

Piracy in South-East Asia



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Since 2011, the world's focus has slowly moved from the piracy hot spot of Somalia to the waters of South-East Asia as piracy attacks have risen year on year. In 2015, South-East Asia accounted for the majority of the world's piracy incidents. This article looks at the history of the area and what members can do to combat the risks.

History

The *Asiatic Journal* in 1825 writing on the topic of 'Malay Pirates' describes piracy in the waters of the Straits of Malacca as follows: '*...A glance at the map of the Indian islands will convince us that this region of the globe must, from its natural configuration and locality, be peculiarly liable to become the seat of piracy...¹*'.

Today, with more than 200 vessels transiting the Straits of Malacca every day, this body of water is one of the most important shipping waterways in the world, from both an economic and strategic perspective. With any 'choke point' such as the Gulf of Aden or the Straits of Malacca, pirates know these are must-use routes for shippers and are rich pickings as a result.

Between the 1990s and the mid-2000s, South-East Asia emerged as the international piracy hotspot, but it was an escalation of incidents in the strategically important Straits of Malacca that caused international concern. After a run of incidents in 2005, and a fear that the shipping lane might become a terrorist target, the Straits of Malacca were declared a war risks additional premium area by the Joint War Committee (JWC) of the London Market. This enabled war risk underwriters to charge an additional premium for transiting this region. This was a concern to Singapore and the littoral states

as higher premiums meant higher operating costs, which could have deterred owners from trading in the region. After lobbying by the Singapore Shipping Association and the Maritime Port Authority of Singapore, the JWC removed the Straits from the list of excluded areas. Following an increased effort to combat piracy in the Straits, reported incidents declined and, with the rise in attacks off the horn of Africa from 2008 onwards, piracy in the region was all but forgotten.

Current situation

After a number of years of relative stability, piracy in the region has been increasing year on year since 2012, with more than 50% of the 200 South-East Asian incidents reported in 2015 having occurred in the Straits of Malacca and Singapore (SOMS). The region was subsequently declared to have the highest number of pirate attacks worldwide in 2015. In response to this escalation, Singapore and the littoral states stepped up sea patrols in the region to combat the problem. For the period of January to May 2016, the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) Information Sharing Centre advised that a total of 38 incidents were reported. This is the lowest number compared to the same period in the past four years (2012-2015) and represents a 57% decrease on 2015. As a result of the

¹ Malay Pirates, *The Asiatic Journal and Monthly Register for British India and its Dependencies*, (1825) 19 *Asiatic Journal* No.111, 243-245.

Piracy in South-East Asia continued

Piracy versus robbery: Is the problem as bad as the media make out?

Although the number of attacks in the region has caused concern, there is dispute as to the severity and nature of these incidents, and how they are reported. Under international law, 'piracy' is defined as any act of violence, detention or depredation committed for private ends on the high seas or outside the jurisdiction of any state². The definition of 'armed robbery against ships' is any act of violence, detention or depredation committed for private end within a state's internal waters, archipelagic waters and territorial sea³. The difference between the two is where the incident occurs. Within South-East Asia and the SOMS, pirates are predominantly hijacking slow-moving tankers to steal oil cargos or boarding anchored vessels to steal spares. This is a very different model to that off East and West Africa where kidnap for ransom is the main driver. In ReCAAP's 2015 annual report, only 11 of the 200 incidents in South-East Asia were categorised as piracy, with the remainder being incidents of armed robbery against ships. While there have been a number of high-profile oil cargo thefts in the region, the majority of incidents are, in reality, low-value thefts.

2 [Article 101 United Nations Convention of the Law of the Sea](#)

3 See Code of Practice for the Investigation of Crimes of Piracy and Armed Robbery against Ships of the International Maritime Organization (IMO) Assembly Resolution A.1025 (26)

increased cooperation by local law enforcement agencies, it is expected that this downward trend will continue.

The emerging threat

However, it is unfortunately not all positive. In recent months, the militant group Abu Sayyaf has attacked, and successfully hijacked, a number of merchant vessels off the Sabah and eastern Indonesian coasts. This upturn in abductions can likely be attributed to pressure placed on the militant group by local armed forces. In March and April 2016, four vessels were hijacked resulting in 18 crew members being abducted. As in the Straits of Malacca, the militants can act with relative freedom due to the complex geographical terrain and, particularly in the case of the Sulu Archipelago, the relatively small reach of local law enforcement agencies. In addition to the above, the JWC removed the Sulu Archipelago from its list of excluded areas in December 2015, potentially leading to a greater flow of trade through the area. In an agreement made on 5 May 2016, the governments of Indonesia, Malaysia and the Philippines agreed to implement co-ordinated anti-piracy controls in the region.

What can members do to combat this?

Members should remain vigilant when trading in the region and stay informed. ReCAAP, together with The Republic of Singapore Navy's Information Fusion Centre (IFC) and the S Rajaratnam School of International Studies (RSIS), Singapore has recently published *The Guide for Tankers Operating in Asia against Piracy and Armed Robbery Involving Oil Cargo Theft* to help with the prevention of piracy attacks on tanker vessels operating in Asia and the *Regional Guide to Counter Piracy and Armed Robbery Against Ships in Asia*. The two guidelines can be found on the [Standard Club website](#) and make a number of detailed recommendations to ship managers, as well as the master and crew, on dealing with South-East Asian piracy. The guides also provide

guidance on post-incident response. In response to the problem of Abu Sayyaf off the Sabah and eastern Indonesian coasts, ReCAAP has published a special report on the abduction of crew from tug boats in these waters.

The Singapore War Risks Mutual (SWRM)

After the 2005 JWC declaration of the Straits of Malacca as an additional premium area, there was a fear in Singapore that this may have an adverse effect on the city state's maritime economy. The Singapore maritime community had no vehicle to influence the additional premium areas and there was concern at the reliance on the international insurance markets. In response to this, The Standard Club Asia Ltd, with the support of the Singapore Shipping Association and the local maritime community, established the SWRM to give Singapore-connected shipowners more control over their war risks insurance. The SWRM is a class within The Standard Club Asia Ltd and offers cover for P&I War, Hull War, Detention and Diversion Expenses, Sue and Labour, discretionary insurance and additional insurance such as War Loss of Hire, with all covers being written on a mutual basis. Further details can be found on the [SWRM website](#).

The website also gives access to an interactive map showing the AP Areas and piracy incident information from the last three months. This map is provided by [NYA International](#), a world-leading risk and crisis management consultancy with over 25 years' experience of providing services to the maritime industry. SWRM works in partnership with NYA International to provide members with a free trial of NYA's intelligence reports (including live piracy and maritime security alerts), and subsidised access to MarTrack™ to view global [piracy incident data](#) since 2009.