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Indian Ocean Watch

A Monthly Newsletter on the Indian Ocean Region



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

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

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EDITOR'S NOTE

In the maritime security affairs, there were several significant developments in the Indian Ocean Region in July. Australia expressed its willingness for overseas partners to build submarines. The released details of the recent UN tribunal award to Bangladesh provide a 19,467 sq km area for the country from the disputed area with India in the Bay of Bengal. Japanese Navy was also invited to join in the Malabar Exercises by the Indian and US navies. Also, Seychelles received a Navtex broadcasting system from Japan.

On the economic cooperation scene, Australia approved its potentially largest coal mine for an Indian company. EU decided to increase grants for Bangladesh by 40 per cent for the next seven years. It was also reported that India has its plans to invest in the Chabahar Port of Iran and has allocated US\$300 million for it. A Double Taxation Avoidance Agreement was signed between Singapore and Seychelles. South Africa's first deep-water drilling started in Outeiniqua Basin. Sri Lanka announced that it will join Vanilla Islands grouping by the end of 2014.

On the environmental front, the first ever IORA meeting and exhibition on medicinal plants was held in Salalah, Oman. Global Environment Facility decided to provide a sixth funding to Seychelles; and the country also opened its first biodiversity trail.

Hope the readers will find the issue useful.

Ruchita Beri

Editor

MARITIME SECURITY

Australia is looking for overseas partners to build submarines

Australia is looking for overseas partners in building its next-generation fleet of submarines. This is a shift that can open the door for a deal with Japan that also perceives political risk at home and abroad. Australia wants to replace its ageing Collins Class fleet of submarines with about a dozen newly built diesel-electric submarines. This will help Australia to penetrate its maritime surveillance capabilities deep into the Indian Ocean. The country has put forward a US\$40 billion proposal for a fleet of submarines at the core of its maritime defence over the next two decades. Governments in Australia till now have pledged to build the vessels within the country, as it will help create manufacturing jobs. But, Prime Minister Tony Abbott has already taken tough stance towards ailing industries within the country and has refused to bail them out. The trade unions are resentful of his approach. Therefore, any decision to move construction of the submarine fleet overseas is likely to cause further agitation in the working class voters. Recently, the Australian and Japanese governments have also signed an agreement on military equipment and technology transfers that paves the way for a submarine deal with Australia. Japan has also lifted its four-decade long ban on military exports. So, there is no legal hurdle from Japan in any submarine deal with Australia. A Japan-Australia deal would be seen as a political signal by both the countries to the Chinese 'transgressions' in the region.¹

UN tribunal awards Bangladesh a 19,467 sq km Bay area

The Foreign Affairs Minister of Bangladesh Mr A H

Mahmood Ali disclosed the details of the ruling by the UN arbitration tribunal on the issue of boundary between Bangladesh and India in the Bay of Bengal. Bangladesh was awarded 19,467 sq km, approximately four-fifths of the 25,602 sq km disputed sea area with India. This area has been identified as potentially energy-rich. The ruling awards Bangladesh sovereign rights on more than 118,813 sq km of territorial sea, 200 nautical miles (NM) of exclusive economic zone and all kinds of animal and non-animal resources under the continental shelf up to 354 NM from the Chittagong coast. The five-member arbitration panel voted 4-1 in favour of Bangladesh. The presiding judge Rudiger Wolfrum of Germany, Jean-Pierre Cot of France, Thomas A Mensah of Ghana and Ivan Shearer of Australia voted in favour while Pemmaraju Sreenivas Rao of India differed from them. The press release from Dhaka highlights the fact that the tribunal agreed that the 'equidistance' method proposed for dividing the disputed waters was not equitable to Bangladesh. However, Mr Ali termed the decision as a victory for both the states.²

Joint naval exercises between India, Japan and US

India invited Japan to take part in the 2014 Malabar Exercise, which is an annual bilateral joint naval training programme involving India and the US. The main thrust of this joint exercise lies in tackling challenges of piracy and terrorist activities. India, US and Japan trilaterally began a series of war games in the Pacific Ocean wherein they sent their warships to participate. The event took place at the Sasebo naval base in Japan. It involved two phases, the harbor phase from July 24-26 and the sea phase from July 27-30, 2014. The first

¹ "Australia cracks opens door to foreign submarine build", *The Star Online*, July 28, 2011, at <http://www.thestar.com.my/News/World/2014/07/28/Australia-cracks-opens-door-to-foreign-submarine-build/>

² "Bangladesh gets 19,467 sq km Bay area", *bdnews24.com*, July 8, 2014, at <http://bdnews24.com/bangladesh/2014/07/08/bangladesh-gets-19467-sq-km-bay-area>

phase involved expert discussion and professional exchanges on carrier strike group operations; maritime patrol and reconnaissance operations; anti-piracy operations; and Visit, Board, Search, and Seizure (VBSS) operations. The second phase focused on search and rescue exercises, helicopter cross-deck landings; underway replenishment; gunnery; anti-submarine warfare exercise; and liaison officer exchange and embarkation. The Indian navy was represented by three warships INS Ranvijay (guided missile destroyer), INS Shivalik (stealth frigate) and INS Shakti (fleet tanker). From the Japanese side, two destroyers along with a P3C Orion and a ShinMaywa US-2 aircrafts were part of the naval exercise. One submarine (SSN), two destroyers, one tanker along with one Maritime Reconnaissance aircraft represented the US Navy.³ India's invitation to Japan for participation in the joint naval activity is being seen as a significant approach to strengthen relationship between the two countries and India's confident and strong maritime policy, signifying its approach to a collective maritime action.⁴

Iranian oil tanker attacked by pirates in Oman Sea

According to the Iranian Navy's Public Relations Office, an Iranian oil tanker came under attack by nine pirate boats in the Oman Sea on July 15, 2014. However, by timely intervention of the Iranian Navy's 30th flotilla, the attack was repelled. The attack took place somewhere between the waters of Yemen and Oman. The Gulf of Aden has been especially vulnerable as majority of Persian Gulf oil is shipped to West via the Suez Canal. Under the mandate of various UN Security

Council resolutions, different countries can send their warships to the Gulf of Aden and coastal waters of Somalia for anti-piracy operations.⁵

Iran's 30th flotilla completes its mission in International waters

After successfully conducting a 100-day mission in international waters, Iran's 30th flotilla docked in southern Iranian port of Bandar Abbas. The mission was aimed at providing safety to Iran's shipping vessels passing through the Indian Ocean, the Gulf of Aden, the Red Sea, the equator, Sudanese ports, Tanzania's Dar-es-Salaam Port and Oman's Salalah Port. The fleet was deployed since April 2014. During its mission, the flotilla repelled five pirate attacks. This fleet consisted of Alvand warship and Bushehr logistic ship. After the Iranian-chartered cargo ship MV Delight was hijacked by Pirates off the coast of Somalia, Iran started conducting anti-piracy operations since November 2008.⁶

Al Shabaab takes away the crew of a stranded Kenyan ship in Somalia

A Kenyan ship headed towards Mombasa after unloading goods at Mogadishu Port stranded at a seaside village of Meyrale in Somalia's Middle Shabelle Province due to technical problems. The village is situated at a distance of around 120 km northeast from the Somali capital. Witnesses from the spot told that the ship was robbed by the local village fishermen who took away several equipments with them. Later, Al-Shabaab fighters arrived at the scene from their stronghold Adale town, around 30 Km from the scene, shortly after the looting by the villagers. They took the

³ "Malabar 2014 : A multilateral naval exercise starts", *Indian Navy*, Press Release, at <http://indiannavy.nic.in/press-release/malabar-2014-multilateral-naval-exercise-starts>

⁴ "India, Japan, and the US hold joint naval exercises: India and Japan inch closer to greater maritime security cooperation", *The Diplomat*, July 25, 2014, at <http://thediplomat.com/2014/07/india-japan-and-the-us-hold-joint-naval-exercises/>

⁵ "Iranian warships rescue oil tanker in Oman Sea", *FARS News Agency*, July 15, 2014, at <http://english.farsnews.com/newstext.aspx?nn=13930424000817>

⁶ "Iranian warships repel pirates' repeated attacks on 5 trade vessels", *FARS News Agency*, July 28, 2014, at <http://english.farsnews.com/newstext.aspx?nn=13930506000417>

crew members of the ship away and told the villagers to surrender the looted equipment to them. The Al-Shabaab has not commented on the incident yet.⁷

Kenyan forces detains two suspected ships, seizes 345 kg of heroin in one

MV Al-Noor, a ship suspected of having links with drugs and other illegal trade within the Indian Ocean was seized by the Kenyan Navy officers in Mombasa. The ship was captured within the Kenyan territorial waters. The Kenyan police are holding the ten crew members of the ship. There are two Indians, seven Pakistanis with an Iranian in the crew. The ship was being monitored with another vessel since it left Somalia. The two ships had started from Pakistan but entered into Somalia in ambiguous circumstances. The documents with the crew indicate that the vessel was going to Zanzibar. The revelation that the goods in the ship were loaded in Mombasa raises some doubts about its activities. The crew claimed that the ship is loaded from 300 metric tonnes of cement originating from Yemen. But the Kenyan police still suspect of the ship being involved in illegal drugs and arm trafficking in the East African region.⁸ In the other suspected ship that was also detained at Mombasa Port, the Kenyan police seized 342 kg of heroin inside a diesel tank.⁹

Luxembourg Maritime Patrol team donates equipments to the Seychelles Air Force

The departing Luxembourg Maritime Patrol Reconnaissance Aircraft Detachment has donated equipment worth tens of thousands of Euros to the Seychelles Air Force (SAF). It will boost the training

and safety standards of the air force in the country. The departing team had been deployed in Seychelles by the Luxembourg Ministry of Defence as part of the European Union Naval Force Somalia during the anti-piracy Operation Atalanta. The equipments include life rafts and jackets, VHF radio; equipments for safety training, aircraft maintenance and a range of office supplies. The team was staying in the country since 2009. During the stay, it had over 1,000 aircraft sorties in anti-piracy operations and surveillance in the Western Indian Ocean.¹⁰

Seychelles receives Navtex broadcasting system from Japan

Japan government has donated a Navtex (navigational telex) broadcasting system to Seychelles, which has become the second island nation in the Western Indian Ocean to have a Navtex station. The system is an international automated medium frequency direct-printing service for delivery of navigational and meteorological warnings and forecasts, as well as urgent marine safety information to ships. This donation by Japan is a step in the implementation of the Djibouti Code of Conduct of the International Maritime Organisation (IMO). Although the donated equipments will be operated by the Seychelles Coast Guard (SCG), their responsibility will remain with the Seychelles Maritime Safety Administration (SMSA). The broadcasting station will enable Seychelles to disseminate navigational and meteorological warnings, pirate attack warnings and rescue information to the ships up to the distance of about 400 nautical miles. The station will be very useful for the safety of the seafarers by providing them realtime available information.¹¹

⁷ "Al Shabaab take over stranded Kenyan ship and crew members", *King Cole Maritime*, July 11, 2014, at http://www.kingcolemaritime.com/news/al_shabaab_take_over_stranded_kenyan_ship_and_crew_members

⁸ "Suspicious vessel seized in Mombasa", *The Star*, July 3, 2014, at <http://www.the-star.co.ke/news/article-174317/suspicious-vessel-seized-mombasa>

⁹ "Heroin worth Sh1 billion nabbed inside Al Noor ship in Mombasa", *The Star*, July 15, 2014, at <http://www.the-star.co.ke/news/article-177076/heroin-worth-sh1-billion-nabbed-inside-al-noor-ship-mombasa>

¹⁰ "Donation boosts air force safety", *Seychelles Nation*, July 19, 2014, at <http://www.nation.sc/article.html?id=242366>

¹¹ "Mariners' safety gets big boost", *Seychelles Nation*, July 29, 2014, at <http://www.nation.sc/article.html?id=242494>

ECONOMIC COOPERATION

Australia organises IORA seminar in Durban highlighting economic importance of the region

The Australian High Commission in Durban co-hosted a seminar with the Durban University of Technology (DUT) on strengthening maritime security cooperation. The seminar highlighted the economic importance of the Indian Ocean Region. This is to be noted that Australia is the chair of the Indian Ocean Rim Association (IORA) currently. Graeme Wilson, the Australian High Commissioner to South Africa; Vice Admiral Johannes Mudimu, retired from the South African Navy and currently Armscor chairman; and Dr Anil Sooklal, Deputy Director General, Asia and the Middle East at the Department of International Relations and Co-operation (DIRCO) were the main speakers. Mr Wilson said that Australia is building on the work done by India as immediate past chair of the IORA. He said that although the IORA is a diverse group, it has much in common including a shared commitment to the peaceful and sustainable use of the Indian Ocean. According to him, the IORA is the only ministerial level grouping in the region. It has agreed to focus on six priority areas - maritime safety and security, trade and investment facilitation, fisheries management, disaster risk management, academic and science and technology co-operation; and tourism and cultural exchanges.¹²

Australia approves its potentially largest coal mine for Indian company

Greg Hunt, the Environment Minister of Australia, announced that his country has given a go-ahead to a

massive coal mine in Queensland State. The mine, according to the minister, could provide electricity to about 100 million Indians. The approved US\$15.5 billion Carmichael coal mine and rail project for an Indian firm has been criticised by anti-coal groups. He also told that the project has been subjected to 36 conditions, with a specific focus on the protection of groundwater, to ensure the protection of the environment. The project could be the largest coal mine project in Australia and one of the largest in the world. It will play a major role in opening the resource-rich Galilee Basin in the Queensland State. It is expected to produce about 60 million tonnes of thermal coal for export annually; and contribute hugely to the economy and employment in the State.¹³

EU to give 40 per cent more funds in grant to Bangladesh for the next 7 years

To show its "continuing commitment" to Bangladesh, the European Union (EU) has decided to increase its grant to the country by nearly 40 per cent. The new level of grant will continue for the next seven years. The EU provides around Euro 500 million to Bangladesh in annual grants currently. According to the EU officials, the issues of environmental sustainability, safety and fair treatment of workers in leather, shrimps and tea industry which enjoy duty-free access to the EU market are important. Keeping these in mind, the grouping is soon expected to tighten the regulations on ship-breaking. The enhanced support will focus on education, skills, food security, nutrition, and democratic governance in Bangladesh.¹⁴

¹² "Indian Ocean Rim Association meets in Durban", *King Cole Maritime*, July 7, 2014, at http://www.kingcolemaritime.com/news/indian_ocean_rim_association_meets_in_durban

¹³ "Australia approves huge India-backed mine", *The Star Online*, July 28, 2014, at <http://www.thestar.com.my/News/Regional/2014/07/28/Australia-approves-huge-Indiabacked-mine/>

¹⁴ "EU raising grants to Bangladesh by 40%", *bdnews24.com*, July 15, 2014, at <http://bdnews24.com/bangladesh/2014/07/15/eu-raising-grants-to-bangladesh-by-40>

India has allocated US\$300 million for Chabahar Port development

Iran plans to develop Chabahar port as a trading hub in the coming years. In a meeting with India's Ambassador to Iran Shri Niraj Srivastava, head of Iran's Chamber of Commerce, Industries, Mines and Agriculture (ICCIMA) Gholam Hossein Shafe'ee said that the investors in the development of Chabahar port will have a "secure and promising prospect". India has earmarked an investment of US\$300 million in the development of the port. It also plans to take part in development of rail road from the area and shipping lines. The port, due to its location, has an important economic and strategic potential for India. Located at the border of Indian Ocean and Oman Sea, the port has, for long time, been the hub of trading activities as it provides easy access to the ocean waters. India had partially helped in building the port in the 1990s. The port can be used by India as an entry point to Afghanistan and Central Asia as it is connected to the city of Zaranj in Afghanistan's southwestern province of Nimruz. There are plans to connect Herat in Afghanistan to the northeastern Iran by building Mashhad rail road. The project will be implemented through a Special Purpose Vehicle set up by Jawaharlal Nehru Port Trust, Kandla Port Trust and a private player.¹⁵

Six-member Kenyan delegation visited Seychelles' Financial Intelligence Unit

To learn about the work of the Financial Intelligence Unit (FIU) of Seychelles, a six member delegation from Kenya's Financial Reporting Centre (FRC) visited the country recently. The visit was eased by Interpol's regional office in Kenya. The financial intelligence units of the countries in the region are being encouraged by the Interpol to visit Seychelles' FIU and engage its

Attorney General's office to learn about effective legislation to deal with money laundering. The visit came after a recent MoU signed between the two countries about the exchange of information and improvement of cooperation in the fight against the financing of drug trafficking, piracy, money laundering and terrorism. It also reflects the growing recognition and cooperation among the states in the region to defeat transnational crime by effective law enforcement.¹⁶

Kenyan President discusses Lamu Port project with regional leaders

The top executive leaders of Kenya, Uganda, Ethiopia and South Sudan met to discuss about the funding of the Lamu Port Southern Sudan-Ethiopia Transport (LAPSSET) Corridor Project at State House, Nairobi. They are trying to find out the options for the joint financing of the Corridor. President Uhuru of Kenya noted that the seven components of the project require a total of about US\$24.5 billion including US\$3.1 billion for Lamu Port alone. Due to this large amount required for the implementation of the project, a joint approach is necessary to be undertaken by the countries involved. The leader pondered to learn from the African Development Bank's Africa50 Infrastructure Fund approach and make the LAPSSET project lucrative for the private sector players. The meeting was the latest step towards regional integration agenda and increasing trade and investment in the region. The LAPSSET is expected to generate investment and trade flows crucial for shared prosperity, decent livelihoods, sustained peace and security in the region.¹⁷

Malaysian company to rehabilitate road in Kenya

A 250 km of road will be rehabilitated by Probex, a Malaysian firm, in the Bungoma county of Kenya

¹⁵ "Iran to turn Chabahar port into trade hub", *Azernews*, July 30, 2014, at <http://www.azernews.az/region/69259.html>

¹⁶ "Kenyan delegation visits the Seychelles FIU", *Seychelles Nation*, July 23, 2014, at <http://www.nation.sc/article.html?id=242428>

¹⁷ "Uhuru meets regional leaders to discuss the funding of the 3 trillion Lamu port project", *The Star*, July 31, 2014, at <http://www.the-star.co.ke/news/article-181504/uhuru-meets-regional-leaders-discuss-funding-3-trillion-lamu-port-project>

before the end of 2014. The governor of Kenneth Lusaka county announced that the administration is on the way to finalise the documentation with the company. He further said that his government is trying to develop partnership with foreign investors for the development of the county.¹⁸

Seychelles and Sri Lanka sign several agreements for cooperation

Four agreements and two memorandums of understanding (MoUs) were signed between Sri Lanka and Seychelles on June 28, 2014. The presidents of both the countries had a meeting before the signing of the agreements to widen their cooperation. The signed agreements are regarding the support to establishment of a Sri Lankan-Seychelles joint commission for cooperation; cultural cooperation; bilateral political consultations and tourism. The signed MoUs are in the field of sports; promotion of technical and investment cooperation in the power sector development; and implementation of renewable energy projects in Seychelles. Educational cooperation and support further through scholarships and collaboration of universities were also discussed during the meetings of the two sides' delegations. Seychelles also indicated that it plans to increase its cabinet level exchanges with Sri Lanka. The two countries are also looking to cooperate more in aviation and fisheries. Seychelles is willing to learn from Sri Lanka about mariculture – growing prawns, sea cucumbers and other fish in ponds.¹⁹

Seychelles sends its hospitality students for training in Mauritius

Twelve students of Advanced Diploma in Hospitality

Management (ADHM) from the Seychelles Tourism Academy (STA) are on a three-month work attachment at the Constance Belle Mare Plage Resort in Mauritius. This is the fourth such batch from the STA in Mauritius. These students are sent for training in tourism management in top hospitality organisations in the host country. The arrangement between the two countries is doing well towards their cooperation in promotion and development of their tourism industry. The tourism and culture minister of Seychelles Mr St Ange said that this training programme is useful for the STA students for their further training in Ireland.²⁰

Seychelles to host joint UNWTO-ICAO ministerial meet on tourism and aviation in Africa

The tourism and aviation ministers of Africa have been invited by the United Nations World Tourism Organisation (UNWTO) and the International Civil Aviation Organisation (ICAO) in Seychelles for the first ever joint meeting of its kind called by these organisations. The meeting will be held in Victoria, Mahé, Seychelles, from October 14-15, 2014. Although the tourism industry in Africa has an above average growth rate, its full potential remains untapped. The two organising bodies, through this event, are looking for ways to maximise existing aviation resources for the benefit and sustainable development of tourism in Africa. The event is believed to be in line with the Luanda Declaration on Tourism and Air Transport Connectivity, approved in early 2014 on the occasion of the 56th meeting of the UNWTO Commission for Africa.²¹

¹⁸ "Malaysia firm to build roads", *The Star*, July 28, 2014, at <http://www.the-star.co.ke/news/article-180330/malaysia-firm-build-roads>

¹⁹ "Signing of agreements between Seychelles and Sri Lanka", *Seychelles Nation*, July 1, 2014, at <http://www.nation.sc/article.html?id=242174>

²⁰ "Tourism academy students on work attachment in Mauritius", *Seychelles Nation*, July 5, 2014, at <http://www.nation.sc/article.html?id=242217>

²¹ "Seychelles to host major tourism and aviation meeting", *Seychelles Nation*, July 5, 2014, at <http://www.nation.sc/article.html?id=242220v>

No proof for Seychelles helping Sri Lanka transfer money to Swiss banks, says minister

Minister Jean-Paul Adam, Minister for Foreign Affairs of Seychelles, termed all the allegations of Seychelles helping Sri Lanka transfer money to Swiss banks as false and unfounded. He further said that the allegations are based on a faulty understanding of the financial structures. Although, allegedly, Sri Lankan companies have registered their businesses in Seychelles to transfer their money into Swiss banks, there is no proof about their involvement in illegal activities. The minister explained that money transfer in itself is not a crime and before an allegation of fraud, there should be proof that something illegal has happened. He further said that Seychelles has all necessary paraphernalia to investigate such allegations but they should be based not merely on money transfers.²²

Double Taxation Avoidance Agreement signed between Singapore and Seychelles

An agreement for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (DTA) was signed between the governments of Singapore and Seychelles on July 9, 2014. The agreement is set to boost trade and investment between the two countries. It was signed in New York by Seychelles' Ambassador to the United Nations, Marie-Louise Potter and her Singaporean counterpart, Karen Tan. Seychelles has been looking to modernise its economy after the successful reform programme started by President James Michel in the 2008 with the backing of the International Monetary Fund (IMF). The island archipelago already has similar DTA agreements with Ghana, Kenya and the island

state of Guernsey. Singapore became the fourth country to sign such agreement with Seychelles this year. In all, Seychelles has 21 double taxation avoidance agreements with other nations. The agreement aims to increase the number of such agreements to 24 by the end of 2014.²³

First deep-water drilling starts in South Africa

South Africa's first deep-water well drilling has been started by the French multinational company Total in a partnership with Canada's Natural Resources International in the Outeniqua Basin, south of Mossel Bay in the Western Cape. South Africa's nascent upstream oil and gas industry will get a new thrust from the project. Oil investors are now looking to explore the southern Africa's coastal line further south after huge gas discoveries offshore Tanzania and Mozambique. Sasol, the South African petrochemicals giant and the Australian Sunbird Energy have plans for exploring oil and gas along South Africa's east and west coast respectively. The Outeniqua Basin drilling, depending on the weather conditions, is expected to take about three to four months. The emerging upstream oil and gas industry in South Africa has a huge potential for employment generation in the country. Some new avenues of skill transfer, with the development of the nascent deep-water drilling in the country, will also emerge.²⁴

Sri Lanka to join Vanilla Islands grouping by the end of 2014

The Sri Lanka Government has announced that it will be joining the Indian Ocean Vanilla Islands grouping by the end of 2014. The outcome of this step is expected to leverage the consortium's inter-island

²² "Seychelles not helping Sri Lanka transfer money to Swiss banks", *Seychelles Nation*, July 16, 2014, at <http://www.nation.sc/article.html?id=242345>

²³ "Singapore becomes the fourth signatory of double taxation agreement with Seychelles this year", *Seychelles News Agency*, July 27, 2014, at <http://www.seychellesnewsagency.com/articles/1021/Singapore+becomes+the+fourth+signatory+of+double+taxation+agreement+with+Seychelles+this+year>

²⁴ "Drilling begins on South Africa's first deep-water well", *SouthAfrica.info*, July 25, 2014, at http://www.southafrica.info/business/investing/oil-250714.htm#.U_9V4aPivLQ

packages to increase tourism. This Indian Ocean grouping comprises of the islands of Comoros, La Reunion, Madagascar, Maldives, Mauritius, Mayotte and Seychelles. The aim of this regional organisation is to develop and position the Indian Ocean region as a quality world-class holiday destination. France, Germany, the UK, Japan, and India are the priority

markets for these islands. As the organisation has arranged for allowing the travelers with Vanilla Island Passes to visit several islands at discounted air fares, most visitors to Sri Lanka may prefer to combine it with another smaller island destination like the Maldives. The islands' proximity would also allow for seamless travel connections.²⁵

²⁵ "Sri Lanka set to join Vanilla Islands regional grouping", *Seychelles Nation*, July 31, 2014, at <http://www.nation.sc/article.html?id=242515>

ENVIRONMENTAL CONCERNS/ DISASTER RISK MANAGEMENT

The Global Network of National Geoparks assesses the Gunungsewu region in Java

Java's Gunungsewu or Thousand Mountains region was visited by a team from the United Nations Educational, Scientific and Cultural Organisation to make the final assessment of the regions' bid to join the Global Geoparks Network. To promote cooperation and exchange between experts and practitioners on the subject, the Global Network of National Geoparks (GNN) was formed by a committee of international experts on geological heritage in 2004. The network tries to bring economic benefits to local populations through sustainable tourism, promotion of culture, and other economic activities by establishing geoparks. The assessment team visited around 33 geosites in the area that lies in an enormous mountainous limestone zone with 119 caves underneath 40,000 limestone or karst cone hills. The area is expected to be included in the network when the final results are declared. However, the GNN currently includes 100 geoparks in 30 countries spreading over three continents.²⁶

New desalination plant sites identified by Oman along its coasts

Amid the growing demand on land due to commercial and infrastructural development along the coast in Oman, the country's state-owned Oman Power and Water Procurement Company (OPWP) has identified dozens of sites for construction of desalination plants with a total production potential of 250 million litres a day. The coastal sites are to cater to growing demand for power and water that is set to increase in the next

30 years. The sites are located along the Sea of Oman, Arabian Sea and Indian Ocean coasts suitable for hosting Independent Power Projects (IPPs) and Independent Water Projects (IWPs).²⁷

Seychelles to get another Global Environment Facility funding

The Global Environment Facility (GEF) will give US\$7.59 million to Seychelles to tackle emerging environmental issues for the sixth time. Seychelles is expected to use this GEF allocation for consolidating its progress in biodiversity conservation and sustainable development. It is also to aim on addressing the emerging issues of climate change while strengthening its national institutional framework and resilience. Professor Rolph Payet, Seychelles' Minister for Environment and Energy, is satisfied with the allocation and its amount for the next four years. Although a decrease in the amount allocated as compared to the fifth GEF grant was expected, it remains almost the same.²⁸

Seychelles opens its first biodiversity trail

Seychelles opened up its first biodiversity trail at the National Biodiversity Centre at Barbarons. The trail will provide interactive guided tours for the people visiting the place; that will allow them understand and learn better about the valuable plants of Seychelles. The aim of the National Biodiversity Centre is to preserve the diversity of the rare and endangered species in the fragile ecosystems of Seychelles. The ministry of Environment in the country has kept the conservation

²⁶ "Gunungsewu sites assessed for Global Network of National Geoparks", *Jakarta Globe*, July 10, 2014, at <http://www.thejakartaglobe.com/news/gunungsewu-sites-assessed-global-network-national-geoparks/>

²⁷ "Oman designates sites for new desalination plants", *D&WR*, July 5, 2014, at http://www.desalination.biz/news/news_story.asp?id=7632

²⁸ "Sixth Global Environment Facility funding", *Seychelles Nation*, July 8, 2014, at <http://www.nation.sc/article.html?id=242248>

of biodiversity as its top agenda. There are plans to further develop the centre.²⁹

First ever meeting and exhibition on medicinal plants held under IORA

The Indian Ocean Rim Association (IORA) held a Meeting and Exhibition on Medicinal Plants in Salalah in Oman during June 23-25, 2014. The meet was organised by the Oman Animal and Plant Genetic Resources Centre (OAPGRC) in partnership with Dhofar University and the Indian Ocean Rim Association's Regional Centre for Science and Technology Transfer. The meeting was the first of its kind held by IORA. The meeting concluded by signing of the Salalah Declaration on Applied Research, Technology Transfer and Commercialisation of

Medicinal Plants and Herbal Medicine in the Indian Ocean Rim among the participating countries. The declaration aims to improve regional medicinal plant co-operation through high-profile events and annual joint activities. The declaration has led to setting up of an IORA Medicinal Plants and Herbal Medicine Standards Committee under the chairmanship of Dr Anil Kumar Tripathi of India's Council for Scientific and Industrial Research in collaboration with the Central Institute of Medicinal and Aromatic Plants, Lucknow, India. The committee also has members from Oman, Malaysia, Iran, Thailand, Seychelles, Sri Lanka and Egypt. It has been tasked with formulating certification standards for the commercialisation of medicinal plants and related technology.³⁰

²⁹ "First biodiversity trail opens at Barbarons", *Seychelles Nation*, July 18, 2014, at <http://www.nation.sc/article.html?id=242371>

³⁰ "Salalah Declaration to enhance regional medicinal plant ties", *Oman Observer*, July 3, 2014, at <http://main.omanobserver.om/?p=92589>

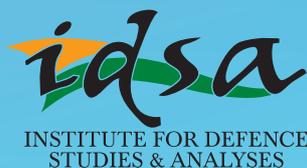
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Africa, Latin America, Caribbean & UN Centre

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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