

Monthly Piracy Report

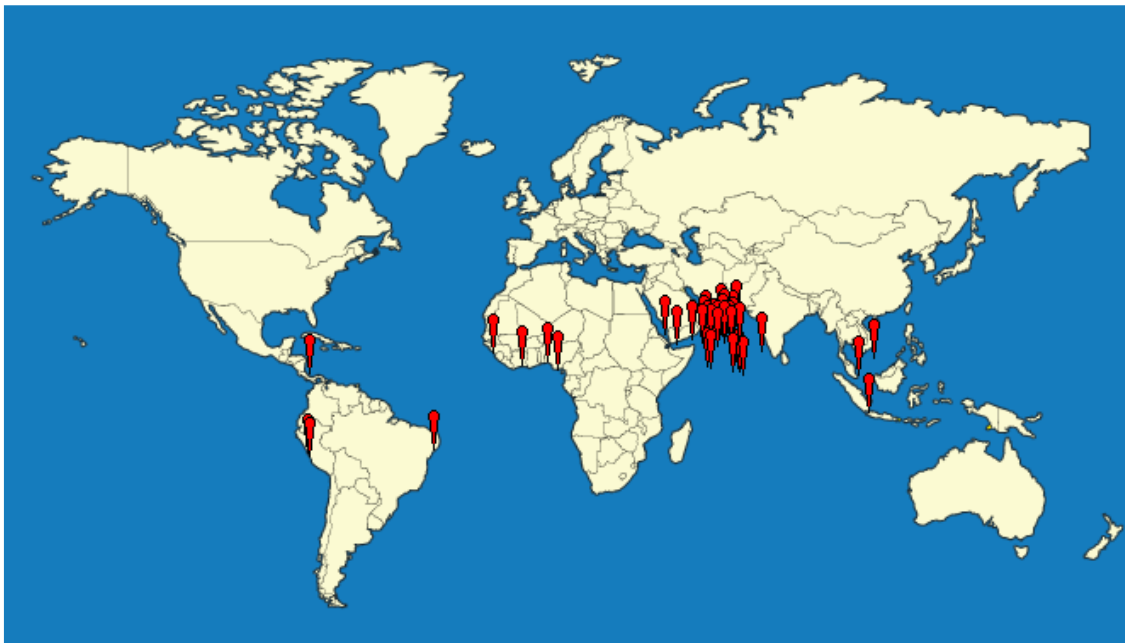
Latest Assessment

Total Number of Attacks in January: **43**
Total Number of Attacks this year: **43**
Ships Released in January: **6**
Crew Released in January: **114**

New Ships Taken in January: **6**
New Crew Taken in January: **118**
Ships Held at end of January: **33**
Crew Held at end of January: **719**

Summary

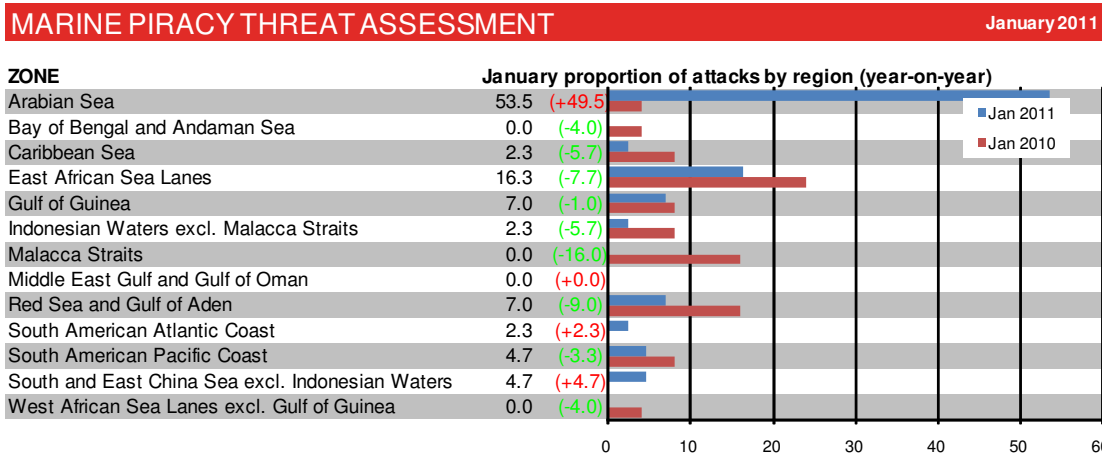
January saw pirate activity concentrated in the Arabian Sea, south-east of Oman. There was one attack in the Red Sea and no attacks off Mozambique or Tanzania. Pirates are currently in possession of a greater number of motherships than ever before. This will allow them to move more freely during times of bad weather, although the actual task of hijacking a vessel will be as difficult as before if sea conditions are poor. February 2011 may see more pirate incidents than Februaries in 2010 and 2009, but the number of successful hijackings may decline from recent months. Of all the vessels released in January, the average detention period was 126 days (ranging from 1 day to 283 days).



Pirate incidents recorded in January

The GAC Protective Solutions team of experts has extensive experience and has dealt with many incidents of vessel hijacking and piracy from the South China Seas, to the Straits of Hormuz and East Africa. A subscription to this monthly security report including 'real time' security updates between each edition costs US\$800/6 months or US\$1,400/12 months. For further information or assistance please contact: ake@gac.com

January proportion of attacks by region (year-on-year)



Note the massive increase in pirate activity in the Arabian sea in January 2011 when compared to January 2010, whilst note the relative decline in activity in East Africa Sea Lanes and the Red Sea and Gulf of Aden over the same period.

Regional piracy incidents over the past month

Zone	No. of Attacks	Change from previous month	Change from previous year
Arabian Sea	23	+12	+23
Bay of Bengal and Andaman Sea	0	0	-1
Caribbean Sea	1	+1	+1
East Africa Sea Lanes	7	0	+6
Gulf of Guinea	3	+1	+2
Indonesian Waters excl Malacca Straits	1	-1	-2
Malacca Straits	0	-1	0
Persian Gulf and Gulf of Oman	0	0	0
Red Sea and Gulf of Aden	3	+1	0
South American Atlantic Coast	1	+1	+1
South American Pacific Coast	2	0	+1
South and East China Sea	2	0	-1
West African Sea Lanes excl Gulf of Guinea	0	0	0

Projections

- The number of pirate attacks may lower slightly in February as weather conditions are set to deteriorate slightly. However attacks will continue and there will likely be more in February 2011 than in 2010, mainly because of the increased use of motherships by the pirates, which makes it easier for them to operate during periods of bad weather. The physical boarding of vessels will be made more difficult and successful hijackings may decline, but vessel operators should nonetheless prepare for attacks, especially off the coast of Oman where pirates currently appear to be congregating.
- Over the course of 2011 the Indian Ocean will likely see an increase in the number of pirate attacks, including in waters much closer to India, Mozambique and Oman than to the coast of Somalia. Somali pirates may even conduct attacks as far afield as the Bay of Bengal, although they have not yet been sighted as far as Sri Lanka.
- Detention periods, ransom demands and the overall cost of a hijacking incident are all set to increase over the coming year.
- Pirate activity in the South China Sea will continue to fluctuate, but the region will remain a hotspot for maritime criminal activity.
- EUNAVFOR warships are set to remain patrolling until December 2012 (at least). They are attempting to expand their area of patrol into the Indian Ocean but while this may prevent some pirate attacks, their presence will remain too stretched to protect such a vast area of water.
- Pirates, likely frustrated with the successful use of 'citadels' or 'safe rooms' may alter their modus operandi in an attempt to overcome the problem. One tactic they are likely to use is increased intimidation, including the use of small arms, RPGs and even arson as a tactic to intimidate crewmembers. Nonetheless, safe rooms will remain a highly effective tactic for vessel operators if properly outfitted with a 2-way communication system and supplies, and if deployed in conjunction with other risk mitigation practises.
- Political instability on the land in Nigeria is likely to lead to a rise in attacks on maritime interests in the Niger Delta over the coming months, particularly if the upcoming elections are widely disputed. The April elections are likely to lead to internal fighting between armed groups in the core Niger Delta. Although this may be an initial distraction from targeting maritime assets, the risk to vessels and crew will increase following the election. It is likely most militant activity following the elections in mid-April will involve kidnap for ransom as many search for new revenue opportunities.

Ongoing Areas of Piracy Concern



Current Regional Analysis

East Africa

In January Somali pirate activity was concentrated off the south-eastern coast of Oman. There were no incidents recorded off the coasts of Mozambique or Tanzania. Given that weather conditions generally deteriorate in February it may be that the pirates have returned to waters closer to Somalia temporarily.

Over the course of the year, Somali pirates have not altered their modus operandi to any great extent. However, they have acquired more motherships than ever before, allowing them to travel much greater distances than previous recorded. By transporting their skiffs (by towing them or storing them onboard the mothership) they are able to carry fuel, food and water supplies for many hundreds of miles. These motherships also come with a ready trained crew, who can be put to work as slave labour for several months until a ransom is paid for their release.

In February, weather conditions are expected to worsen in the Indian Ocean, creating conditions less conducive to hijackings. The past two years have generally seen a decline in pirate activity during the month (it was the quietest month in 2010). However, the extended use of motherships has allowed pirates to continue to operate despite poor weather conditions. The larger motherships are much more able to travel during inclement conditions, although the actual act of boarding a ship remains difficult. As such, pirate attacks are likely to continue, although the success rate of these attacks may decline over the course of February.

On 21 January it was reported that a hijacked South Korean vessel was stormed and freed by South Korean troops south of Oman. The captain is reported to have been shot in the stomach during the incident but is said to be in a stable condition while the rest of the crew are alive. The MV Samho Jewelry was hijacked on 15 January in waters between Oman and India whilst it was en route to Sri Lanka. It has a crew of 21 and was not registered with the naval authorities prior to the seizure. Samho Shipping was involved in the largest ransom payment of 2010 when the Very Large Crude Carrier (VLCC) the Samho Dream was released in November for a reported US\$9.5 million. While the operation is being regarded as a success the crew were placed in serious danger during the incident, while it is likely to have cost South Korean taxpayers a significant amount. Given that the owners of

For further information on maritime intelligence and security please contact us at ake@gac.com

the vessel had a vessel seized in 2010 it is surprising that risk mitigation measures are still not being enforced properly. Indeed many of the vessels currently being hijacked are reported not to have been registered with local naval authorities. This highlights the fact that many commercial operators are still failing to implement basic risk mitigation measures for their ships operating in high risk areas. Vessels not implementing such procedures are strongly advised to reconsider their risk approach to the piracy problem. A failure to protect can lead to high costs, and not just in monetary terms. The risks of crew, cargo and reputational harm are also potentially very high.

Another incident of note last month was the kidnap of crewmembers from a vessel in the Gulf of Aden, while the vessel itself was abandoned. The Danish-flagged MV Leopard was boarded on 12 January and found adrift by naval forces on 13 January with six of its crewmembers believed to have been kidnapped and transferred to the Taiwan-flagged fishing vessel the Shiuh Fu No. 1. This is an unusual development, given that in the majority of cases the vessel will be held by the pirates until a ransom is received for its release along with the crew. The usual exception to this is private yachts, which are normally abandoned when taken, with the crew taken to another vessel or even ashore where they can be held for longer periods. Another unusual aspect of this latest incident is that the vessel is reported to have been carrying weaponry, although the cargo is reported to be "intact".

Otherwise, pirates boarded a UK-flagged tanker vessel the CPO China on 3 January but abandoned the attack after vessel hardening techniques were employed and the crew mustered in the safe room onboard where they were able to maintain control over the vessel. The incident occurred in the Indian Ocean approximately 365 nautical miles south-east of Salalah. When naval forces boarded the vessel on 4 January they found that the pirates had escaped. No crewmembers were harmed during the incident.

On 22 January pirates hijacked the German-owned MV Beluga Nomination almost 400 nautical miles north of the Seychelles. On 29 January a Seychelles patrol ship attempted to rescue the vessel and opened fire on the pirates. In the confusion following the rescue attempt, two of the crew managed to escape in a lifeboat before being picked up by a Danish naval vessel and one pirate was killed. A captive crewman was then shot dead by the other pirates in retaliation. The full details of the latter incident will not be fully known until the vessel has been freed and an investigation has taken place, but the purposeful killing of a captive would be a relatively new precedent. Sailors have died in pirate captivity, but if this has not been because of illness or accidental injuries sustained during the hijacking process itself, they have been killed during a rescue attempt. Rescues are often chaotic, and can be extremely dangerous for the captives.

Otherwise, a new trend in hostage executions is not likely. Pirates regard crewmembers as a commodity. Killing them reduces their worth and the overall sum they can expect to receive as a ransom. Assault, brutality and intimidation will continue to occur and will occasionally result in the injury and death of crewmembers, but regular killings of hostages should not be expected in light of the latest event. Vessel operators should note that the construction of a safe room, or citadel should not be regarded as the single measure against piracy. The best measures are those which deter pirates from initiating an attack in the first place. For further details on vessel hardening techniques please contact ake@gac.com

West Africa

The Niger Delta remains an area of particularly high risk, and political instability may rise ahead of elections, scheduled for April. Vigilance, crew preparation, watch rotas and security measures are all recommended. On 9 January pirates boarded a chemical tanker south of Lagos. Crewmembers were threatened with firearms, had their belongings stolen and were physically assaulted (several were seriously injured). Pirates also reportedly boarded an Italian-flagged tanker off the coast of Nigeria on 11 January. They stayed aboard the vessel (the Dominia) for 14 hours and robbed the crew of their belongings and money. On 27 January pirates boarded a tug off Bonny Island, stealing money from crewmembers before escaping. Two further attacks against vessels at anchor were reported in Cote d'Ivoire and Guinea Conakry and in general, the overall risk of piracy in the wider Gulf of Guinea is anticipated to remain high over the coming months.

East Asia

There were three incidents of piracy recorded in East Asia in January. On 13 January pirates boarded a tanker off the eastern coast of Johor Bahru (Malaysia) and threatened a crewmember. He was able to escape and notify his colleagues who raised the alarm, forcing the pirates to escape without taking any property from onboard. On 24 January a tanker reported being approached by a suspicious vessel in the early hours of the morning. The suspicious vessel illuminated the tanker's hull with its search light and adopted a collision course which it maintained even when the targeted vessel adopted evasive manoeuvres. Eventually the tanker managed to escape after a half-hour chase. On 28 January in Tanjung Priok harbour, Jakarta, two pirates boarded a tanker at anchor, broke locks and stole vessel equipment before being spotted and escaping. Pirate activity has generally declined in East Asia over recent years, although the frequency of incidents continues to fluctuate and vessel operators still need to exercise vigilance. In addition, the Malaysian Maritime Enforcement Agency announced in January that it was increasing security in the waters off Johor state in reaction to a spate of recent attacks. It was reported that the attacks were likely to have been carried out by foreign nationals.

Americas

There were three pirate incidents recorded in the Americas over the course of January. On 9 January an anchored vehicle carrier was boarded in Callao harbour, Peru. The pirates were spotted by a duty watchman but they managed to escape with property from onboard. On 19 January a cargo ship at anchor was boarded in Puerto Limon, Costa Rica. A watchman spotted the pirates and raised the alarm, prompting them to escape without stealing any goods. On 21 January a pirate was spotted onboard a livestock carrier at anchor in Vila do Conde harbour, Brazil. The duty watchman spotted the individual and raised the alarm and the pirate escaped empty handed. In general in the Americas attacks tend to be relatively unsophisticated and opportunistic, with very little being taken and none of the vessels being effectively commandeered or hijacked. However, there is an ongoing risk of violence during attacks in the region. Pirate attacks around Callao harbour in particular also seem to involve a higher degree of sophistication than other parts of the region.

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