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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

A number of significant developments about maritime security in the Indian Ocean Region took place in the month of October 2014. Australia received its first Landing Helicopter Docks. Bangladesh Navy expressed its intention to acquire two submarines by 2015. India and the US reiterated willingness to work towards strengthening maritime security cooperation. Indian government sped up work for the Chabahar Port in Iran. Kenya Maritime Authority arrested a dredger harvesting sand and coral. Singapore decided to install a high air balloon to surveillance its air and sea space. South Africa and Kenya signed a maritime integration agreement. Tanzania, although after much delay, also signed the EAC protocol against sea piracy.

On the Economic cooperation scene, Bangladesh and India consented to jointly mobilise funds for the Maitree Thermal Power Project to be constructed in Bangladesh. Iran's Shaheed Bahonar Port reported tremendous growth in exports. Iran and India expressed desire for further improving mutual economic relations. Madagascar, after a democratic rejuvenation, decided to revamp its tourism industry. Seychelles and Mauritius signed new district twinning agreements. The UAE stressed on increased cooperation on maritime piracy, renewable energy and tourism at the IORA's Council of Ministers Meeting.

On the environmental and disaster risk front, Australia revealed plan for a Marine Protected Area in the Antarctic. Bangladesh sought more climate funds from the international community. Malaysia launched a 'Say No to Shark Fin' campaign. Reports revealed that Mauritius is contemplating for a ban on underwater walking to protect marine life and landscape.

Hope the readers will find this issue useful.

**Ruchita Beri**

**Editor**

## MARITIME SECURITY

### Australia gets Landing Helicopter Docks from BAE Systems

BAE systems handed over two Canberra-class landing helicopter docks (LHDs) to the Australian government. Based on the Navantia's Juan Carlos I aircraft carrier design, Canberra completed the contractor trials in August 2014. Meanwhile, a second ship named Adelaide is being completed and is expected to be delivered in 2016. The Australian government is also looking at an option to acquire two Boeing C-17 A Globemaster III strategic airlifters. The 36 squadron of Royal Australian Air Force (RAAF) is already operating six Boeing C-17 A Globemaster III. Australia had also purchased four C-17s earlier under the Project AIR 8000 Phase 3 using the US Foreign Military Sales (FMS) programme. The first C-17 got delivered in 2006 while the last one in 2012.<sup>1</sup>

### Bangladesh Navy will acquire 2 submarines by 2015

Sheikh Hasina, the Prime Minister of Bangladesh, announced on October 11, 2014, that her country's Navy will be adding two submarines to its fleet by 2015. The Bangladesh Government is in a process to set up its biggest naval base at Rabanabad in Patuakhali. It will be having all the facilities of harbouring submarines and also of aviation. Plans are also there to increase the naval fleet of the country and constructing its own air base. Hasina said that these facilities will help ensure favourable and safe atmosphere in Bangladesh's maritime area for trade and other economic activities. The Bangladesh Navy has been

upgraded to another level of its continued advancement. While in office, Hasina has followed the directives put forward in the Defence Policy formulated in 1974 by Sheikh Mujib-ur-Rahman. The government has taken short and medium term plans to develop the Bangladesh Navy as an efficient, modern and balanced three-dimensional force by 2030. Sixteen ships as well as two helicopters and two maritime patrol aircrafts have been added to the Naval Force as part of the plan while she has been in the office. Special Forces have also been commissioned by the government for Naval Aviation and Unconventional Warfare.<sup>2</sup>

### Bangladesh calls for further international help and cooperation on sea piracy

Speaking at a high level international conference on public-private counter piracy initiative in Dubai on October 29, 2014, Abul Hassan Mahmood Ali, the foreign minister of Bangladesh, called upon the international community to "cooperate" for stopping piracy at sea. He also said that sea piracy affects adversely the livelihood of the maritime region. Bangladesh has joined with other nations against the threat of piracy and armed robbery anywhere at sea; and also is in favour of the international mechanism and initiatives supporting the global response to maritime piracy. The conference marked the United Arab Emirates' Counter Piracy Week and the foreign ministers of the UAE, Brunei, Bahamas, Yemen, Seychelles, Mauritania, Somalia, Comoros and officials from Saudi Arabia, Pakistan and many other countries attended the event along with EU, NATO and the GCC.<sup>3</sup>

<sup>1</sup> "Australia receives first Canberra-class LHD", *IHS Jane's Defence Weekly*, October 9, 2014, at <http://www.janes.com/article/44335/australia-receives-first-canberra-class-lhd>

<sup>2</sup> "Navy to get 2 submarines by next year: PM", *The Sun*, October 12, 2014, at [http://www.daily-sun.com/details\\_yes\\_12-10-2014\\_Navy-to-get-2-submarines-by-next-year:-PM\\_1003\\_1\\_2\\_1\\_0.html](http://www.daily-sun.com/details_yes_12-10-2014_Navy-to-get-2-submarines-by-next-year:-PM_1003_1_2_1_0.html)

<sup>3</sup> "Bangladesh FM calls for international help to stop sea piracy", *bdnews24.com*, October 29, 2014, at <http://bdnews24.com/bangladesh/2014/10/29/bangladesh-fm-calls-for-international-help-to-stop-sea-piracy>

### India and the US work towards strengthening maritime security cooperation

US President Barak Obama and the Indian Prime Minister Narendra Modi, after their meeting in Washington in the last week of September 2014, emphasised that the Indo-US maritime cooperation needs to be deepened for ensuring freedom of navigation in sea lanes. The understanding is a result of wide-ranging meetings and continual discussions between the two leaders. The meetings covered topics ranging from maritime technology to climate change control, Ebola and terrorism.<sup>4</sup> Obama and Modi also agreed upon a 10-year extension of a military cooperation framework focusing on counter-terrorism cooperation and joint efforts against militant networks.<sup>5</sup>

### India and Sri Lanka talk over maritime issues during IMBL meeting

The 24th International Maritime Boundary Line (IMBL) meeting was held by Sri Lanka and India to discuss common maritime issues. The IMBL meeting between the Sri Lankan and Indian navies was held on October 16, 2014, at the Indo-Sri Lanka Maritime Boundary Line off Kankasanthurai. The Sri Lanka Naval Delegation was headed by Admiral Sarath Dissanayake, while the Indian Naval delegation was headed by Commodore A K Mahadevan. A wide range of maritime issues were discussed between the Navy officials of both the countries. Prevention of smuggling narcotics, illegal fishing activities and illegal trafficking of other items in the Palk Strait and the Gulf of Mannar sea areas, were among the major maritime concerns.<sup>6</sup>

### Indian government speeds up work for Iran's Chabahar Port

The Jawaharlal Nehru Port Trust (JNPT) has nominated 4 officers to set up a cell to speed up the work on setting up the Chabahar port in Iran. India plans to invest US\$86 million in the project. This is India's first foreign port project which was initiated under the Atal Bihari Vajpayee led government in 2003. It has been considerably delayed, but the new security interests in the region has prompted the government to speed up the process. Even though the port is outside the Persian Gulf, it is still strategically important as it will provide India access to Afghanistan, Central Asia and beyond. The establishment of this port is also significant as it will help to balance China's growing influence in the neighbourhood.<sup>7</sup>

### Asian Development Bank provides US\$40 million loan for the improvement of Indian naval fleets

Ocean Sparkle Ltd (OSL), which is one of the India's largest port operations and management companies, is getting a loan of US\$40 million by the Asian Development Bank (ADB). This loan is required to make fleet improvements, for higher efficiency, lower freight costs, quick shipping, and to boost maritime trade. The project, which will run from 2014 to 2016, is ADB's first private sector investment in India's ports sector. OSL holds a good track record, which will benefit India in expanding its trade and improving its service sector. With the help of this loan, the company will be able to purchase up to 10 tug boats for the

<sup>4</sup> "India, US to work together to boost maritime security", *asia one world*, October 4, 2014, at <http://news.asiaone.com/news/world/india-us-work-together-boost-maritime-security>

<sup>5</sup> "U.S., India deepening maritime security ties", *The Maritime Executive*, October 1, 2014, at <http://www.maritime-executive.com/article/US-India-Deepening-Maritime-Security-Ties-2014-10-01>

<sup>6</sup> "Sri Lanka, India navies discuss maritime issues at IMBL meeting", *Colombo Page*, October 19, 2014, at [http://www.colombopage.com/archive\\_14B/Oct19\\_1413702614CH.php](http://www.colombopage.com/archive_14B/Oct19_1413702614CH.php)

<sup>7</sup> "Govt sets up cell for Iran's Chabahar port project", *Business Standard*, October 23, 2014, [http://www.business-standard.com/article/economy-policy/govt-sets-up-cell-for-iran-s-chabahar-port-project-114102300645\\_1.html](http://www.business-standard.com/article/economy-policy/govt-sets-up-cell-for-iran-s-chabahar-port-project-114102300645_1.html)

ports in India and its neighbouring South Asian markets. It will also help finance the acquisition of two platform supply vessels and anchor handling tug supply vessels, allowing OSL to take advantage of an expected increase in offshore oil and gas activities in the near future.<sup>8</sup>

### **Indian sailors freed by Somali pirates after four years**

After four years of being in capture, seven Indian sailors have been freed by Somali pirates, in exchange of ransom, as reported by Somali officials and a maritime monitoring group. The release of Indian sailors was confirmed by the Kenyan-based monitoring group, Ecoterra International. Regional government officials were involved in the release of these sailors, in the town of Haradheere in Central Somalia. The Indian sailors had been held since September 2010, which marked the hijack of the Panama-flagged ship MV Asphalt Venture. Prior to this, in 2011, eight sailors were also freed for a ransom.<sup>9</sup>

### **Indian Naval ships reach Mauritius on cooperative deployment**

Mumbai, Talwar and Deepak, three Indian naval ships, reached in Port Louis, Mauritius under the command of Rear Admiral R Hari Kumar, Flag Officer Commanding Western Fleet, on a two months long deployment. The ships, along with INS Teg, was on a programme to visit different parts of east Africa and the southern Indian Ocean Region. This programme aims at bolstering maritime security cooperation between India and Mauritius. Frequent cross-visits by high-level delegations between the two countries have strengthened their bilateral relations. Regular joint patrols

and EEZ (Exclusive Economic Zone) surveillance of Mauritius by Indian warships and aircraft, construction of an Offshore Patrol Vessel for the Mauritius Coast Guard in India, installation of coastal radar surveillance systems together with frequent port calls by naval ships show the strong and growing maritime defence relationship between the two countries.<sup>10</sup>

### **Iranian Navy has increased its presence in international waters**

Major General Yahya Rahim-Safavi, senior military advisor to the leader of the Islamic Revolution Ayatollah Seyyed Ali Khamenei, has said that there is a potential threat to the Iranian Navy from the Mediterranean, Red Sea, and the Indian Ocean to the Sea of Oman and Persian Gulf. In this case, the Iranian navy is prepared to defend and target any threats made by external powers. The Persian Gulf is strategically very important to Iran for its massive oil and gas resources. As a result of this, Iran has considerably increased its presence in the international waters to protect naval routes and provide security for merchant vessels and tankers.<sup>11</sup>

### **Kenya Maritime Authority arrests dredger harvesting sand and coral in Diani**

A vessel suspected of harvesting coral in the Indian Ocean was detained by the Kenya Maritime Authority (KMA) on October 21, 2014. Tourism stakeholders raised concerns about the activities of the Si Hang Cai Sha 1 grab dredger which was also called as Tokai Maru 8 previously. According to Mohammed Hersi, Chairman, KTA, some vessels are dredging and destroying the corals that have taken millions of years

<sup>8</sup> "ADB Asian Development Bank : Supports fleet expansion of Indian port company to boost trade", *Hellenic Shipping News*, October 29, 2014, at <http://www.hellenicshippingnews.com/adb-asian-development-bank-supports-fleet-expansion-of-indian-port-company-to-boost-trade/>

<sup>9</sup> "Somali pirates free Indian sailors after four years in captivity", *Thomson Reuters*, October 31, 2014, at <http://www.ndtv.com/article/india/somali-pirates-free-indian-sailors-after-four-years-in-captivity-614632>

<sup>10</sup> "Indian Navy ships reach Mauritius", *daijiworld.com*, October 31, 2014, [http://www.daijiworld.com/news/news\\_disp.asp?n\\_id=273960](http://www.daijiworld.com/news/news_disp.asp?n_id=273960)

<sup>11</sup> "Iran must nip enemy military threats in bud: General", *Press TV*, October 5, 2014, <http://www.presstv.ir/detail/2014/10/05/381094/iran-must-nip-enemy-threats-in-bud/>

to grow. The vessel had been harvesting sand and coral reefs along the shores of Diani, Kenya, for more than a week. The detained vessel was later docked at the Kenya Ports Authority's Kilindini harbour. Although sand and some corals were found in the vessel, the Kenya Wildlife Service and the National Environment Management Authority (NEMA) were trying to establish if the vessel was allowed to operate within the Diani area which has a marine park.<sup>12</sup> However, later, the Kenya Ports Authority (KPA) acknowledged that the seized ship is from Panama and it has been there in the country for last three years. The vessel belongs to the China Communication Construction Company that has been contracted for constructions in Lamu.<sup>13</sup>

### **Kenya constructing patrol vessel to deal with illegal fishing in Indian Ocean**

An offshore patrol vessel is being constructed by the Kenya Government to keep a watch over its exclusive economic zone (EEZ) in the Indian Ocean. Felix Koseki, Cabinet Secretary, Fisheries, Kenya, through a workshop on sustainable use of marine resources organised in Kilifi, said that the vessel will strengthen the country's capacity to protect its EEZ and will reduce illegal and unregulated fishing in the region. Kenya, currently, loses billions in its currency to illegal fishing in its waters annually.<sup>14</sup>

### **'Super' squad to assist the Malaysian Maritime Enforcement Agency**

The Malaysian Maritime Enforcement Agency (MMEA) will be assisted by a new 'Super' squad by being its eyes and ears. According to Shah Headan Ayoob Hussain, the Teluk Bahang assembly man, about 700 coastal

fishermen volunteered to join the Super but only 100 would be trained initially. The group's primary task would be to prevent trespassing in the Zone A coastal waters. The move will benefit the inshore small fishermen. All this has been planned in the light that the MMEA does not have sufficient resources to monitor the coast and therefore the Super squad is there to assist. The trained volunteers safeguarding the fishing waters would not depend entirely on the MMEA. The idea of the 'Super' squad to protect Zone A from the trespassers from Zone B and C was mooted by Agriculture and Agro-based Industry Minister Ismail Sabri Yaakob. The voluntary squad is under the Penang Fisheries Association that is registered with his ministry. This is to be noted that fishing Zone A is meant only for the Malaysian inshore fishermen and allows them to fish from one to eight nautical miles from shore.<sup>15</sup>

### **Seychelles in the International Monitoring Committee for imprisoned pirates**

Seychelles is a part of the International Monitoring Committee (IMC) set up for the prisons in which the convicted sea pirates have been kept to complete their sentences. Maxime Tirant, The superintendent of Seychelles Prisons was part of an international group that visited the United Nations Office on Drugs and Crime (UNODC) mentored prisons in Garowe (Puntland) and Hargeysa, Somaliland. Representatives of the UNODC, Denmark, the Netherlands, Norway and the United Kingdom are the other members of the IMC. The IMC mechanism has been created in accordance with the UNODC's agreement with the governments of Puntland and Somaliland. The IMC has been tasked with conducting periodic inspections of Hargeysa and Garowe prisons and give

<sup>12</sup> "KMA detains vessel harvesting sand and coral reefs in Diani", *The Star*, October 23, 2014, at <http://www.the-star.co.ke/news/kma-detains-vessel-harvesting-sand-and-coral-reefs-diani>

<sup>13</sup> "Seized Chinese ship intended for Lapsset", *The Star*, October 25, 2014, at <http://www.the-star.co.ke/news/article-190482/seized-chinese-ship-intended-lapsset>

<sup>14</sup> "Patrol vessel to stop illegal fishing in Indian Ocean", *The Star*, October 29, 2014, at <http://www.the-star.co.ke/news/article-191350/patrol-vessel-stop-illegal-fishing-indian-ocean>

<sup>15</sup> "Super-b response to voluntary coastal patrols", *The Star Online*, October 31, 2014, at <http://www.thestar.com.my/News/Community/2014/10/31/Superb-response-to-voluntary-coastal-patrols/>

recommendations on how to implement minimum international standards there. The recent visit of the IMC members was the first of its kind that marked the start of operations of the IMC.<sup>16</sup>

### High air balloon to surveillance Singapore air and sea space

Singapore Defence Ministry announced that a huge tethered Helium-filled surveillance balloon capable to 'see' as far as Malacca will be deployed by the city state. The measure will boost Singapore's maritime and air security. The "aerostat" balloon will be equipped with radar capable of spotting threats at a distance as far as 200 km away. The existing surveillance systems in Singapore are facing problems due to high rise buildings that obstruct signals and preventing clear line of sight. Therefore, the balloon would be placed sufficiently high in the air that will enable it to have a sight over both air and sea space of the country. The US-made balloon will be operated by eight ground crew and can run at a height of up to 600 metre. Although the defence ministry did not reveal its cost, it claimed that the balloon would save the government approximately S\$29 million every year by not having to rely on round-the-clock surveillance flights. This is to be noted that Singapore has the largest defence budget in Southeast Asia and it has pursued a robust defence strategy after its ejection from the Malaysian Federation in 1965.<sup>17</sup>

### South Africa and Kenya sign a maritime integration agreement

South Africa and Kenya have joined hands towards a maritime integration strategy. Transnet National Ports Authority (TNPA) in South Africa has been taking a lead in the maritime regional integration strategy by

sharing its expertise with the other ports in the African Continent. The authority responsible for functioning of the eight national ports systems in South Africa, has signed a memorandum of understanding (MoU) with several other ports in the region. After the Maputo Port Development Company, Namibian Port Authority and the Ghana Ports and Harbours Authority, Kenya Port Authority (KPA) has been the fourth one to sign the integration agreement. The TNPA plans to extend this agreement to Angola, Tanzania and Sudan. One of the objectives of the MoU is to increase intraregional trade in the South African Development Community (SADC). The lack of deep water berths, poor equipment, lack of maintenance and infrastructure, poor or no training due to limited capital are some of the challenges within the region. The MoU will help Transnet to share best practices with other countries in areas in which they operate efficiently, thereby benefitting the region.<sup>18</sup>

### Tanzania signs the EAC protocol against pirates

Tanzania, although after long wait, has signed the protocol against piracy. The protocol has already been endorsed by other East African and Indian Ocean littoral countries under the condition that European Union construct prisons that meet the required international standards. Despite affected by the scourge of piracy in the Indian Ocean, Tanzania was the only East African country outside the protocol. However, Bernard Membe, Tanzania's Minister for foreign affairs and international cooperation, told that his country has signed the protocol but on conditions that the European Union would help it with the construction of prisons meeting the international standards for the accommodation of the pirates.<sup>19</sup>

<sup>16</sup> "Seychelles part of group set up to monitor Somali prisons", *Seychelles Nation*, October 21, 2014, at <http://www.nation.sc/article.html?id=243379>

<sup>17</sup> "Singapore to deploy massive surveillance balloon", *The Star Online*, October 29, 2014, at <http://www.thestar.com.my/News/Nation/2014/10/29/Spore-surveillance-balloon/>

<sup>18</sup> "SA, Kenya sign maritime integration strategy", *Business Report*, October 27, 2014, at <http://www.iol.co.za/business/companies/sa-kenya-sign-maritime-integration-strategy-1.1770823#.VHhu02e0RLg>

<sup>19</sup> "Tanzania finally endorses EAC anti-piracy protocol", *IPP Media*, October 16, 2014, at <http://www.ippmedia.com/frontend/?l=73214>

### Three Indian naval ships visit Tanzania

Three Indian naval ships – INS Talwar, INS Mumbai and INS Deepak – reached Dar es Salaam on October 19, 2014. Their visit aimed to bolster bilateral ties and maritime cooperation between India and Tanzania. Both countries have historic maritime trade links with each other. A statement by the Indian Navy told that frequent visits by high-level delegations from both sides including by the heads of state and government have given certain depth to the bilateral ties. The growing defence

cooperation between the two countries, among other things, is evident with the increasing frequency of port visits by naval ships. Both the countries are also members of the Indian Ocean Naval Symposium (IONS), a co-operative and voluntary initiative including 35 countries of the Indian Ocean Region. The forum has served as an ideal platform for information sharing and cooperation on maritime issues.<sup>20</sup>

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<sup>20</sup> “Indian naval ships in Tanzania to take forward bilateral ties”, *Business Standard*, October 19, 2014, at [http://www.business-standard.com/article/pti-stories/indian-naval-ships-in-tanzania-to-take-forward-bilateral-ties-114101900787\\_1.html](http://www.business-standard.com/article/pti-stories/indian-naval-ships-in-tanzania-to-take-forward-bilateral-ties-114101900787_1.html)

## ECONOMIC COOPERATION

### Australia and UAE discuss economic relations on sidelines of IORA meet

UAE's Minister of Economy Sultan bin Saeed Al Mansouri called upon Australia's Foreign Minister Julie Bishop on the sidelines of Council of Ministers of the Indian Ocean Rim Association (IORA) held in Perth from October 7-9, 2014. During the meeting, the two discussed the probable signing of agreements on preventing double taxation and the protection of investment between the two countries as part of efforts to support and strengthen bilateral relations. The Gulf Cooperation Council (GCC)-Australia economic ties were also discussed. The completion of the GCC-Australia Free Trade Agreement was high on the agenda. The minister also called for Australia to support the UAE's candidature for the position of Secretary-General of the International Civil Aviation Organisation.<sup>21</sup>

### Bangladesh and India will jointly mobilise funds for the Maitree Thermal Power Project

Bangladesh and India will share equity by 50:50 in the 1320 MW Maitree Super Thermal Power Project at Rampal in Bagerhat, Bangladesh. The two countries have reached a consensus for mobilising fund for the project by holding a roadshow in New Delhi. The project needs an investment of US\$ 1.68 billion out of which about 30 per cent will come from equity and the rest from debt. Both the sides have already decided to implement the power project through Export Credit Agency (ECA) funding as donor agencies had declined

for the same due to controversy related with environment. This is to be noted that the project will be only at a distance of 14 kilometers from the Sundarbans. The officials related with the project have also estimated that they will require a certain amount of funds to mitigate post-operation pollution and fulfil social responsibilities. It was feared that the ecosystem of the Sundarbans will be destroyed due to withdrawal of water from the Possur and Sibsra rivers carrying nutrients to the area but the authorities have clarified that the project will use only 0.05 per cent of the lean period water. This allayed the fear of reduced nutrient to Sundarbans in future.<sup>22</sup>

### Indonesia plans for a new maritime ministry

Indonesia's new president Joko Widodo's transition team disclosed details of a new Coordinating Ministry for Maritime Affairs and the Environment. The task of the ministry will be the development of Indonesia's maritime potential into reality. It is a five-pronged plan that includes investment in infrastructure and keeping fisherman at the centre of the country's food security. The plan is being seen as the new Indonesian Government's seriousness to strengthen the country as a maritime power. Joko had promised to make Indonesia as the world's maritime axis in his election campaigns. The plan focuses on maritime culture instead of agriculture. Hence, it would invest in maritime infrastructure, sea navigation technology and improved logistics. Sea security and efficiency will also be coordinated by the new ministry.<sup>23</sup>

<sup>21</sup> "Minister of Economy, Australian Foreign Minister discuss cooperation relations", *gulfnews.com*, October 8, 2014, at <http://gulfnews.com/business/economy/minister-of-economy-australian-foreign-minister-discuss-cooperation-relations-1.1396070>

<sup>22</sup> "Dhaka, Delhi agree to hold roadshow", *Daily Sun*, October 19, 2014, at [http://www.daily-sun.com/details\\_yes\\_19-10-2014\\_Dhaka,-Delhi-agree-to-hold-roadshow\\_1010\\_1\\_3\\_1\\_0.html](http://www.daily-sun.com/details_yes_19-10-2014_Dhaka,-Delhi-agree-to-hold-roadshow_1010_1_3_1_0.html)

<sup>23</sup> "Transition team outlines new maritime ministry plan", *Jakarta Globe*, October 17, 2014, at <http://thejakartaglobe.beritasatu.com/news/transition-team-outlines-new-maritime-ministry-plan/>

### Tremendous growth at Iran's Shaheed Bahonar Port exports

Iran's southern Shaheed Bahonar port has exported 28,470 tonnes of non-oil exports showing a growth of approximately 231 per cent in comparison to the year 2013. This port exports chemical, agricultural and mineral substances in addition to fruits and vegetables. Protein, iron and construction materials are other major export commodities from Shaheed Bahonar to the Persian Gulf and Indian Ocean countries. Iranian Customs Administration's monthly report in early October 2014 said that over US\$15.519 billion of Iran's total US\$16.685 billion worth of non-oil exports (excluding condensates) was sent to Asian countries during the first half of the current Iranian fiscal year (March 21-September 22), indicating an increase by 9 per cent year on year. Iran exported some 36.162 million metric tonnes of non-oil goods to Asian countries during that period.<sup>24</sup>

### Iran and India want to improve mutual economic relations

Iran and India are looking for ways to improve mutual economic and commercial cooperation. The value of Iran-India trade stood at US\$41.62 billion in the first five months of the year 2014. The investment of US\$85.21 million for the setting up the Chabahar Port in Iran has already been approved by India. The port of Chabahar in Southeast Iran is central to India's efforts to circumvent Pakistan and open up a route to landlocked Afghanistan where it has developed close security ties and economic interests.<sup>25</sup>

### Kenya has huge potential for offshore gas investment

To fully exploit its offshore gas industry and attract

investors more than Tanzania and Mozambique, Kenya needs to focus on providing a competitive and stable fiscal environment, says Reece Straker, an analyst with Global Data, a research and consultation firm. Although Kenya is behind Tanzania and Mozambique in terms of discoveries currently, exploration interest in the country has increased since Tullow's first offshore discovery at block L8 in September 2012. East Africa has become a place for intense offshore exploration activity due to the huge deepwater gas discoveries recently. According to Global Data, while the largest discoveries have been limited to northern Mozambique and southern Tanzania, similar geological features are raising interest in Kenya and Madagascar.<sup>26</sup>

### Kenya is losing tourists to Tanzania

Kenyan hoteliers and tourism stakeholders are concerned that the country's tourism industry is losing out to Tanzania. Tanzania, trailing Kenya in the regional tourism sector, has launched an effective marketing campaign to attract more visitors to its side. The country with similar tourist attractions as Kenya has cut taxes from the tourism sector to attract visitors. It is even considering a tax suspension on tourism products to get a larger chunk of the visitors in the East African region. The move will further reduce the number of visitors in Kenya. It should be noted that travel advisories coupled with reports of insecurity in Kenya have been hurting Kenyan tourism sector that heavily relies on Europe as its main source market. Tanzania has also capitalised on these factors.<sup>27</sup>

### Madagascar takes measures to revamp its tourism industry

Madagascar plans to capitalise on its assets of natural

<sup>24</sup> "Iran's non-oil exports from Shaheed Bahonar Port grow 231 percent", *FARS News*, October 13, 2014, <http://english.farsnews.com/newstext.aspx?nn=13930721000477>

<sup>25</sup> "Iran, India eyeing improved economic ties", *FARS News*, October 30, 2013, <http://english.farsnews.com/newstext.aspx?nn=13930808000755>

<sup>26</sup> "Kenya to challenge Mozambique and Tanzania for upstream investment", *Energy Global*, October 29, 2014, at <http://www.energyglobal.com/news/drilling-and-production/articles/Kenya-to-challenge-Mozambique-and-Tanzania-for-upstream-investment-in-East-Africa.aspx#.VHdzAWe0RLg>

<sup>27</sup> "Tourism players say Kenya losing out to Tanzania", *The Star*, October 30, 2014, at <http://www.the-star.co.ke/news/tourism-players-say-kenya-losing-out-tanzania>

attractions and draw about one million visitors by 2020. The country is trying to rebrand itself after a long period of political instability. The strategy relies on attracting large international investors, strong marketing and attracting high-end travelers. The country has a treasure of natural beauty, Baobabs, an extensive coastline and unusual indigenous wildlife species; and it had received 375,000 tourists in 2008, before the political crisis after a coup set up in 2009. The country has yet to recover the decline in the number of visitors after the coup. Despite the reestablishment of democracy in the world's fourth-largest island, just 198,816 tourists visited Madagascar in 2013 and 255,942 in 2012. But now, the country plans to revamp the economy and attract a wider range of investors as well as tourists. The plans include an investment of US\$10 million in safe establishments conducive to business development. Major international hotel chains have also been invited to invest and attract high-end tourism to Madagascar. The country has also joined the International Surfing Association and intends to become a top surfing hub to increase its tourism appeal.<sup>28</sup>

### **Penang and Thailand discuss ways to strengthen economic ties**

During a 'Business Seminar and Business Matching Session with Thailand Delegation' in Penang, the dignitaries from Penang discussed ways and means to enhance economic and developmental cooperation between the two sides. The Thai delegates were shown presentations by Invest Penang, Penang International Halal Hub and Penang Global Tourism about the investment opportunities in Penang. The objective of the interaction was to provide a platform for entrepreneurs from both the places to build business networks and explore business opportunities. There are opportunities for greater collaboration and cooperation between Penang and Thailand in halal products as well

as food and tourism industries especially within the Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT) and Asean Economic Community.<sup>29</sup>

### **New twinning accords signed by Seychelles and Mauritius**

Seychelles and Mauritius have renewed two accords as well as signed new twinning agreements between Victoria and two municipalities and six district councils in Mauritius. The Anse Royale and Anse Boileau districts of Seychelles have renewed their old twinning agreement with the districts of Flacq and Rivière Noire in Mauritius. The new agreements were signed between the Municipal Town Council of Beau Bassin/Rose Hill and the district of Mont Buxton and between the Municipal Town Council of Vacoas/Phoenix and the district of Plaisance. There were also new twinning agreements between the districts of Moka and Pointe Larue, Savanne and Port Glaud, Pamplemousse and Grand Anse Praslin, Rivière du Rempart and Beau Vallon. The twinning agreements intend to promote mutual exchange of experience in areas like arts, marine, technology, education, history, sports, culture, craft, agriculture, and business. The Mayor of Victoria also indicated that more twinning agreements are expected to be signed after the elections in Mauritius.<sup>30</sup>

### **Tanzania seeks Omani investment in agriculture, fisheries and minerals**

Tanzania expects that the Omani companies will be investing in its agriculture and mineral resources due to its historical ties with the Sultanate. Anne Makinda, the Speaker of the National Assembly of Tanzania, during her visit to Oman, expressed that her country was keen to explore and promote business between the two countries. She also invited the Omani companies to consider to tap into her country's rich resources. Tanzania

<sup>28</sup> "Madagascar embarks on tourism marketing drive", *African Marketing Confederation*, October 14, 2014, at <http://www.africanmc.org/index.php/component/k2/item/45-madagascar-embarks-on-tourism-marketing-drive/45-madagascar-embarks-on-tourism-marketing-drive.html>

<sup>29</sup> "Penang and Thailand look at ways to boost economic ties", *The Star Online*, October 2, 2014, at <http://www.thestar.com.my/News/Community/2014/10/02/Penang-and-Thailand-look-at-ways-to-boost-economic-ties/>

<sup>30</sup> "Seychelles and Mauritius renew and sign new twinning accords", *Seychelles Nation*, October 24, 2014, at <http://www.nation.sc/article.html?id=243418>

is a very fertile country and has abundance of agricultural products including a variety of crops. Livestock and fisheries are other areas where the two countries might mutually benefit through cooperation. Tanzania has a 1,450 km coastline and a fisheries potential of 730,000 metric tonnes per year. Tanzania is also one of the fastest-emerging gold producers in Africa, only the third largest producer of Gold in Africa after South Africa and Ghana. It also has some diamond reserves, abundance of nickel, copper, uranium and platinum where Omani investment could help the country.<sup>31</sup>

### **Construction of Tanzania's Bagamoyo Port to start in July 2015**

The office of the Tanzanian President announced that the construction of a Chinese-funded port and special economic zone will start in July 2015. The project is estimated to cost at least US\$10 billion. This is for the first time that a beginning date has been set for the delayed project. The project is to build a huge port at Bagamoyo, 75 km north of the much congested Dar es Salaam Port. The office explained that the project has been delayed due to the time taken for negotiations about other infrastructure work to link the port to the national transport networks. Tanzania wants to develop itself as a transport hub by undertaking the Bagamoyo Port project, new investment in Dar es Salaam and other spending on roads and railways.<sup>32</sup>

### **UAE stresses on maritime piracy, renewable energy and tourism at the IORA's Council of Ministers Meeting**

Indian Ocean Rim Association's (IORA) 14th Council of Ministers Meeting concluded in Perth, Australia on

October 9, 2014. The three-day meeting discussed areas of priority to IORA member countries, including maritime security and safety in the Indian Ocean Region; trade and investment facilitation; fisheries management; disaster risk reduction; academic, science and technology cooperation; tourism and cultural exchanges, as well as tapping the vast potential of the "blue economy". The United Arab Emirate's delegation was led by Minister of Economy Sultan bin Saeed Al Mansouri. In his speech, the minister stressed on collective action to combat maritime piracy which threatens the safety and security in the Indian Ocean. On the front of renewable energy, he said that efforts were underway to implement recommendations of the first IORA Renewable Energy Ministerial Forum which was held in Abu Dhabi in January 2014. The minister also spoke on the need to enhance cultural and tourism exchanges between the member states of the IORA.<sup>33</sup>

### **UAE thinks to station labour attaché in Dhaka to recruit manpower**

To ease the manpower import process from Bangladesh, the United Arab Emirates (UAE) is planning to appoint a labour attaché to its embassy in Dhaka. Meanwhile, a memorandum of understanding (MoU) has been signed by the Bureau of Manpower Employment and Training (BMET) of Bangladesh and professional labour recruiting agency (Amala) group of the UAE to recruit female workers in 14 areas, including housemaids, drivers, and gardeners, from Bangladesh. One thousand female workers would be recruited in the first phase; more would be recruited later.<sup>34</sup>

<sup>31</sup> "Tanzania seeks Omani investment in agriculture and minerals", *Times of Oman*, October 26, 2014, at <http://www.timesofoman.com/News/41787/Article-Tanzania-seeksOmani-investment-in-agriculture-and-minerals>

<sup>32</sup> "Tanzania: Construction of new port to start in 2015", *The Maritime Executive*, October 27, 2014, at <http://www.maritime-executive.com/article/Tanzania-Construction-of-New-Port-to-Start-in-2015-2014-10-27>

<sup>33</sup> "UAE calls for unity to fight maritime piracy", *Khaleej Times*, October 11, 2014, at [http://www.khaleejtimes.com/biz/inside.asp?section=uaebusiness&xfile=/data/uaebusiness/2014/October/uaebusiness\\_October129.xml](http://www.khaleejtimes.com/biz/inside.asp?section=uaebusiness&xfile=/data/uaebusiness/2014/October/uaebusiness_October129.xml)

<sup>34</sup> "UAE to appoint labour attaché in Dhaka for manpower import", *Daily Sun*, October 27, 2014, at [http://www.daily-sun.com/details\\_yes\\_27-10-2014\\_UAE-to-appoint-labour-attach%C3%A9-in-Dhaka-for-manpower-import\\_1018\\_1\\_1\\_1\\_1.html](http://www.daily-sun.com/details_yes_27-10-2014_UAE-to-appoint-labour-attach%C3%A9-in-Dhaka-for-manpower-import_1018_1_1_1_1.html)

## ENVIRONMENTAL CONCERNS/ DISASTER RISK MANAGEMENT

### Australia plans a Marine Protected Area in the Antarctic

Australia has proposed a 620,000 square mile (1 million square kilometre) Marine Protected Area (MPA) in the Antarctic. The MPA will consist of four zones. Australia, France and the European Union first put forward a bid for a 760,000 square mile (1.9 million square kilometre) MPA in 2011, but it was rejected because of its large size. In 2013, the CCAMLR talks failed to approve the East Antarctica sanctuary, on the frozen continent's Indian Ocean side; as well as a US-New Zealand bid for a protected zone in the Ross Sea, after Russia and China blocked them. The exact reasons for blocking the proposal was not clear except that countries had objected to the size of the MPA.<sup>35</sup>

### Bangladesh seeks more climate funds from the international community

Due to the possibility of about 30 million Bangladeshi people might be displaced due to climate change, Seikh Hasina, the Prime Minister of Bangladesh expects additional climate funds, access to locally-adaptable technologies, and support for capacity and institution building from the international community. She informed that Bangladesh has allocated US\$385 million from its own resources for the adaptation and mitigation of climate change despite being a low-income country. Hasina was speaking at a plenary session of the 10th Asia-Europe Meeting (ASEM) Summit in Milan. The meeting was themed as "Asia partnership in addressing global matters in an inter-connected world." Bangladesh is one of the most vulnerable countries in the world where the coast is extremely vulnerable to

the rising sea levels.<sup>36</sup>

### Madagascar village people make successful local level effort to preserve sea stocks

The Vezo people in Madagascar are fighting against the depleting sea stock ecological crisis in their own way. They have set up the Velondriake Locally Managed Marine Area of 1,000 square kilometres in which seagrass, coral reefs and mangrove forests are managed at a local level. A network of marine reserves, periodic fisheries closures and community-based aquaculture initiatives – all designed to help rebuild local fisheries – is overseen by elected representatives from 25 villages. The project's success has also inspired a wave of similar grassroots projects; and 34 new such marine protection areas have been established around Madagascar's shores in the past seven years, covering about 7 per cent of the country's seabed. The area closes fisheries for three months to allow the stocks to replenish and the model is not only being replicated in new areas of Madagascar but also in other countries of the Indian Ocean Region.<sup>37</sup>

### Malaysia minister launches 'Say No to Shark Fin' campaign

Ismail Sabri Yaakob, Agriculture and Agro-based Industry Minister, Malaysia, has assured that no shark finning is being carried out in the country. Sharks are not the primary target of the local fishermen in the country. Only 7,833 tonnes of shark were caught in the year 2013 and contributed only 0.5 per cent to the total marine fish catch in Malaysia. The caught sharks were fully utilised and processed in the country as they were not caught only for their fin. The minister also launched

<sup>35</sup> "Australia hopeful of revised Antarctic sanctuary success", *Discovery News*, October 20, 2014, at <http://news.discovery.com/earth/oceans/australia-hopeful-of-revised-antarctic-sanctuary-success-141020.htm>

<sup>36</sup> "PM seeks additional climate funds" *Daily Sun*, October 17, 2014, at [http://www.daily-sun.com/details\\_yes\\_17-10-2014\\_PM-seeks-additional-climate-funds\\_1008\\_1\\_1\\_1\\_4.html](http://www.daily-sun.com/details_yes_17-10-2014_PM-seeks-additional-climate-funds_1008_1_1_1_4.html)

<sup>37</sup> "Plenty more fish in the sea: preserving stocks in Madagascar", *The Guardian*, October 15, 2014, at <http://www.theguardian.com/global-development-professionals-network/2014/oct/15/plenty-more-fish-in-the-sea-preserving-stocks-in-madagascar>

a “Say No to Shark Fin” campaign in Malaysia. This should be noted that the European Union and 27 other countries have banned shark finning as well as its trading in fin products. Although the ban has been able to reduce shark fin soup consumption by 30 per cent, fin trading still continues. The minister also launched a National Shark Conservation and Management action plan book aiming to preserve sharks from extinction.<sup>38</sup>

### **Mauritius might stop underwater walking to protect marine life and landscape**

Mauritius has earned a lot of reputation for its golden beaches, blue oceans and other beautiful sea landscapes. The country is also known as ‘Paradise Island’ that attracts tourists to enjoy the luxuries recreational activities like skiing, scuba diving, and underwater walking. But certain such activities in the Mauritian lagoons have been detrimental to the marine flora and fauna in its coasts. Therefore, the authorities are reviewing the impact of underwater walking and helmet diving and contemplating if such activities should be banned altogether to save the landscape from damage. Experts observe that walking underwater has caused huge damage to the populations of corals, and has been affecting the marine ecosystems. As per the recommendations of the *Master Plan for the Zoning and Management of Lagoon*, the State might opt for these strict options. However, the recommendations have not been liked by all, and they argue that the activities cannot be banned abruptly.<sup>39</sup>

### **Oman to install early warning system for tsunamis**

Oman is set to install an underwater system to detect earthquakes, cyclones, tsunamis and flash floods by

March 2015. Dr Juma bin Said al Maskari, Assistant Director General of meteorology and air navigation for meteorological affairs at Public Authority for Civil Aviation, Muscat, said that the system will help improve preparedness to respond to such disasters. Deep-sea pressure gauges will monitor any sudden variations indicating that a tsunami or cyclone is in motion, with data that is enhanced by the motion of the surface buoys that carry global positioning systems. All the information will be relayed via satellite to the Sultan Qaboos University’s Seismological Centre. Officials said the system could be launched at the regional conference in Muscat on March 22 and 23, 2015.<sup>40</sup>

### **Singapore undertakes oil spill preparedness exercise**

JOSE 2014 (Joint oil-spill exercise) was conducted by Singapore on October 17, 2014. The multi-agency exercise was carried out to test the readiness of response in case of an oil spill. The exercise was conducted by Maritime and Port Authority of Singapore (MPA) off coast of Pulau Bukom, about 9 km from the Harbour front. JOSE 2014 scenario involved a large crude carrier called “Blue Moon” that spilled oil while discharging it at Shell Bukom Single-Buoy Mooring (SBM). The spill response teams demonstrated the deployment of equipment such as oil containment booms around the crude carrier and the SBM to prevent further escape of the oil, as well as the recovery of oil by specialised skimmers. In addition to the 16 anti-pollution craft, the MPA also deployed an aircraft fitted with aerial dispersant spraying system to combat the spill.<sup>41</sup>

### **Efforts lacking to prevent receding Mangrove Wall**

Experts, in the light of the disasters in the recent past

<sup>38</sup> “No shark finning activity in Malaysia”, *The Star Online*, October 5, 2014, at <http://www.thestar.com.my/News/Nation/2014/10/05/No-shark-finning-activity-here-Malaysian-fishermen-focus-mainly-on-commercial-species-says-minister/>

<sup>39</sup> “Underwater walking to be banned in Mauritius to protect marine ecosystems?”, *Island Crisis*, October 13, 2014, at <http://news.islandcrisis.net/2014/10/underwater-walking-to-be-banned-in-mauritius/>

<sup>40</sup> “Disaster warning system to give Oman early alerts”, *Times of Oman*, October 28, 2014, at <http://www.timesofoman.com/News/41900/Article-Disaster-warning-system-to-give-Oman-early-alerts>

<sup>41</sup> “Singapore tests oil spill readiness”, *World Maritime News*, October 17, 2014, at <http://worldmaritimeweb.com/archives/140206/singapore-tests-oil-spill-readiness/>

by storms and typhoons in the Indian Ocean Region, fear that the importance of the Mangrove Walls, that work as a natural damper to such natural threats, are being woefully under-appreciated all around the world. These fears were expressed during the 12th Conference of the Parties to the Convention on Biological Diversity (COP 12) at Pyeongchang, South Korea. The issue propped up as the delegates were assessing progress on the Strategic Plan for Biodiversity 2011-2020, and its 20 Aichi Targets. According to the Global Biodiversity Outlook 4 (GBO-4), efforts on one of the goals accepted by the international community to improve

and restore resilience of ecosystems important for adaptation to and mitigation of climate change have been lacking overtime. The lack of efforts to improve is more visible in the preservation of the mangrove forests. This is to note that a single hectare of these forests stores up to 1,000 tonnes of carbon on average, the highest per unit of area of any land or marine ecosystem. Therefore, mangroves are crucial component of the global efforts to combat climate change and prevent and dampen climate-induced disasters.<sup>42</sup>

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<sup>42</sup> "The receding mangrove wall", *Jakarta Globe*, October 23, 2014, at <http://thejakartaglobe.beritasatu.com/business/receding-mangrove-wall/>

## 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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