

# Maritime Piracy: Sign of a Security Threat?

By Charles J. Reinhardt

Recent decades have been witness to a wide range of terrorist acts in virtually every region of the world, from bombings, assassinations, and kidnappings to attacks on religious sites, population centers, and key infrastructure. To date, most targets have been land-based, although there have been notable exceptions, such as the hijacking of the passenger ship *Achille Lauro* in 1985, and the suicide bombings of the destroyer *USS Cole* in 2000 and the tanker *MT Limburg* in 2003.

While security at many high-risk, land-based locations has been tightened, the maritime sector may be perceived as more vulnerable—a weakness that could potentially invite future attacks. High rates of maritime piracy may provide evidence of the level of risk: Once the scourge of the world's oceans, then suppressed, piracy in the 21st century has made an alarming comeback. Particularly disturbing is the ease with which ships can be boarded and robbed or otherwise diverted from intended voyage routes. Typically, these are criminal acts undertaken for financial gain, but they demonstrate that ships also could be commandeered without great difficulty for use in a terrorist attack.

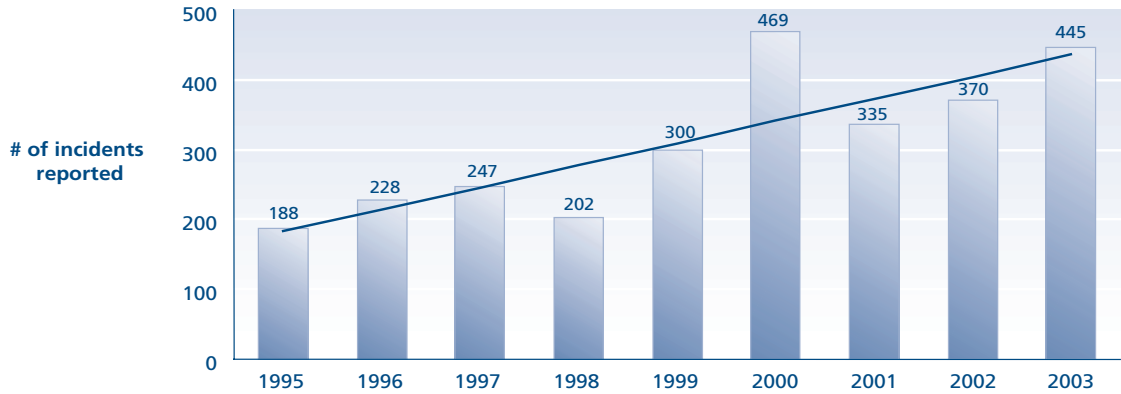
## Crime on the Water

“Piracy” is defined under the 1982 United Nations Convention on the Law of the Sea to include illegal acts of violence, detention, or depredation for private ends committed by the crew or passengers of one ship against another ship (or aircraft), or persons or property on board that ship. Piracy per se occurs in international waters, outside the jurisdiction of any state, and usually outside security patrolled or monitored areas.

The International Maritime Board (IMB), which publishes statistics on piracy incidents, uses a broader definition that includes acts occurring in ports or territorial waters. Based on this view, piracy worldwide appears to be on the rise, with an average of 405 incidents per year during 2000-2003, compared to an average of just 233 during 1995-1999 (Exhibit 1). Between 1995 and 2003, it is estimated that more than 2,500 vessel crew members were held hostage, while nearly 1,000 have been reported injured, killed, or missing due to piracy incidents. The full dimensions of the problem may be much broader, however, as many industry experts have suggested that acts of piracy are highly underreported.

Piracy attacks appear to be most prevalent in countries with emerging economies, numerous estuaries and offshore islands, large stretches of remote coastal areas, and ongoing political insurgencies. More than 60 percent of piracy incidents reported in 2003 occurred in just five areas: Indonesia, Bangladesh, Nigeria, the Malacca Straits, and India—with Indonesia accounting for more than a quarter of all incidents. At a more aggregate level, vessels appear to be more vulnerable to piracy in Africa and Asia than in other regions of the world (Exhibit 2).

Exhibit 1 Incidents of Actual and Attempted Piracy Reported Worldwide



Source: ICC International Maritime Board.

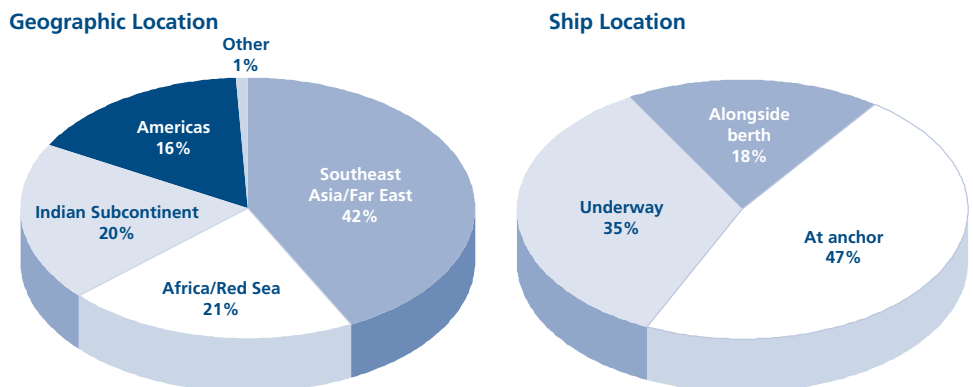
### Piracy and Terrorism

To date, little has been done to effectively address the increasing frequency of pirate attacks. In part, this may stem from a lack of counter-piracy resources in those countries where piracy is most prevalent. And without bilateral agreements to the contrary, international law and issues of sovereignty preclude intervention by outside naval powers.

The highly “international” nature of ocean shipping also may have an impact. A single ship, for example, might be built in Korea, owned by a Swiss corporation, flagged in Singapore, chartered by a German company, manned by Ukrainian officers, crewed by Filipinos, and carry the cargoes of shippers and consignees from around the world. These conditions may serve to dilute the outrage and calls for action that might otherwise result if an act of piracy were perpetrated against the interests of a single country.

The response of ship operators to piracy has been limited and inconsistent. Typically, standing orders prevent active resistance; the most often recommended course of action, should a vessel be boarded, is for crew members to lock themselves in a “safe room” until the danger has passed. But for a vessel underway, such a strategy fails to consider the potentially disastrous consequences that could result from a loss of shipboard navigational control—including collision, grounding, or a major oil or toxic chemical spill.

Exhibit 2 Profile of Piracy Attacks in 2003



Source: ICC International Maritime Board.

Could the current lack of an aggressive response to maritime piracy be setting the stage for a more significant security threat? An analog to the present situation may be seen in the build-up in air piracy incidents (e.g., sabotage, bombings, skyjackings) prior to the aircraft-based terrorist attacks in the United States on September 11th, 2001. In hindsight, these incidents highlighted a number of major security gaps that should have been addressed: failing to confirm passenger identities and screen passengers for any potential weapons, failing to adequately search all baggage and match it with ticketed passengers, failing to reinforce cockpit doors, and failing to adopt policies and tactics for resisting skyjackers.

Equally, there would seem to be important lessons to be learned from maritime piracy that could be relevant when considering the potential threat of seaborne terrorism. Pirates and terrorists use similar tactics and operate with impunity across broad geographic regions. There is also increasing evidence of interaction between pirates and terrorists. Most importantly, the frequency and success of maritime piracy attacks provides strong empirical evidence about the at-risk nature of coastal assets and underscores the vulnerability of all nations to attacks launched from the marine environment. And with nearly 90 percent of international trade moving by water, the immediate and inevitable actions countries would take in response to a major maritime terror attack would most likely disrupt critical trade flows, industrial supply chains and, ultimately, the global economy.

### **Securing the Seas**

Given the scope and dimensions of the maritime security problem, collective action—at the regional or international level—will most likely be required, and there has been some movement in this direction. For example, ASEAN (the Association of South East Asian Countries) has made addressing piracy and other transborder crimes a priority and is working with key trading partners to find solutions.

Several important maritime security initiatives also have been recently put into effect. The *International Ship and Port Facility Security Code*, for example, takes some crucial first steps in addressing maritime security needs both afloat and ashore. Other new programs include the U.S.-sponsored *Container Security Initiative*, the *Customs-Trade Partnership Against Terrorism*, and more thorough methods for screening ships and cargoes perceived to present risks.

In the longer-term, implementing a system of positive vessel identification and control (much like the one we now take for granted to manage air transportation) may hold the best hope for reducing incidents of piracy and enhancing overall maritime security. Military-style IFF (“Identify Friend or Foe”) transponders installed on ships could be interrogated for vital information on vessel identities, registries, ownership, voyage histories, cargoes carried, crew, etc. Primary targets lacking transponders would be imaged using sophisticated radar or photographic techniques to achieve positive identification, and any vessel perceived to be a threat would be tracked and intercepted long before reaching a port. Such a system would take time to evolve—and require substantial resources to develop. A starting point would be using shore-based

radar to identify vessels in ports and territorial waters; ultimately though, the system could cover the high seas, using satellites in low earth and geosynchronous orbits.

### **Reducing Risks Now**

Such sophisticated responses, however, are still in the future. In the near-term, participants in the maritime industry must consider what they can do to minimize piracy-related risks. On the high seas, ship crews, owners, and operators are largely on their own. A common sense approach for a carrier would be to develop a comprehensive, coordinated security plan and standing orders across its fleet. Such planning needs to take into account origins/destinations, routes, and cargoes, with sensitivity to areas of the world where security threats are greatest. Equally, ports and key facilities at tidewater locations need to develop their own action plans to deal with risks from maritime threats.

There has been vocal resistance from some members of the maritime industry to proposed security initiatives, which they see as unfunded mandates that could tip the delicate competitive balance in world markets. This is a legitimate concern. And it will take time to devise mechanisms for allocating the investment dollars needed for effective security and for recovering those costs fairly. In the meantime, it would be unwise for industry players to be content simply with achieving a bare minimum of compliance with any new standards. In the event of a serious security incident involving a ship or a container, the simple reality is that in the aftermath, ports, carriers, vessel operators, shippers, forwarders, brokers and the like will find themselves on one of two lists: those who are known and trusted—or those who are not. The latter will face the far more costly penalty of being shut out of world markets for a long time to come.