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# General Assembly 1 – International Security and Disarmament

Combating maritime piracy in the Malaccan Strait



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Forum	General Assembly 1
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## Introduction

The International Maritime Bureau (IMB), defines Maritime Piracy as "the act of boarding any vessel with intent to commit theft or any other crime, and with an intent or capacity to use force in furtherance of that act". The act of Piracy has evolved since the early 14th century, with groups of individuals boarding targeted vessels with the intent to steal valuable items/ or steal highly valuable vessels. However, during recent times piracy has escalated<sup>1</sup> resulting in the capturing and unlawful detaining of crew members aboard targeted vessels; in-order to receive ransom payments from government parties, and or private owners. Vessels that are targeted tend to be large container ships; as they often lack manoeuvrability and armed defence. Major shipping routes for example the Strait of Malacca which is located in South-East Asia, bordering Malaysia, Singapore, Indonesia and Thailand. Other areas that maritime vessels are threatened by Pirates are: Yemen, Somalia, South Africa, Vietnam, Brazil, Venezuela and Sudan. These countries and more, play a vital role in the fight against maritime piracy.

# **Definition of Key Terms**

## **Maritime Piracy**

The United nation convention on the law of the sea (UNCLOS) is the framework for the repression of piracy under international law in particular articles 100 - 107 and 110. This legal framework is applied to combating privacy and armed robbery at sea and other ocean activities.

<sup>1</sup>Rise in attacks since 2016 <u>https://www.hdi.global/int/en/newsroom/2017/research-and-insights/pirate-attacks</u>



## **Mother ship**

A vessel or craft that services others operating far from a home port or centre.

## **International waters**

The areas of the sea that are not under the jurisdiction of any country.

### Ransom

The redemption of a prisoner, slave, or kidnapped person, of captured goods, etc., for a price.

#### Vessel

A craft for traveling on water, now usually one larger than an ordinary rowboat; a ship or boat.

## **Distress signal**

A signal used, or designed to be used, by persons in peril, for the purpose of summoning aid, indicating their position, etc., as a radio code sign, aerial flare, flag hoist, or the like.

## **Gross domestic product (GPD)**

GDP is the value of all newly produced final goods and services produced in an economy within a given time period

#### War risk insurance

War risk insurance, is commonly used in the transporting industry for any items which pass through an area classified war risk area (for example the Strait of Malacca). This type of insurance can be placed on any goods, which are being transported through any mode of transport.

## **String of Pearls theory**

Refers to the network of Chinese military and commercial facilities and relationships along its sea lines of communication, which extend from the Chinese mainland to Port Sudan The Pivot to Asia

USA 2011 foreign policy pivot to the Asia-pacific to increase USA influence on the Asia-Pacific political environment, in the context of the growing power of China **Bric economies** 

An acronym coined by Goldman sacks in 2001 predicting the four emerging economies of Brazil, Russia, India, China Look East Policy



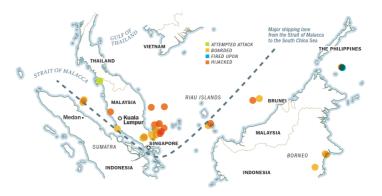
Effort made by the Indian government to cultivate and strengthen economic and strategic relations with the nations of South East Asia to solidify its standing as a regional power.

## PCASP

Between 2005 and 2009 privately contracted armed security personal (PSASP) were employed for protection on board some merchant vessels, due to rising levels of piracy.

# **General Overview**

The Malacca strait is a stretch of sea, spacing for 890 kilometres between Indonesia's island of Sumatra and the Malay Peninsula in South East Asia. The long narrow strait is known for its importance in the shipping industry, receiving more than 100,000 vessels each year, accounting for a guarter of the



Map showing the Malacca strait in relation to countries within South East Asia.

worlds Marine comers<sup>2</sup>. Therefore, it comes as no surprise that this area is infested with pirates, trying to board these vessels daily. The strait receives oil tankers passing through the Malacca strait accounts for more then 70% of the America total oil important by China and Japan transits this strait. Nearly one third of the 61% of total global petroleum products are transported through the Malacca strait, making it the second-largest oil trade chokepoint in the world after Strait of Hormuz<sup>3</sup>.

Nevertheless, maritime piracy hasn't just appeared overnight in the Malacca strait; piracy has been present in these waters from as early as the fourteenth century. Piracy in the fourteenth century wasn't necessarily about holding crew members and cargo for ransom instead it focused on stealing items from traders and vessels containing goods such as spices, herbs, rice, tobacco, animal skins, wood, alcohol, etc<sup>4</sup>. Pirates within these waters would attack other pirates, or merchant ships to steal goods; in order to sell them in local ports.



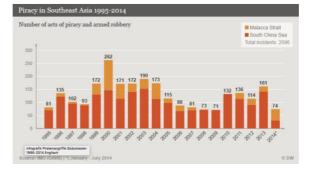
However, as history evolved with the creation of steam powered vessel; pirates found it harder than ever to attack vessels. This is because steam powered vessels don't have to rely on wind proportion and are able to reach faster speeds then ordinary row/ sail boats. In response to these changes, pirates started to use new tactics to lure large vessels to them, such as faking distress signals.

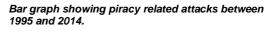
<sup>2</sup> Global piracy rates <u>https://www.theatlantic.com/international/archive/2017/08/strait-of-malacca-uss-john-mccain/537471/</u>

<sup>3</sup> The EIA home page to connect with <u>https://https://www.eia.gov</u>

<sup>4</sup> Information regarding items that were traded/ stolen - <u>https://www.thoughtco.com/pirate-</u>

Nowadays, pirates use outboard motors on small boats to speed up to large vessels and board them using long ladders. Another tactic that is still commonly employed by pirates is to fake distress signals. This approach is arguably most effective, as the International Maritime Organisation (IMO) explicitly states that "A master of a ship at sea, which is in a position to be able to provide assistance on receiving a





signal from any source that persons are in distress at sea, is bound to proceed with all speed to their assistance." Although the misuse of a Distress signal is punishable, pirates use them as there is no way to determine what calls are legitimate and what calls are not during the response time.

A general trend has indicated that maritime piracy has been declining, however new data has shown a sudden rise in global piracy. The international Maritime Bureau has concluded that in the third quarter of 2017 a total of 92 vessels were boarded globally, with an additional 11 attempts to board vessels. However, since 2009 there has been a general



increase in the number of attacks. This can partially be blamed on the factors such as the

rising monetary value placed on a human life and the growing scarcity of oil, with 44 oil ships passing through the strait daily. But mainly because of the geographical nature of the strait, the lack of maritime law enforcement and the political/economic instability of the area. Ultimately, the upsurge is not surprising considering the large volume and value of goods transported through the maritime strait on a daily basis and the



Photo showing anti-piracy police boarding a suspected mothership in the porth of the Strait of Malacca

relative easiness of piracy in the area.

Shipping plays a fundamental role in sustaining economic growth because it facilitates exports and imports but most importantly it facilitates cargo carrying fuel which is

<sup>6</sup> Bar-graph link - <u>https://www.dw.com/en/worrying-rise-in-piracy-attacks-around-malacca-strait/a-17780275</u>

<sup>7</sup> Page 3 of the report - <u>https://www.steamshipmutual.com/Downloads/Piracy/EconomicCostPiracy/OEFReport.pdf</u> <sup>8</sup> Page 9 of the report - <u>https://www.steamshipmutual.com/Downloads/Piracy/EconomicCostPiracy/OEFReport.pdf</u>

<sup>8</sup> Page 9 of the report - <u>https://www.steamshipmutual.com/Downloads/Piracy/EconomicCostPiracyOEFReport.pdf</u>

needed in many related industries such as aviation, energy or manufacturing. Maritime piracy is said to annually cost the global economy \$7 to \$12 billion dollars<sup>7</sup>. This economic cost includes a direct cost of ransom, insurance, rerouting, security, naval forces and prosecution but also a secondary cost to society impacting regional trade, the availability of goods and global revenue. Measuring the cost of maritime piracy is very challenging because it's difficult to quantify external impacts such as the level of foreign direct investment and commodity price inflation. Furthermore, piracy related incidents are underreported because ship owners don't want bad publicity and wider

macroeconomic impact is difficult to measure.

Ransom prices are currently averaged at \$5.4m<sup>8</sup>, this is excluding the cost of psychological trauma, the cost of repairing the vessel, and/ or delivery costs. Additionally, there is a high cost of insurance associated with transporting across the Malacca strait; insurance its split into four categories war risk,





kidnap and ransom, cargo and hull. War risk insurance per voyage can cost up to \$150,000,

cargo insurance is \$100 per containerinsurance fees are estimated to double as piracy remains a present force in the waters of the Malacca Strait<sup>9</sup>. The cost of rerouting a vessel is a \$100,000 a day. Security equipment totals up to \$134,000 if all features were installed. 27 countries have contributed their naval forces to a multinational security force to deter piracy, the cost of operating annually equals to \$2 billion dollars. Therefore, the economic cost of maritime piracy is very high and impactful on global revenue and trade ratios.

Recently China has initiated a project called 'China's belt and Road initiative' which has aimed to expand the inland transportation, limiting the need for countries to transport via the Malacca Strait. China has done this because of the 'maritime silk road' dilemma which refers to China's overreliance on the Malacca strait to import and export 80% of their maritime oil. This initiative will directly impact the Chinese, Singaporian, Indonesian, Malaysian and Australian economies, because it will be easier to export and import cargo. However it might strain countries accustomed to transporting by sea through the Malacca Strait. Furthermore China is investing 7.2 billion in a new deep sea port in Malacca. This new deep sea port will redirect trade vessels from other existing sea ports in Singapore, Australia, Indonesia, Malaysia and others. Thus potentially putting them at a disadvantage.

<sup>9</sup> Piracy facts within the Singapore Strait and the Malacca strait - <u>https://www.straitstimes.com/singapore/more-piracy-robbery-cases-in-malacca-and-singapore-straits-in-2017-as-in-rest-of-asia</u>

# **Major Parties Involved**

## China

China's rapid economic expansion and growth has caused it to become more reliant on additionally imported resources which are primarily transported through the Malacca strait. It relies on 85% of its energy to be imported, which is then directed towards the manufacturing industry. This high dependence on imported energy has caused China to have an increased interest in the security of the Strait of Malacca which they have committed to in cooperation with Singapore, Malaysia, Indonesia, India and the US. Furthermore, they

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have initiated their 'String of Pearls' strategy with the placement of naval ports in strategic places such as the Maldives and the Philippines to protect national interest.

## **The United States of America**

Since the 2001 terrorist attacks, the USA has launched their 'war on terror'. Piracy acts are also classified as terrorism and USA policy has been extended to cover the Malacca strait to combat the issue. The USA's interest in the Malacca strait also stems from the fact that they want to protect and preserve international trade and prevent terrorists fleeing to surrounding islands. The USA has proposed multilateral cooperation to preserve peace in the Malacca strait, under their 'Pivot to Asia' policy.

## India

India is classified as a BRIC economy; one that is rapidly growing. 40% of India's exports to South East Asia countries are transported through the Strait of Malacca. India's 'Look East' policy is targeted at improving trading links and securing transport routes like the Malacca strait. But their interest is also partially driven by the fact that they want to rationalise Chinese power which they have claimed is overpowering and to improve their own strategic position.

## Japan

80% of Japan's trade is transported through the Strait of Malacca, therefore the Japanese economy depends heavily this maritime trading route, and they have prioritised helping the littoral states against maritime piracy. Further interest in the region is strategical, in the sense that they have some leverage over china's transport routes if there were to be aggression in the future. Their foreign policy aimed to tackle maritime piracy in the Strait of Malacca is called 'security diamond'.

## Singapore

Singapore's total number of vessel loaded trade can only enter via three main bodies of water: the South China Sea, the Java Sea, and the Strait of Malacca. The majority of physical trade entering Singapore originates from Europe, the Middle East, and Africa, and must pass through the Strait of Malacca to enter the Port of Singapore. The Singaporean



economy is heavily reliant on its imports of crude oil, and its exports of refined petroleum; accounting for 13% of Singapore's \$321 Billion (USD) GDP. Singapore's interest in the strait is no surprise; as it is the major shipping lane for their global tangible trade. Singapore in collaboration with Indonesia and Malaysia have increased security patrols within the strait to reduce the number of attacks, after the strait saw an increase of 7 attacks from 2016 to 2017<sup>8</sup>. This increase in attacks is believed to have been caused by reduced maritime surveillance, and a reduction in crew members sticking to anti-piracy protocol.

### Malaysia

The Strait of Malacca is situated in between the Malay Peninsula and the Indonesian island Sumatra, therefore the strait is structurally important to Malaysia as a transport passage seeing as their main export is electronic components (36% of total exports) which are often dispatched to Europe, china or the US. Furthermore, it's close proximity means that combating maritime piracy is essential to the national security of the country. Which is why Malaysia has committed to a multinational collaborative attempt at disabling maritime piracy. Interesting to note is that Malaysia and Indonesia opposed the intervention of foreign bodies to combat piracy when Singapore proposed this in 2004.

## Indonesia

Indonesia directly borders the Strait of Malacca, and they have faced the most piracy related attacks compared to any other maritime region. In 2017 43 incidents occurred in Indonesian waters, compared to 36 in Nigeria and 9 in Somalia. The busiest Indonesian port at Tanjung Priok is classified as a 'war risk zone' by the joint war committee due to piracy related incidents. Sea muggings in Indonesia are usually targeted at small to medium sized vessels aiming to steal cash, laptops and shipping equipment which can be easily sold on the black market. To combat maritime piracy Indonesia has partnered up with regional neighbours Singapore, Malaysia and Thailand. They also reached out to the Indian coast guard and navy to cooperate maritime patrolling of the strait. Additionally in 2014 they passed a law on state action issuing a new coast guard inspired by the US system.

## **Timeline of Key Events**

Date

**Description of event** 



December 10, 1982	United Nations convention on the law of the Sea.
1992	The International Maritime Bureau (IMB) establishes a free online database that vessels can report piracy, armed robbery, or stowaway incidents.
March 2004	US Pacific Commander Admiral Thomas B. Fargo talks about the idea of The Regional Maritime Security Initiative (RMSI), to increase international waterway security.
July 20, 2004	Malaysia, Singapore, and Indonesia start operation Malindo; to provide year round anti-piracy/ anti-terrorism within the Malacca strait.
August 09, 2004	The Malaysian government implements a coast guard system to patrol and increase security along the Malacca strait; inspired by the United States of America's coast guard model.
2005	The rise of Privately Contracted Armed Security Personnel (PCASP)
2005	Thailand implements an 'Eye in the Sky' program to fly over the Strait of Malacca and other bodies of water affected by piracy.
2008	VOSS was granted permission to become the first private maritime security company to work within the Indian Ocean region.
March 04, 2010	Singapore added four new police coast guard vessels, to patrol shipping lanes near where the Singapore Strait meets the Strait of Malacca
2011	The International Chamber of Shipping (ICS) understands that vessels need to be armed to fight against armed unauthorised intruders.



# **UN involvement, Relevant Resolutions, Treaties and Events**

- Oceans and the law of the sea, 23 December 2016 (A/RES/71/257)
- Maintenance of international peace and security, 19th of November 2012 (S/PRST/2012/24)
- Statement by the President of the Security Council, 19 November 2012, (S/PRST/2012/24)

## Previous Attempts to solve the Issue

There have been several attempts at tackling the issue of maritime piracy in the Strait of Malacca, mostly by regional cooperative programmes. The main initiative is 'the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against ships in Asia' (ReCAAP), the agreement was implemented in 2006 and establishes a liaison between 14 Asian countries and 20 Contracting Parties, including Europe, Australia, and the USA, offering external assistance when needed. Aside from this formal alliance the three littoral states Malaysia, Singapore and Indonesia have issued joint ventures such MALSINDO (2004) which coordinates their coast guard patrols to more effectively secure areas prone to piracy.

Further attempts include a series of meetings issued by the IMB to combat issues influencing the security of shipping through the Strait of Malacca. These meetings should be highly effective since advisory propositions are distributed to countries affected by piracy in the Strait of Malacca. Furthermore the expertise at these conferences is highly valuable to the littoral states that lack resources and coordination to resolve the issue by themselves. Ultimately, the usefulness depends heavily on whether the member states actively adopt the advice from the IMB.

In 1992 the IMB created the 'Piracy Reporting Centre' which collects data on piracy related incidents. The organisation has helped shed light on how large scale the problem of maritime piracy is in Southeast Asia. It has also helped with planning and response, because it means estimations and assumptions can be made about the magnitude and type of attacks, which makes it easier to combat and possibly prevent. The statistics have also helped create increased awareness amongst more economically developed countries such as the USA, which has pressured them into offering assistance.

(a)

Back in 2004 Admiral Fargo (USA) outlined a proposal called 'Regional Maritime Security Initiative' proposing actions like 'putting special operation force high speed vessels throughout the Strait of Malacca to effectively conduct interdiction', this initiative however was objected by Malaysia and Indonesia who wished to maintain sovereignty of their waters and prevent the influence of foreign states. Therefore, the national interests of some of the littoral states prevented a possible solution to maritime piracy. Illustrating that self-interest is a dangerous blockade to the potential improvement of security in the Strait of Malacca.

Another measure to ensure security in the Strait of Malacca includes the 'Eyes in the Sky' (EiS) concept from the littoral states, which is a joint air patrol programme, which each member state contributes two aircraft for patrol and shifts are taken to cover different geographical regions of the strait.

# **Possible Solutions**

Implementing armed escort vessels to high risk targets, such as large crude oil tankers. This solution would deter pirates from attacking these vessels; as they provide extra security and fire power. The solution would also mean that there would be more armed vessels within the Strait of Malacca, therefore in the event of an attack response time to a vessel would theoretically be reduced. The reduction in attacks would allow for a more secure passage for vessels, improving the ability to trade.

Implementing Unmanned Aerial Vehicles (UAV) to patrol high risk areas, and to keep constant watch of suspicious vessels. The introduction of these UAV's would allow coastguard vessels to have faster response times; as location is pin pointed via live feed allowing UAV operators to coordinate with coastguard vessels. The use of UAV's also allows for surveillance of home ports to remove the risk of piracy all together; as UAV's can pin point Mothership, or Home bases used to hide vessels or to hold crew hostage. Using UAV's could eliminate the threat of piracy within the Strait of Malacca as we are aware of their pirates every move.

The addition of watch towers in narrow/ bottleneck areas of the Strait of Malacca, to ensure pirate vessels are not hiding to attack a wide body vessel. The solution would allow nations to build watch towers, with armed response vessels; to ensure that if an attack were to occur there is a rapid response vessel ready to help prevent the boarding of the vessel. These watch towers are most effective in narrow parts of the strait, as pirates tend to strike



here as large vessels are less manoeuvrable due to terrain. Ensuring the security of vessels with watch towers helps ensure that trade between nations is not interfered with.

In addition all cargo containing vessels that pass through the Strait of Malacca must be equipped with anti-piracy fencing along the vessel. This fence design is a spiked Vshaped dense that interrupts normal ladder boarding, as connection and crossing the fence poses a challenge and risk to the pirates. This mandatory rule ensures that vessels will have increased security to prevent pirates boarding vessels with make shift ladders. This would be a relatively easy and cheap solution to implement, to end piracy in the Strait of Malacca.

Ultimately today's general assembly should aim to solidify some of the previously attempted methods to end maritime piracy but also strive to create new ones. What is perhaps most important is reaching a resolution which all parties agree on, especially those member states directly affected by the Mallaca Strait. As mentioned previously all nations are responsible for the security in the Mallaca Strait as this is one of the world's most important shipping passages, therefore foreign involvement whether stategic, economic or in other forms is vital.

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