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Rise of Piracy and Other Maritime Insecurity in Somalia

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Background to the Somali Piracy Problem

All the experts are in agreement that piracy off Somalia will not come to an end until the country resolves its failed state status. This is a problem caused largely by lack of security on the land and not inadequate patrolling of international waters by foreign naval vessels. The challenge is too huge to resolve on the water. Piracy is taking place in a region that is larger than 1 million square miles and includes the Gulf of Aden, south end of the Red Sea and western Indian Ocean. Some 33,000 commercial ships annually transit the Gulf of Aden alone. There are simply not enough available naval vessels in the world to adequately patrol such a huge area.

There is a long history of piracy off the Somali coast, but in the past three years there has been a sharp rise in pirate attacks. In 2007, there were 19 attacks, of which 12 were successful. In 2008, the number of attacks jumped to 122 with 42 of them successful. During the first 8 months of 2009, the number of attacks increased to 138 with 33 of them successful.

While the number of piracy attempts continues to go up, the percentage of successful sea-jackings has decreased due to better counter measures by shipping companies and increased international naval patrols. In 2007, Somali pirates had a success rate of 63 percent. It dropped to 34 percent in 2008 and to 24 percent during the first 8 months of 2009. Being a Somali pirate has become riskier and more dangerous. As a result, Somali pirates have altered their tactics. They now conduct attacks in a wider area-off the coast of Oman, at the southern end of the Red Sea and near the Seychelles-and carry out more attacks at night.

The Current Threat

With all the publicity given to the piracy issue, you would think that Somali pirates are capturing most of the ships transiting in the vicinity of Somalia. In fact, less than one-tenth of one percent of ships transiting the Gulf of Aden, the most affected region, experience an attack in any given year. On the other hand, pirate ransom demands are increasing. In August 2009, Somali pirates claimed they received \$4 million for release of an Italian tugboat and crew of 16. The government of Italy denied that any ransom had been paid. Although the pirates may have exaggerated the amount, it is not credible that pirates released the ship without paying any ransom. Pirates also claimed in August that they released a German container vessel with 5 Germans, 3 Russians, 2 Ukrainians and 14 Filipinos for \$2.7 million in ransom. The cost of freeing captured vessels appears to be increasing. Today, Somali pirates hold at least 9 ships and more than 100 crew members.

Many ship owners, especially those operating on a very thin profit margin, have concluded it is cheaper to take a chance that their ships will not be captured than to employ expensive counter measures. Some ships have put security teams on board, which cost about \$40,000 per passage. Most ship owners cannot afford this additional expense. Insurance rates are also rising. In May 2008, insurance for transiting the Gulf of Aden varied between zero and .05 percent. Today it ranges from .05 percent to .175 percent of the ship's value per voyage.

Some ship owners are putting a surcharge on all cargo transiting Gulf of Aden. There are concerns that some shipping companies are taking advantage of the piracy situation by raising rates and boosting profit margins in an otherwise bad economy. Reduced global shipping has forced rates down. The piracy issue may give some shipping companies an excuse to keep rates artificially high in order to help offset the effects of the economic downturn. A few ship owners are rerouting vessels around the Cape of Good Hope. This adds 3 weeks and more cost to transit.

Ships that travel at a slow speed and have a low freeboard that can easily be boarded by pirates are especially susceptible to successful attack. Any ship that travels at 14 knots or more is difficult for pirates to board. Weather has a significant impact on piracy activity. From the end of May until early September is the monsoon season in this region, which significantly reduces the ability of pirates to operate their small skiffs. Hence, there have been relatively few pirate attacks in recent months. The high season for piracy in the Indian Ocean area is just beginning and attacks have already increased.

Countering Piracy

There are 3 naval task forces operating in the area and a number of navy vessels that operate independently. At any given time, there are about 25-30 naval vessels patrolling the region. The task forces include:

- Combined Task Force-151;
- A five-ship (United Kingdom, United States, Greece, Italy and Turkey) NATO task force; and
- The European Union's Operation Atalanta.

The U.S. has employed P-3 Orion maritime patrol aircraft off the Seychelles to search for pirate vessels and announced it would add unmanned surveillance vehicles.

There are 235 suspected Somali pirates jailed in various countries, about half of them in Kenya. The Seychelles and Yemen have at least 20 each. Significant numbers are said to be in Puntland and Somaliland, although little is known about the way they are incarcerated or the legal process applied to them. As of June 2009, Kenyan courts had convicted 10 pirates. Kenya's judicial system is, however, under equipped to deal with this influx.

The typical captured pirate is a young Somali boy without sophisticated weaponry. The pirate masters who live in Somalia or operate from foreign ports are almost never captured. Successful prosecution of pirates has been one of the biggest challenges facing those who are trying to put an end to piracy. Foreign naval vessels often capture pirates, disarm them and then set them free along the Somali coast. This permits them to operate again. Most warships are not designed to hold pirates for an extended period of time and the evidence against them might not hold up in a foreign court. In August 2009, for example, a German warship and a South Korean naval vessel reportedly released captured Somali pirates in two separate cases. Some 40 pirate vessels have been seized or destroyed since August 2008.

There is an international Contact Group on countering piracy. It is coordinating efforts to mitigate the problem. It now has a membership of 47 countries and 7 international organizations. A number of countries, including the United States, have signed the "New York Declaration." It is a non-binding political statement whereby signatories agree to urge their flagged commercial ships to adopt best practices to protect against pirate attacks. These practices include increasing lookouts and keeping fire pumps ready to repel pirates.

Related Issues

There has been considerable speculation about the possible link between pirates and extremists or terrorists in Somalia. There is general agreement that most Somali pirates are operating strictly on a profit making basis and have no formal links with terrorism. There are a few reports, however, which suggest a small number of pirates have ties to the Somali al-Shabaab organization. It uses terrorist tactics and is trying to topple the Transitional Federal Government (TFG) of Somalia. An October 2008 analysis in Jane's Terrorism and Security Monitor made this connection. The TFG's first deputy prime minister also charged Somali pirates with bringing Muslim extremists to Somalia to fight for al-Shabaab.

The TFG has requested assistance for a pilot project to create a Somali Coast Guard of 96 personnel equipped with 8 Fast Patrol Craft and Coastal Observation Teams supported by a battalion of 130 Somali marines. The European Union and the government of the Philippines have offered to train a Somali Coast Guard. It will be some time, however, before any Somali force is effective. There have traditionally been serious abuses by foreign vessels fishing illegally within the Somali economic zone. This fishing has contributed to the destruction of the Somali fishing industry and contributed to the rise of piracy. There are also credible reports of occasional toxic waste dumping off Somali shores. The international community has done virtually nothing to end these harmful practices.

The piracy threat has resulted in some unusual naval cooperation. This week, for example, Chinese and Russian anti-piracy patrols engaged in a joint exercise off the Somali coast. There has also been good coordination between American and Chinese naval vessels in efforts to reduce Somali piracy.