africa’ has ranked Tanzania the fifth among the most attractive economies to invest in Africa. Tanzania has been classified among the best ten African nations with high consumption potential. The report looked into key opportunity sectors like finance, resources, infrastructure and consumption. Scores given to Tanzania are based on market size, as measured by GDP at purchasing power parity; the market growth rate, as reflected in the International Monetary Fund’s forecasts of real GDP growth; and operating environment index that looks at economic freedom, corruption, efficiency and business friendliness.<sup>36</sup>

### Tanzania launches international tourism marketing strategy

In a milestone history of tourism promotion partnerships, the Tanzania Tourism Board has launched an international tourism marketing strategy that will place the nation among the world’s leading tourist destinations. The milestone strategy took 18 months of public and private

<sup>33</sup> “EU-Singapore FTA by end-2012”, *Today*, November 3, 2012, at <http://www.todayonline.com/Hotnews/EDC121103-000055/EU-Singapore-FTA-by-end-2012>

<sup>34</sup> “Singapore Tourism Board Launches Marketing Campaign in Indonesia”, *Asia Travel Tips*, November 23, 2012, at <http://www.asiatraveltips.com/news12/2311-SingaporeTourism.shtml>

<sup>35</sup> “China spends \$1b in Tanzania”, *East African Business Week*, November 19, 2012, at <http://www.busiweek.com/news/tanzania/3975-china-spends-1b-in-tanzania>

<sup>36</sup> “Tanzania improves in investment destination rankings”, *Daily News Online*, November 16, 2012, at <http://www.dailynews.co.tz/index.php/biz/11642-dar-improves-in-investment-destination-rankings>

partnership to compile, involving joint discussions and consultations between both public and private sectors in which key stakeholders were involved. This strategy, among other things, focuses to develop a distinctive and competitive position of Tanzania and to use more cutting-edge techniques to international tourism marketing. The strategy during the forthcoming five years aims at achieving twelve strategic goals to raise Tanzania's current position in travel and tourism in the world, from the 90th position to the 75th position. The other goal during the period is to increase the market share of Indian Ocean's Spice Island of Zanzibar from the current 26 per cent to at least 30 per cent of the total number of tourist arrivals in the island.<sup>37</sup>

### Global shipping industry faces unprecedented challenges

Delegates at the three-day Seatrade Middle East Maritime Exhibition and Conference held in Dubai have said that the global shipping industry is facing unprecedented challenges owing to "slow global growth, over capacity, declining shipping and freight rates and falling volumes amid a

growing glut in the industry". It was noted that the global shipping industry has seen a new order emerge following the 2008 global financial crisis, which influenced many Western countries to shift back to "regionalism and nationalist protection". It was added that while the West is going back to protectionism, the emerging economies of the East are driving global growth, and that Western countries should move away from protectionism and remove trade barriers so as to boost global growth.<sup>38</sup>

### Study proposes single GCC tourism visa

A study submitted to the Gulf Cooperation Council (GCC) on boosting tourism in the region has proposed a single entry visa. The proposed move is expected to reinvigorate the tourism sector in the region amid expectations that the GCC countries will invest approximately US\$ 380 billion in tourism project by 2018. A single entry visa would allow tourists visiting one of the six GCC countries to move easily into the other countries. Tourism is a significant source of income and employment for local economies in the region.<sup>39</sup>

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<sup>37</sup> "Tanzania launches international tourism marketing strategy", *Travel Daily News*, November 19, 2012, at <http://www.traveldailynews.com/news/article/52117/tanzania-launches-international-tourism-marketing>

<sup>38</sup> "Global shipping industry faces unprecedented challenges", *Gulf News*, November 27, 2012 at <http://gulfnews.com/business/shipping/global-shipping-industry-faces-unprecedented-challenges-1.1110856>

<sup>39</sup> "Single GCC tourism visa will boost visitor numbers — study", *Gulf News*, November 18, 2012 at <http://gulfnews.com/news/gulf/saudi-arabia/single-gcc-tourism-visa-will-boost-visitor-numbers-study-1.1106463>

## ENVIRONMENTAL CONCERNS/ DISASTER RISK MANAGEMENT

### Greenpeace raises alarm on ‘overfishing crisis’ in the Indian Ocean

The environmental group, Greenpeace has warned of an “overfishing crisis” in the Indian Ocean and pushed for better monitoring of trawlers. The group also added that the lack of proper management and pirates fishing in the region is contributing to the demise of albacore and big eye tuna and sharks that are targeted for fin trade. It called for strengthening the monitoring of tuna fish.<sup>40</sup>

### Indonesia to push for another climate treaty in UNFCCC

In the United Nations Framework Convention on Climate Change (UNFCCC) conference held in Doha, Qatar in December, Indonesia tried to push for a treaty for the developed nations to adopt as well as join a trust fund for its mitigation efforts. President Susilo Bambang Yudhoyono’s special envoy on Climate Change, Rachmat Witoelar, believes that this effort is crucial. “We hope that the countries will show their commitment to protecting the environment by adopting the Bali Action Plan. It provides guidelines for long-term cooperation in mitigation strategies, adaptation action plus financial and technical support on climate change for developing countries,” he said. The Bali Action Plan was drafted in 2007, and it also stipulates the guidelines for funding carbon-friendly investment

and the implementation of Reducing Emissions from Deforestation and Forest Degradation mitigation program.<sup>41</sup>

### Malaysia and Singapore to cooperate on oil-spill control

At the 25<sup>th</sup> Malaysia-Singapore Annual Exchange of held on November 9, 2012 in Kuala Lumpur, both sides agreed to increase the level of cooperation in the prevention and control of oil spill in the Straits of Johor. They also agreed to continue organising a joint emergency response exercise to respond to the threat of chemical spill at the Johor straits. These areas of cooperation were discussed as mentioned in joint statement containing remarks of Malaysian environment minister Datuk Seri Douglas Unggah Embas and Singapore’s environment and water resources minister Dr Vivian Balakrishnan. According to the statement, Malaysia has agreed to organise in the third quarter of next year, at the Malaysia-Singapore second crossing, the 9<sup>th</sup> Joint Emergency Response Exercise under the Emergency Response Plan for Chemical Spill.<sup>42</sup>

### Response simulation exercise in Seychelles to test disaster plans

Representatives of several governmental and private sector agencies attended a round-table meeting called the ‘Team Spirit’ functional simulation exercise to test response, notably in

<sup>40</sup> “Greenpeace warns of overfishing ‘crisis’ in Indian Ocean”, *AFP*, November 12, 2012 at <http://www.google.com/hostednews/afp/article/ALeqM5hmHHna2DU9zv7Bk1VHwxSzxWRhA?docId=CNG.f6828a7bb6091a4f9d0e75ba3ae4ded4.6b1>

<sup>41</sup> “Indonesia to propose yet another climate agreement,” *The Jakarta Post*, November 14, 2012 at <http://www.thejakartapost.com/news/2012/11/14/indonesia-propose-yet-another-climate-agreement.html>

<sup>42</sup> “Malaysia, Singapore to cooperate in oil spill control,” *Bernama*, November 9, 2012 at <http://www.mysinchew.com/node/79686>

communication and coordination in disaster scenarios. The exercise was organised by the department of risk and disaster management. Other agencies who took part included the department of environment, meteorological services, the police, Seychelles People's Defence Forces, Fire and Rescue Services Agency, Land Transport Agency, Islands Development Company, Seychelles Civil Aviation Authority, Seychelles Port Authority, Red Cross and several district administrators.<sup>43</sup>

### **Sri Lanka shares geographic data to improve disaster response**

Shyamalie Perera, deputy surveyor-general of Sri Lanka's survey department, said that the Sri Lankan government was working to improve its disaster response capacity by sharing geographic data that will ensure that all organisations use the same data and improve the effectiveness of humanitarian response for disaster management purposes. The data is readily available on a UN Humanitarian Community web portal free of charge to users of ArcGIS software. Previously such data, which includes administrative boundaries, population levels, as well as detailed information on transport and water systems in Sri Lanka, which is invaluable in establishing baseline information for preliminary reporting, was to be purchased from the Survey Department, resulting in unnecessary delays.<sup>44</sup>

### **Cyclone 'Neelam' creates havoc in Sri Lanka**

According to the disaster management centre, nearly 68,000 people in Sri Lanka were affected

by adverse weather conditions created by the Neelam cyclone that moved to India from the Bay of Bengal. The centre said that it took necessary action in responding to the disaster situation with other organisations and district secretariats. Three people lost their lives due to severe weather and 7,437 people were provided shelter in about 37 makeshift camps. In addition, 51 houses were fully damaged and another 30 were partially damaged.<sup>45</sup>

### **Forest plunder a threat to Dar**

Pugu Kazimzumbwi Forest in Kisarawe district in the coast region is deteriorating fast following a high rate of illegal logging by residents in the neighbourhood and other people from outside. The situation throws Dar es Salaam city into danger as either floods or acute shortages can strike in the coming years. The director of Tanzania Specialist Organization on Community Natural Resources and Biodiversity Conservation, Mr Bariki Kaale, said that the forest was currently in danger due to a lack of effective management and protection.<sup>46</sup>

### **Gulf states eye renewable energy sources as energy demands rise**

The UAE along with other GCC states have recently announced plans to use solar, wind and other forms of renewable energy to meet growing domestic energy demands in the next decade. The Gulf states are among the world's worst greenhouse gas polluters in the world per head of population; all six GCC states ranked among the top 15 polluters among 215 countries surveyed in a 2009 study on carbon emissions, with four of

<sup>43</sup> "Agencies test emergency response to disaster plans", *Seychelles Nation Online*, November 16, 2012, at <http://www.nation.sc/index.php?art=29529>

<sup>44</sup> "Government moves on disaster data-sharing", *IRIN News*, November 1, 2012, at <http://www.irinnews.org/Report/96681/SRI-LANKA-Government-moves-on-disaster-data-sharing>

<sup>45</sup> "Over 68,000 people affected by cyclonic weather in Sri Lanka", *Colombo Page*, November 2, 2012, at [http://www.colombopage.com/archive\\_12A/Nov02\\_1351796993CH.php](http://www.colombopage.com/archive_12A/Nov02_1351796993CH.php)

<sup>46</sup> "Forest plunder a threat to Dar", *Daily News Online*, November 23, at <http://www.dailynews.co.tz/index.php/local-news/11918-forest-plunder-a-threat-to-dar>

them ahead of the US. With rising energy demands owing to rapid economic expansion and the inflow of large numbers of expatriates into these countries, several GCC states now plan to meet more than five per cent of their energy needs from renewable sources, mainly solar, by 2030.<sup>47</sup>

### **Study: Renewable energy least-cost option for electric power generation**

A study by the Abu Dhabi-based International Renewable Energy Agency (Irena) has revealed that renewable energy has become the most cost-effective way to generate electric power off-grid

or on-grid in places with plentiful resources. Hydropower is currently the largest source of renewable energy in the world; this could change with costs of concentrating solar power drop to US\$ 0.14/kWh. In comparison, the less greener option of fossil-fuel generated electricity costs between US\$ 0.06 and 0.12/kWh in the OECD countries, excluding transmission costs and distribution. The study indicates that costs of renewable energy sources are set to drop in the coming years making it a bankable source of energy.<sup>48</sup>

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<sup>47</sup> “Gulf states plan for alternative energy sources”, *Gulf News*, November 26, 2012 at <http://gulfnews.com/news/gulf/saudi-arabia/gulf-states-plan-for-alternative-energy-sources-1.1110141>

<sup>48</sup> “Irena foresees renewable energy revolution”, *Gulf News*, November 19, 2012 at <http://gulfnews.com/news/gulf/uae/environment/irena-foresees-renewable-energy-revolution-1.1107058>

## 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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