Proposal to Take Stronger Measures to Control Piracy

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Waters off Somalia and the Gulf of Aden are strategic points of marine transport between Asia and Europe, and how to control pirates that prevail in these waters holds the key to ensuring the security of marine transport for various countries of the world.

Therefore, the North Atlantic Treaty Organization (NATO), the European Union (EU), and other countries worldwide have dispatched warships and other ships to guard their commercial ships from piracy. The Japanese government enacted the Anti-Piracy Law in June 2009 and has since dispatched its Maritime Self-Defense Force's escort ships and patrol planes to the pirate-infested waters.

Under these circumstances, in our "Proposal for Establishment of Growth Foundations to Make Japan a Country Built on Marine Industries" (April 20, 2010), we emphasized the necessity of stepping up escorting operations and taking other necessary measures in the waters off Somalia. In July of this year, the Japanese government decided to extend its countermeasures against piracy in the waters off Somalia and the Gulf of Aden for another year. In addition to continuing to dispatch escort ships and patrol planes, it has taken new measures such as establishing a new base for its Maritime Self-Defense Force's flying corps in Djibouti to control piracy.

Despite these strenuous efforts, however, damage caused by Somali pirates to ships from various countries, such as kidnapping crew members for ransom, is increasing rapidly. Furthermore, the sphere of pirates' activity is currently expanding to cover all areas from the waters off Somalia and the Gulf of Aden to the Indian Ocean, which is located to the east of the Gulf, and there is concern that Somali pirates will cause damage in even wider areas in the future. In particular, to Japan, a maritime country built on international trade, where maritime transport plays an crucial role, piracy in the waters through which many crude oil tankers, LNG carriers, car carriers, containerships, and other ships pass presents a major threat to the import of natural resources and energy, the export of major industrial products such automobiles, machinery, and electric and electronic equipment, and to the Japanese economy as a whole.

How to cope with these piracy problems is an urgent issue for Japan's industry and economy, as well as the lives of Japanese people. This is why we have put together this proposal to take stronger measures to control Somali piracy.

1. Effects of Piracy on Marine Transport

Japan relies on marine transport for 99% of its international trade (imports and exports combined) on a tonnage basis. For this reason, ensuring the security of sea lanes is extremely important to Japan's economic prosperity including energy security.

Some 20,000 ships from various countries worldwide pass through the Gulf of Aden, the Red Sea, the Suez Canal, and the Mediterranean Sea annually, and about 2,000 of them are Japanese-affiliated ones. In addition, some 3,400 Japanese-affiliated ships sail in and out of the Persian Gulf annually, and crude oil tankers and other ships are exposed to the threat of Somali pirates as they expand their sphere of activity.

Japan depends on the Middle East for 88% of all crude oil it imports. Crude oil tankers are easily targeted for piracy because they are slow and their deck is low.

One third of automobiles exported from Japan worldwide pass through the waters off Somalia, the Gulf of Aden, and the Indian Ocean. If these ships avoid these waters and detour around South Africa's Cape of Good Hope, located at the southernmost tip of the African continent, it takes 6 to 10 more days, increasing fuel and other costs substantially. There is concern that such detours by car carriers and containerships delay product delivery and force manufacturers to revise their production plans. Due to the threat of piracy, there are also moves to suspend the scheduled services or cancel assignment of ships to the waters off Somali, the Gulf of Aden, and the Indian Ocean, and economic losses and the loss of commercial rights caused by such cancellation cannot be overlooked. On the other hand, sailing the waters off Somali and the Gulf of Aden necessitates payment of additional insurance premiums, arrangements for security guards, and so forth.

According to a survey by the Baltic and International Maritime Council (BIMCO), worldwide costs incurred by taking such measures to control piracy are estimated at \$12 billion (approximately ¥970 billion : 2010).

2. Increasingly Serious Piracy Problems

(1) Actual State of Piracy

Piracy¹ is a criminal act that causes harm to ships, properties, and people, and Somali pirates, who are heavily armed with rocket launchers and automatic rifles, attack ships from various countries and demand ransoms of several hundred millions of yen. They are systematically organized groups of violent criminals.

They are also expanding their sphere of activity by using the ships they seized as

¹ The Anti-Piracy Law defines piracy as one of the acts listed below, which a person who boards a ship (excluding warships, etc.) performs in the open sea, the territorial waters of Japan, etc., for private purposes: (1) seizure of the ship and control of its operation, (2) seizure of properties in the ship, etc., (3) capture of persons in the ship, (4) taking persons hostage, and (5) entering or destroying the ship, approaching another ship excessively, or sailing the ship with dangerous weapons on hand for the purposes specified in (1) to (4) above.

mother ships, and this presents a major threat to international trade.

(2) Present Condition of Waters off Somalia, the Gulf of Aden, and the Indian Ocean

Somalia, known as the Horn of Africa, has a provisional government, but because its government remains weak, it is nearly in a state of anarchy, leaving pirates uncontrolled. Due to serious famines as well as critical economic conditions, the government cannot even secure sufficient food. It is difficult to solve these piracy problems early, and there is concern that it will take a long time to reach a solution.

The Gulf of Aden is a vast stretch of waters, occupying an area of 280,000 square kilometers and extending for about 900 kilometers, and it is extremely difficult to completely contain pirates' activities only by patrolling the waters using warships. Furthermore, Somali pirates are expanding their sphere of activity to the Indian Ocean, which is not covered by patrols yet, and this has prevented ships from taking the shortest route when they sail in these waters.

In this backdrop, Japanese-affiliated cargo ships, crude oil tankers, and other ships have been attacked by pirates in these waters off Somalia, the Gulf of Aden, the Red Sea and the Indian Ocean, and some hostages in the Indian Ocean have been killed.

The number of piracy cases in the world has grown rapidly since 2008. This is because Somali piracy has increased continuously while piracy in Southeast Asian waters such as the Malacca Strait has continued to decrease. In 2010, Somali pirates were responsible for 219 of the 445 piracy cases in the world, an all-time high. In the first half of 2011 (January to June), the number reached 163, 1.5 times as many as in the previous year. By September 2, 2011, 23 ships had been seized, and 349 crew members had been taken hostage.

Some home countries of ship crews, considering the Gulf of Aden and the Indian Ocean as dangerous waters, are about to encourage their seafarers to avoid serving ships in the pirate-infested waters if countries of the ship operators do not actively deploy countermeasures to protect the seafarers. Under these circumstances, international associations of shipowners and other organizations are requesting to the United Nations (U.N.) that members of the U.N. forces accompany their ships to defend them from piracy. The crews of Japanese-affiliated ships include many foreign seafarers, and failure to respond properly to these piracy problems may result in difficulty in securing crew members for Japanese-affiliated ships.

3. Importance of International Cooperation

(1) Initiatives by International Organizations, Etc.

Since June 2008, the United Nations Security Council has adopted a series of

resolutions on countermeasures against piracy off the coast of Somalia and requested member countries to dispatch warships and warplanes to these sea areas. These resolutions have enabled member countries to take necessary measures not only in the open sea off Somalia but also in the territorial waters and land of the country.

Routes from the Suez Canal to the waters off Somalia and the Gulf of Aden are important to European, Middle Eastern, and Asian countries. Therefore, following the United Nations Security Council resolutions, international agencies and U.N. member countries are working to take various measures to control piracy in these areas.

First, NATO began to dispatch its warships in October 2008 and take a measure called "Operation Ocean Shield" in August 2009. In addition, it has provided support to help neighboring countries to increase the ability to take measures for controlling piracy.

Second, in December 2008, the EU launched the Atalanta (which means "hunters") operation to escort commercial ships, and in 2010, it began an operation to block waters along the Somali coast.

Third, the Combined Task Force 151 (CTF-151) multinational naval forces organized by the U.S. Navy began their operations in the waters off Somalia in January 2009, and Asian military units, joined by South Korea, Singapore, and other countries, are also participating in these operations.

Last, Japan, China, India, Australia, Saudi Arabia, and other countries have dispatched their warships and patrol planes independently.

(2) Japan's Initiatives

In March 2009, as part of its maritime patrol action under the Self-Defense Forces Law, Japan dispatched two escort ships to guard Japanese-affiliated ships, and in May of the same year, it sent two P-3C patrol planes to patrol the waters from the sky and provide information to other military units operating in these sea areas. Since July 2009, Self-Defense Force ships and planes have been engaged in escorting operations for commercial ships in accordance with the provisions of actions to cope with piracy under the Anti-Piracy Law, which was enacted in June of the same year.

The Anti-Piracy Law defines piracy and stipulates that under the Law all ships irrespective of their nationalities shall be protected. It clarifies procedures for dispatch of Self-Defense Force units and requires the government to report such dispatch to the Diet. It also establishes new powers to use weapons, including firing to stop pirate ships in order to prevent piracy such as excessive approaches to other ships.

Until September 7 of this year, the escort ships had conducted a patrolling tour 287 times and escorted 2,221 ships while P-3C patrol planes had flown over the waters 545 times. Three-fourths of the Maritime Self-Defense Force's operations targeted foreign

ships. The Maritime Self-Defense Force has been highly rated by other countries, and NATO and EU are asking the Japanese government for cooperation through oil supply support. On the other hand, Japanese-affiliated ships are also escorted by warships dispatched by other countries.

4. Specific Stronger Actions That Should Be Taken to Control Piracy

Specifically, we request that stronger measures should be taken to control piracy in the following four areas:

(1) Dispatch of More Self-Defense Force Units

Starting in 2009, the Self-Defense Forces of Japan dispatched two escort ships and two P-3C patrol places. Later, they reinforced the personnel it had sent, and some 580 officials are currently deployed in the waters off Somalia and the Gulf of Aden. Up to June this year, the Maritime Self-Defense Force's flying corps to combat pirates had rented space in the U.S. military base in Djibouti, a country that borders Somalia. Finally they opened their own base, the first of its kind, in the country in July of this year. In the future, it is necessary to dispatch more Self-Defense Force escort ships, patrol planes, and personnel. Furthermore, JMSDF (Japan Maritime Self-Defense Force) supply ships should be dispatched to expand the scope of the escort ships' operations and increase the frequency of their dispatches through maritime oil supply.

The Anti-Piracy Law does not assume that Self-Defense Force ships supply oil to foreign warships. Therefore, from the viewpoint of stepping up escorting operations through international cooperation, it is necessary to allow Self-Defense Force ships to supply oil to foreign warships and other ships, and to that end, it is essential to revise the Law accordingly or establish a new law in order to take stronger measures to control piracy.

(2) Stronger Guard with Self-Defense Force Officials and Japan Coast Guard Officers on Board

It is important that shipping companies steadily make self-defense efforts such as installing water cannons, wire entanglements, and citadels onboard.

On the other hand, self-defense measures taken by commercial ships have their limits, and in order to relieve the anxiety of crew members and ensure that they can work on board with a sense of security, many countries have taken the measure of getting officials from their own armed forces or armed private security guards on board ships of their nationality.

Since private citizens are prohibited from possessing weapons in Japan, the Japanese government should provide stronger public security by getting armed Self-Defense Force officials or Japan Coast Guard officers on board ships of Japanese flag.

(3) Support for Somalia and Neighboring Coastal Countries

The key to success in solving the piracy problems thoroughly is to put the failed Somali government back on its feet and restore public order in the country. Greater contributions to the U.N. from Japan are indispensable to continue U.N.-led humanitarian aid to Somalia's provisional government such as police support and food assistance.

In the future, it is effective to provide Yemen with patrol boats in order to help neighboring coastal countries to strengthen their systems to guard ships from piracy, and the Japanese government should permit the provision of such boats to Yemen as an exception to the Three Principles on Arms Exports, etc.² In June 2006, as an exception to the Three Principles, etc., the government already approved the provision of patrol boats to Indonesia in the form of official development aid (ODA) in order to take stronger measures to control piracy in the Malacca Strait.

Along these measures, it is necessary to provide Yemen, Kenya, and other neighboring coastal countries with support to improve the abilities of their coast guard agencies' personnel.

(4) Establishment of International Rules

Countries participating in the multinational naval forces had handed pirates arrested in the waters off Somalia over to Kenya, one of Somalia's neighbors, but the Kenyan government recently started to refuse their acceptance on the pretext that prisons and trials became a burden on the country. As a result, arrested pirates were repatriated to Somalia and committed piracy again, and this is becoming a problem.

For this reason, it is necessary to approach the United Nations Security Council through the International Maritime Organization (IMO) and other organs to establish international rules of trials and imprisonment for piracy.

 $^{^2}$ "The Three Principles on Arms Exports," stated by then Prime Minister Sato at the Committee on Audit in the House of Representatives in 1967, is the government's policy not to permit arms exports to: (1) communist bloc countries; (2) countries to which arms exports are prohibited under U.N. Resolutions; and (3) countries which are involved in or likely to be involved in international armed conflict. In 1976, then Prime Minister Miki stated at the Budget Committee in the House of Representatives "the unified government view on arms exports" to refrain from arms exports to areas other than those that are applicable to the Three Principles on Arms Exports. The above two are collectively called "the Three Principles on Arms Exports, etc."