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Indian Ocean Watch

A Monthly Newsletter on the Indian Ocean Region



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Editor

Ruchita Beri

Contributors

Keerthi Sampath Kumar

Princy Marin George

Saurabh Mishra

This Newsletter tracks developments in the following countries of the Indian Ocean region

Australia, Bangladesh, Comoros, India, Indonesia, Iran, Kenya, Madagascar, Malaysia, Mauritius, Mozambique, Oman, Seychelles, Singapore, South Africa, Sri Lanka, Tanzania, Thailand, United Arab Emirates, Yemen

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EDITOR'S NOTE

In the month of February, Australia took over the chairmanship of the IOR-ARC and expressed its interest to work closely with India to address challenges and to develop new opportunities in the Indian Ocean region. In other developments, India is all set to receive INS Vikramaditya from Russia in November this year. On the other hand, India dispatched one of its own Dornier aircraft to Seychelles to help the country fight piracy. Meanwhile, Iran has expanded its operational zone in the Indian Ocean but has stressed that joint military operations with China are not part of its agenda.

On the economic front, Iran plans to invest US\$ 600 million in the Bandar Abbas port by the end of this year. Meanwhile, Kenya and Tanzania are exploring possibilities of a joint partnership to reduce congestion at their major ports to speed up their economies. Separately, an Italian company involved in exploration in Mozambique announced the discovery of more natural gas in the Rovuma basin of the country. The fishing industry in Tanzania is in a crisis, with its contribution to the national economy falling ten times over the last sixteen years forcing the government to devise strategies for effective marine resources utilisation. In other developments, Yemen continued its negotiations with Ukraine to join the WTO.

Climate change is posing a major threat to the marine turtle populations in the Indian Ocean region while a heatwave off the Australian coast is endangering marine life. According to reports, India and the UAE have decided to donate for rehabilitation and relief work in the Seychelles that was hit by heavy rains and flooding.

We look forward to suggestions and comments from our readers.

Ruchita Beri

Editor

MARITIME SECURITY

Australia wants to work closely with India during its term

Australia expressed its interest to work closely with India and others to address challenges and develop new opportunities like combating piracy and climate change in the Indian Ocean region. Australia took over the chairmanship of the IOR-ARC from India in the month of March. Speaking at a seminar, Australian High Commissioner to Singapore, Philip Green said that the IOR-ARC must engage dialogue partners such as the US and China on a constructive and ongoing basis. He added that a regional approach was the most effective way to combat the ongoing and persistent challenges that the region faces.¹

India to receive *INS Vikramaditya* from Russia this year

India's navy will gain a strategic advantage in the Indian Ocean region in November this year when it will receive the much-delayed *INS Vikramaditya* aircraft carrier from Russia. The aircraft carrier that was supposed to have been handed over in December last year was delayed due to problems detected during the sea trials. Russia will also train the Indian crew of about 1,500 members and create an infrastructure for the ship in the Indian Ocean.²

Ukrainian navy looks for cooperation with Indian navy against anti-piracy operations

The Ukrainian navy that is preparing for participation in international anti-terrorist and anti-piracy maritime operations sought cooperation with the Indian navy. The Indian navy that has significant practical results in combating piracy in the Indian Ocean will exchange experience in the tactical use of warships and detachments while participating in anti-piracy operations. In turn, Indian Defence Attache, Commodore Siddhartha Sant proposed to the Ukrainian side to consider the prospects for a visit by a Ukrainian warship to an Indian port.³

Iran expands operational zone in Indian Ocean

A fleet of Iranian warships undertook a voyage to Southeast Asia, passing through the Strait of Malacca. The Iranian navy has expanded its operational zone to the Northern waters of the Indian Ocean and is now operating in a vast area. Iran also denied joint military with China and stressed that such drills were not part of the agenda of the Iranian Navy.⁴

Malaysia conducts maritime exercise with Singapore

The navies of Singapore and Malaysia conducted

¹ "Australia to work closely with India to strengthen IOR-ARC", *The Economic Times*, February 22, 2013 at http://articles.economictimes.indiatimes.com/2013-02-22/news/37242301_1_indian-ocean-rim-association-ior-arc-regional-cooperation

² "Russia to hand over *INS Vikramaditya* to India in November", *Indian Express*, February 22, 2013 at <http://www.indianexpress.com/news/russia-to-hand-over-ins-vikramaditya-to-india-in-november/1078196/0>

³ "Ukrainian, Indian navies to share experience in anti-piracy operations", *Interfax-Ukraine*, February 26, 2013 at <http://en.interfax.com.ua/news/general/142428.html#.UUrQ9Rfe4y4>

⁴ "Iranian warships to dock in China, India, Sri Lanka", *Global Research*, February 24, 2013 at <http://www.globalresearch.ca/iranian-warships-to-dock-in-china-india-sri-lanka/5324113>

Exercise Malapura, a bilateral maritime exercise. The exercise was hosted by Malaysia and was held from February 25 to March 8. The 12-day exercise involved around 540 personnel from the Republic of Singapore Navy and the Royal Malaysian Navy and focused on joint planning and training at the Changi Naval Base, conducting drills in conventional naval warfare, and maritime security in the Malacca Strait. The exercise was the 23rd in the series held since 1984. The two navies have held regular interactions across various activities including professional training, multilateral activities as part of the Five Power Defence Arrangements, and enhancing maritime security through the Malacca Strait Patrols arrangement.⁵

Malaysia, Philippines to boost patrols on common maritime borders

The Philippines government has decided to increase military patrols on its maritime borders with Malaysia in the wake of the three-week long standoff in the Sabah state of Malaysia. The security boost is aimed at preventing further entry of armed groups into Sabah. A group of members of a clan called the Royal Sulu Army, hailing from the southern Philippines, entered a coastal village in Sabah in early February and have claimed the territory as their own. The standoff has sparked a political crisis between the two countries. Both governments have urged the group to return home.⁶

Seychelles receives Dornier aircraft from India

Seychelles' Minister for Foreign Affairs Jean-Paul Adam, on behalf of his president, accepted a Dornier aircraft in Delhi in February 2013. The aircraft is set to boost Seychelles' maritime surveillance capacity. When Seychelles approached India for help to fight piracy, its economy was under siege due to piracy. India dispatched one of its own Dornier aircraft to help Seychelles and a total of four Seychellois pilots are being trained on the aircraft under the agreement between the two countries. The Dornier had been built by the Indian company HAL. The Indian government will also continue to deploy experts in Seychelles to facilitate the integration of the aircraft into Seychelles surveillance system while there is also provision for continued maintenance of the aircraft with Indian support.⁷

SCG and judiciary conduct joint exercise to combat piracy

Seychelles' judiciary and its Coast Guard (SCG) held a joint exercise on combating piracy in Seychelles. The purpose of the exercise was to increase the judges' understanding of how the Coast Guard intercepts pirates and to help the Coast Guard understand what the courts require from a legal point of view in prosecuting pirates. The exercise was facilitated by the EUCAP

⁵ "Singapore and Malaysian Navies Conduct Bilateral Maritime Exercise", *Ministry of Defence, Singapore*, February 25, 2013 at http://www.mindef.gov.sg/imindef/press_room/official_releases/nr/2013/feb/25feb13_nr.html#.UUBSC9bg6k8

⁶ "Philippines, Malaysia to patrol common maritime borders", *Yahoo News*, February 16, 2013 at <http://my.news.yahoo.com/philippines-malaysia-patrol-common-maritime-borders-060005748.html>; Also see "Malaysia attacks armed Filipino clan in Sabah", *Al Jazeera English*, March 5, 2013 at <http://www.aljazeera.com/news/asia-pacific/2013/03/20133502028937140.html>, and "Malaysia boosts Sabah security after Lahad Datu clashes", *BBC News*, March 4, 2013 at <http://www.bbc.co.uk/news/world-asia-21656732>

⁷ "New Dornier aircraft to boost maritime security", *Seychelles Nation*, February 4, 2013 at <http://www.nation.sc/index.php?art=30353>

NESTOR, a civilian mission deployed by the European Union to help the countries of the region build, strengthen and enhance their maritime capabilities. The SCG and judiciary have time and again demonstrated their willingness and ability to deal with the threat of piracy. This exercise was the first in a series that includes prosecutors and defence lawyers.⁸

SADC Navy Chiefs meet to discuss maritime security

The Naval Chiefs of the nations of the South African Development Community (SADC) met in Dar es Salaam to share experiences, challenges, encounters and various other issues. They discussed the implementation of the maritime security strategies in the region to achieve maritime domain awareness and bring order in the regional territorial water. The major challenges in the region are piracy and disaster management. The Standing Maritime Committee of the SADC is one of the key substructures under the defence sub-committee responsible for all maritime security related issues in the region. It has played a crucial role in curbing piracy despite inadequate water vessels. The SADC governments were called to support the efforts against piracy with equipments.⁹

Malagasy-registered vessels caught in Seychelles waters

Two vessels registered in Malagasy were caught by the Seychelles Coast Guard fishing illegally in its exclusive economic zone. The two vessels were

fishing for sea cucumbers within the lagoon of Cosmoledo Atoll without a legal licence. The two vessels and their 27 crew were escorted to Port Victoria where they were handed over to the Seychelles Fishing Authority and the Seychelles police.¹⁰

New anti-piracy coordination centre opens

A new coordination centre for fight against piracy has been officially launched in Seychelles. The centre is located at the former Seychelles Coastguard base on Bois de Rose Avenue. The facility is called the Regional Anti-Piracy Prosecution and Intelligence Coordination Centre. President James Michel had signed a memorandum of understanding (MoU) with British Prime Minister David Cameron for the setting up of this facility a year before. The impact of piracy on Seychelles has been substantial on national security, maritime tourism and economy.¹¹

Suspected pirates transferred to Seychelles by Dutch frigate

HNLMS De Ruyter, the Dutch EU Naval Force frigate, transferred nine suspected pirates to the Seychelles officials. It was the second successful transfer of suspected pirates by the EU Naval Force since January 2013. The decision of the Republic of the Seychelles to prosecute those suspected of attacking ships at sea was welcomed by the operation commander of the EU Naval Force. Seychelles is a steadfast partner of the EU, committed in the fight against piracy. It was a

⁸ "SCG and judiciary in anti-piracy exercise", *Seychelles Nation*, February 18, 2013 at <http://www.nation.sc/index.php?art=30513>

⁹ "SADC Navy delegates review maritime security strategies", *IPP Media*, February 21, 2013 at <http://www.ippmedia.com/frontend/index.php?l=51489>

¹⁰ "Foreign vessels caught illegally fishing in Seychelles waters", *Seychelles Nation*, February 26, 2013 at <http://www.nation.sc/index.php?art=30606>

¹¹ "New anti-piracy coordination centre opens", *Seychelles Nation*, February 26, 2013 <http://www.nation.sc/index.php?art=30603>

clear message to pirates that the EU Naval Force will always seek a legal finish. The first transfer was of twelve suspect pirates to Mauritius for prosecution.¹²

Sri Lanka appreciated for its role in Indian Ocean hydrography

At the 13th North Indian Ocean Hydrographic Commission meeting held in Myanmar, more than 15 countries including Sri Lanka, Australia, India participated. The Commission meets every year to discuss and take action regarding issues concerning the Indian Ocean hydrography. One of the priority areas in this meeting was the improvement and upgrading of navigational charts produced by member countries. During the meeting it was noted that Sri Lanka was on its way to becoming a maritime hub in Asia with its new Hambantota Port.¹³ Meanwhile, Sri Lanka also received commitment from the International Hydrographic Organisation for funding, technical support and training to help it improve the maritime and hydrographic area.¹⁴

Two Sri Lankan vessels caught for illegal fishing

In the last week of February, two Sri Lankan vessels were caught for fishing illegally in the

Nazareth fishing bank, 750 kilometres north of Mauritius by the Malagasy patroller, *Atsanta* that operates under the Indian Ocean Commission (IOC) Regional Fisheries Surveillance Plan. The *Atsanta* crew comprises a team of inspectors of Fisheries Administration from the Comoros, Reunion Island, Madagascar and the Seychelles as well as members of the Malagasy police and Mauritian coastguard.¹⁵

Modern Russian warship docks at Dar es Salaam Port for the first time

Marshal Shaposhnikov became the first Russian warship in modern history to visit Tanzania. It docked at the Dar es Salaam Port for a five-day tour of the country in February 2013. The ship was part of the efforts to fight piracy on high seas. In establishing a security agreement, the UN Security Council unanimously approved a resolution that gives states permission to send warships to the maritime belt of Somalia.¹⁶ The Russian sailors trained Tanzanian sailors on anti-piracy techniques. The presence of warships in the Indian Ocean has had positive effect on piracy in the region with attacks decreasing consistently.¹⁷

¹² "Nine suspected pirates transferred to Seychelles by Dutch EU Naval Force Frigate De Ruyter", *EU NAVFOR Somalia*, February 28, 2013 at <http://eunavfor.eu/nine-suspected-pirates-transferred-to-seychelles-by-dutch-eu-naval-force-frigate-de-ruyter/>

¹³ "Lanka's role in Indian Ocean hydrography commended", *Sunday Observer*, February 13, 2013 at <http://www.sundayobserver.lk/2013/02/24/new20.asp>

¹⁴ "Training for Lanka to improve maritime, hydrographic area", *Daily News*, February 26, 2013 at <http://www.dailynews.lk/2013/02/26/news50.asp>

¹⁵ "Sri Lankan fishing boats intercepted 750 km from island", *The Independent Daily*, February 26, 2013 at <http://theindependent.mu/3/3531-sri-lankan-fishing-boats-intercepted-750-km-from-island.html>

¹⁶ "Russian anti-piracy ship docks at Dar es Salaam port", *Daily News Online*, February 20, 2013 at <http://www.dailynews.co.tz/index.php/local-news/14858-russian-anti-piracy-ship-docks-at-dar-es-salaam-port>

¹⁷ "Russian warship ends Dar es Salaam tour of duty", *Daily News Online*, February 28, 2013 at <http://www.dailynews.co.tz/index.php/local-news/15063-russian-warship-ends-dar-es-salaam-tour-of-duty>

ECONOMIC COOPERATION

Iran to invest US\$600 million in Bandar Abbas port

The Director General of Iran's Bandar Abbas port has announced that close to US\$600 million is expected to be invested in the Bandar Abbas Special Economic Zone (SEZ) by the end of this year. The investment will take the form of 11 contracts with private sector players and is expected to create around 1400 jobs for local residents. The contracts include construction of warehouses for export, import, and transit of cargo; bunkering reserves; and, construction of rail and container terminals.¹⁸

Iran oil sanctions hit British marine insurers

Marine insurers in the UK are reporting that Britain has committed "economic suicide" by supporting the EU's oil sanctions on Iran. The sanctions also prevent EU insurers from underwriting ships carrying Iranian oil. Britain holds the biggest share of the global marine insurance market. The sanctions have forced tanker companies to withdraw their contracts with British insurers so as not to lose lucrative deals with Iran. The International Group of P&I Clubs, which holds 95 per cent of global tanker insurance against pollution and personal injury claims, has said that the oil ban is likely to have long-term consequences for British insurance revenues. The loss of maritime insurance for the UK is likely to total around £1.5 billion and is predicted to deal a heavy blow to the debt-ridden

British economy. Iran has continued its oil exports, with Asian consumers such as China and India defying calls from the US and the EU to cut oil imports from Iran.¹⁹

Central Bank of India to set up representative office in Kenya

The Central Bank of India (CBI) has been authorized by the Kenyan Central Bank to open a representative office in Kenya. The bank has now joined HSBC, HDFC Bank, Bank of China, Nedbank, and FirstRand Bank which have representative offices in Nairobi. The bank operates in Zambia also where it offers both retail and corporate banking. The office will conduct research, marketing of products and services of the bank to prospective customers in Kenya and the East Africa. It will also act as a liaison between CBI's head office and its customers in the region.²⁰

India and Seychelles discuss renewable energy projects

India and Seychelles discussed how Seychelles can tap India's expertise on renewable energy. Two experts from the Indian Ministry of New and Renewable Energy visited Seychelles in February 2013. They met the Minister for Environment and Energy, Professor Rolph Payet, and the Minister for Foreign Affairs Jean-Paul Adam to discuss the scope of sharing their experience for renewable energy projects in Seychelles. They also interacted with the officials of Seychelles Energy

¹⁸ "\$600 million investment in Bandar Abbas by the end of the year", *(Iran) Ports and Maritime Organization*, February 9, 2013 at <http://www.pmo.ir/en/news/18427>

¹⁹ "Iran ban paralyzes UK marine insurance", *PressTV (Iran)*, February 2, 2013 at <http://www.presstv.ir/detail/224420.html>

²⁰ "India bank to set up liaison office in Kenya", *The Star*, February 19, 2013 at <http://www.the-star.co.ke/news/article-108269/india-bank-set-liaison-office-kenya>

Commission and others regarding partnership in solar and biomass based power generation in grid/off-grid mode. It was felt that the Indian expertise could also help for water desalination based on Ocean Thermal Energy Technology.²¹

Kenya and Tanzania join to reduce their port congestion

Tanzania and Kenya are looking for a partnership to cut congestion at their major ports to speed up their economies. With this joint venture with Tanzania, the port of Mombasa strives to reclaim its place as the gateway to East Africa. The new terminal of Juba port will be used to cater for the projected container increase. Kenya would also ensure the development of the Lamu Port to meet the growing demand. The Lamu port is regional in nature serving Uganda, Rwanda, Burundi, South Sudan and parts of the Democratic Republic of Congo. Over the last decade, the Port of Mombasa has experienced an increase in traffic by 7.4 per cent annually.²²

Kenya can survive sanctions

According to the International Monetary Fund, Kenya's economy will not suffer much if the international community imposes sanctions on the Uhuru Kenyatta government. At present, Kenya is much less dependent on the European countries than before. The drivers of Kenya's economic growth have been domestic, including the ICT and financial sector and increased investments by the middle class. The country can boost its economic strength to withstand any jolt from drastic actions by European Union member

countries. The IMF has decided to work with anybody who leads the country regardless of the ICC cases. The review concluded that Kenya has done well despite the difficult circumstances posed by the global crisis, high cost of the Operation Linda Nchi in Somalia, and the ongoing electoral disruptions. The IMF has also cautioned that any violence regarding the elections will reduce the growth.²³

Kenyan aquaculture production rises by five-fold in the last four years

Kenyan aquaculture production has increased by over 500 per cent in the last four years. The production stood at 4,220 metric tonnes in 2008 before shooting to 22,000 tonnes. The area under production has also risen. A total of 51,200 ponds have been constructed in 160 constituencies countrywide stocked with 50 million fingerlings. Aquaculture value chain had created directed employment for over 150,000 farmers and short-term employment for over 1 million youth.²⁴

Kenya assures South Sudan for completion of Lamu project in time

The manager of the Lamu port project has attempted to allay the fears of its implementation taking a longer time. He said that the project was on good course and within the time frame. This was in response to the south Sudanese growing impatience over the project's completion. Earlier, the executive chairman of Sudan Foundation, Costello Ring Garang had said that if the speed at which the Kenya government is constructing Lamu port and the railway line does not

²¹ "India and Seychelles discuss renewable energy projects", *Seychelles Nation*, February 25, 2013 at <http://www.nation.sc/index.php?art=30599>

²² "Tanzania, Kenya ports move to cut congestion", *East African Business Week*, February 11, 2013 at <http://www.busiweek.com/news/tanzania/4492-tanzania-kenya-ports-move-to-cut-congestion>

²³ "Kenya can survive international community sanctions, says IMF", *The Star*, February 15, 2013 at <http://www.the-star.co.ke/news/article-107587/kenya-can-survive-international-community-sanctions-says-imf>

²⁴ "Fish production rises by 500 per cent", *The Star*, February 16, 2013 at <http://www.the-star.co.ke/news/article-107850/fish-production-rises-500-cent>

accelerate, his country would seriously consider shifting to Djibouti. The Kenyan official highlighted that Kenya is the best deal for South Sudan. The additional revenue will go towards maintenance of roads, and the pipeline. The oil rich South Sudan is to benefit a lot from the Lamu project. The Kenyan government has drawn a plan for procurement and courses of the goods.²⁵ Later, the South Sudan government denied the disputed reports claiming that it may abandon the Lamu project.²⁶

Tests confirm commercial quality oil in Kenya's Twiga 1

Tullow Oil, the leading oil exploration company in Turkana, declared that Twiga South-1 well has high quality oil. But the company said that it still requires ascertaining the total commercial viability of the project before production. The company announced that with optimised equipment, the cumulative oil flow rate would be somewhere around 5,200 barrels per day. It also announced that the other high quality crude wells have been suspended for future production.²⁷

Baobab Resources increases its iron ore estimates

The estimate of iron ore reserves at its Tenge/Ruoni in the western Mozambican province of Tete, Mozambique, has been augmented by Baobab Resources, a British company. The

company feels that it has an access to 725 million tonnes of iron ore now. It plans to use local coal for smelting the ore into pig iron and is looking forward for a range of production scenarios of about 4 million tonnes per year.²⁸

Further gas discovery in Mozambique

ENI, an Italian company involved in exploration, announced discovery of more natural gas in the Rovuma Basin, Mozambique. This confirms that the company holds an estimated 75 trillion cubic feet of gas. ENI, which operates in Area 4 with a 70 per cent participation stake, has plans for further drilling in Mamba South 3 and Area 4. The new discoveries add to Mozambique's known gas reserves, which include the massive reserves in the neighbouring Offshore Area 1 and the Pande and Temane gas fields off the coast of Inhambane province.²⁹

Oman initiates fellowship programme for Zanzibari students

Sultan Qaboos Academic Fellowship Programme for students from the Zanzibar islands has been inaugurated. According to the programme, fifty Zanzibar bachelors, masters, and PhD students will receive scholarships annually. It also includes administrative exchange, material sharing and collaborative research projects funded by the Government of Oman. Trainers from Zanzibar will also be trained in the fields of education,

²⁵ "Lamu project on course, Kenya tells South Sudan", *The Star*, February 20, 2013 at <http://www.the-star.co.ke/news/article-108402/lamu-project-course-kenya-tells-south-sudan>

²⁶ "S. Sudan denies it plans to abandon Lamu port project", *Sudan Tribune*, February 21, 2013 at <http://www.sudantribune.com/spip.php?article45603>

²⁷ "Tullow tests confirm high quality oil at Twiga 1 well", *The Star*, February 22, 2013 at <http://www.the-star.co.ke/news/article-108852/tullow-tests-confirm-high-quality-oil-twiga-1-well>

²⁸ "Baobab increases known iron reserves", *All Africa*, February 22, 2013 at <http://allafrica.com/stories/201302230039.html>

²⁹ "ENI discovers yet more gas in Mozambique", *All Africa*, February 26, 2013 at <http://allafrica.com/stories/201302261322.html>

health, environment, infrastructure and entrepreneurship.³⁰

South African fisheries fail to meet target

The department of Agriculture, Forestry and Fisheries in South Africa has admitted that it would not meet its targets for the Chief Directorate Fisheries' Research and Development, Monitoring and Control Surveillance. The failure to meet survey deadline affects the Marine Stewardship Council certification of hake stocks in South Africa. The fishing industry is expected to be severely compromised due to the failure which may imperil around 9000 jobs. The department blames the Navy for its failure as the majority of the vessels are either gone for repairs or not fit to sail after losing their ISM Class Certification.³¹

Japan to invest more in South Africa

South Africa and Japan have signed a Memorandum of Understanding (MOU) to increase Japanese investment in South Africa. The South African Department of Trade and Industry and the Bank of Tokyo-Mitsubishi UFJ Ltd, agreed to increase South African-Japanese cooperation in several areas, including platinum beneficiation and transport infrastructure. The agreement would be assessed on an annual basis which may take the South Africa-Japan

relationship to a new level.³²

South Africa for focused campaign to tap Indian tourists

South Africa is to give a specific focus on India as a tourism market as it experienced an increase in the number of visitors from India in 2012 by 18 per cent from the previous year. South Africa has been promoting its tourism sites in India since 2005 with focus on film, fashion, sports and food. Identifying India as a core market, South Africa has already set up a fully operational tourism office in India. Both the countries have good bilateral relations and have developed close strategic, cultural and economic ties. South African Tourism is also training 1000 Indian travel agents and tour operators to influence the Indian market. It targets to break the 100,000 arrivals-mark by 2014.³³

Serengeti National Park of Tanzania gets global tourism award

The Serengeti National Park has been selected by the international businessmen group Global Trade Leaders Club as the winner of the 2013 International Award in Tourism, Hotel and Catering Industry. Serengeti, Tanzania's oldest national park, remains the leader of the country's tourism industry. The area attracts 150,000-200,000 tourists every year.³⁴

³⁰ "Oman boosts education in Zanzibar", *Daily News Online*, February 9, 2013 at <http://www.dailynews.co.tz/index.php/local-news/14513-oman-boosts-education-in-zanzibar>

³¹ "Fisheries finally admits it's sinking", *Democratic Alliance*, February 19, 2013 at <http://www.da.org.za/newsroom.htm?action=view-news-item&id=11848>

³² "South Africa, Japan sign investment pact", *SouthAfrica.info*, February 20, 2013 at <http://www.southafrica.info/mobile/business/japan-200213.htm>

³³ "SA to build on tourist growth from India", *SouthAfrica.info*, February 28, 2013 at <http://www.southafrica.info/travel/india-280213.htm.htm#.UT4YsDfLvAU>

³⁴ "Tanzania Serengeti National Park wins prestigious Global Tourism Award", *Tanzania Invest*, February 1, 2013 at <http://www.tanzaniainvest.com/tourism/news/546-tanzania-serengeti-national-park-wins-prestigious-global-tourism-award>

Fishing industry has slumped in Tanzania

It is a tough time for the Tanzanian fishing industry. Its contribution to the national economy has slumped ten times through the last sixteen years. The government is under pressure for devising strategies for effective marine resources utilization. Mr. Benedict Ole Nangoro, the Deputy Minister for Livestock Development and Fisheries, informed that efforts to improve the industry are underway with the help of the World Bank which supports the Marine and Coastal Environment Management Project in the country. According to his statistics, the industry contributed 10 per cent of the national income sixteen years ago which has now come down to a mere 1.3 per cent.³⁵

UAE-Indonesian trade crosses DH4.7 billion

Trade between the UAE and Indonesia reached DH4.7 billion in the first 8 months of 2012, according to reports released following a meeting between the UAE Minister of Foreign Trade and her Indonesian counterpart in the last week of February. Among other developments discussed, the UAE has focused on creating a joint UAE-Indonesian SME network while commending Indonesia for creating its own countrywide SME network. The meeting, held at the sidelines of the Second Government Communication Forum in Sharjah, also focused on strengthening investment channels particularly in tourism, trade and SME mediums.³⁶

Yemen continues negotiations to join WTO

Yemen's Ministry of Industry and Trade has announced that it is discussing technical procedures to be implemented for the country to join the World Trade Organisation (WTO), and is currently negotiating with Ukraine, the only country that is opposing Yemen's entry. According to Ukrainian press reports, the country has rejected Yemen's acceptance into the WTO because of a case of fraud involving the Ukrainian Trade Foundation and the Yemeni military, which eventually cost the former millions of dollars. The Ukrainian government has so far not explicitly stated this as the reason for its stance against Yemen's membership. WTO membership would accord Yemen advantages such as exporting its products to foreign markets without payment of customs tariffs, and commercial activity with countries around the world.³⁷

³⁵ "Fishing industry share 'declining'", *Daily News Online*, February 4, 2013 at <http://www.dailynews.co.tz/index.php/parliament-news/14361-fishing-industry-share-declining>

³⁶ "DH4.7 Billion Value of UAE-Indonesian Trade During First 8 Months of 2012", *UAE Interact*, February 25, 2013 at http://www.uaeinteract.com/docs/Dh4.7_billion_value_of_UAE_-_Indonesian_trade_during_first_8_months_of_2012/53677.htm

³⁷ "Yemen Fighting to Join WTO", *Yemen Times*, February 28, 2013 at <http://www.yementimes.com/en/1655/news/2065/Yemen-fighting-to-join-WTO.htm>

ENVIRONMENTAL CONCERNS/ DISASTER RISK MANAGEMENT

Climate change, a threat to marine turtles

Marine turtle populations face mounting threat from climate change and coastal development and scientists have made a stronger pitch for protecting key nesting grounds to ensure that the reptiles have a better chance of withstanding climate change. According to reports, some turtle populations in the West Indian Ocean, Northeast Indian Ocean among other oceans are the least likely to recover from the impacts of climate change.³⁸

Marine life endangered by heatwave

A new research has shown that a marine heatwave off Western Australia, killed fish and bleached coral as water temperatures were more than three degrees Celsius above long-term seasonal averages. It is reported that the unusual conditions were caused by the La Nina climate phenomenon that brings rain, floods and cyclones.³⁹

Lost continent discovered in Indian Ocean

According to a recent research, a lost ancient continent has been discovered on the floor of the Indian Ocean that sank beneath the western Indian Ocean, near Mauritius, millions of years

ago. It is believed by researchers that one part of the continent survived and now forms the Seychelles.⁴⁰

UNHCR calls countries to tackle rise in death toll in the Indian Ocean

The UN High Commissioner for Refugees reiterated his call for all countries in the Asia Pacific region to work together to tackle the increase in loss of lives among people smuggled by boat in the Indian Ocean. In 2012 alone, almost 500 people perished at sea after their boats broke down or capsized, thus making the Indian Ocean one of the deadliest regions in the world.⁴¹

India and Abu Dhabi donate for disaster relief in Seychelles

The Government of India decided to donate US\$100,000 for rehabilitation and relief work in Seychelles hit by heavy rains and flooding. A communiqué from the high commission of India in Seychelles wished for rapid recovery of infrastructure and normalisation of the affected families.⁴² The government of Abu Dhabi of the United Arab Emirates (UAE) has also donated US \$2 million to Seychelles' National Disaster Relief Fund. India and Abu Dhabi have a strong

³⁸ "Marine turtles under threat", *The Hindu*, February 20, 2013 at <http://www.thehindu.com/todays-paper/tp-in-school/marine-turtles-under-threat/article4433238.ece>

³⁹ "Ocean heatwave scorched fish, coral reefs: report", *WAtoday.com.au*, February 21, 2013 at <http://www.watoday.com.au/environment/climate-change/ocean-heatwave-scorched-fish-coral-reefs-report-20130221-2esyv.html>

⁴⁰ "Lost continent found on floor of Indian ocean", *ABC News*, February 27, 2013 at <http://www.abc.net.au/news/2013-02-25/lost-continent-found-on-floor-of-indian-ocean/4537924>

⁴¹ "UN High Commissioner for Refugees says regional effort needed to reduce Indian Ocean death toll", *UNHCR.org*, February 26, 2013 at <http://www.unhcr.org/512c784d6.html>

⁴² "India donates \$100,000 for disaster relief", *Seychelles Nation*, February 13, 2013 at <http://www.nation.sc/index.php?art=30462>

relationship with the Seychelles Government as they finance many projects in the country.⁴³

Kenya, Tanzania sign MoU on joint transboundary ecosystem management

Kenya and Tanzania have agreed for joint transboundary management of lakes Chala, Jipe and the Uмба River ecosystems. They will set up a Joint Cooperative Framework and other institutions for sustainable development and management of the ecosystems. The two signatories agreed to cooperate in many other areas of environment management, for instance water supply, sanitation, Integrated Water Resources Management (IWRM), land use practices, data and information sharing, capacity building and research. The MoU would be implemented on the directions by the Sectoral Council of Ministers for Lake Victoria Basin.⁴⁴

Madagascar hit by cyclone Haruna

A powerful, category two cyclone, Haruna, hit southwestern Madagascar in February 2013. Over 17,000 people have been rendered homeless by the disaster. Thirteen deaths have been reported due to the disaster. Morombe and Toliary are the most affected districts from widespread flooding due to a broken dyke. NGOs and the UN have started their assistance activities which have been projected to increase. Several other international agencies have provided emergency funds to aid Madagascar.⁴⁵

US\$1 million SEFA grant to Madagascar for sustainable energy

A US\$1 million grant to Madagascar for a hybrid renewable energy project has been approved by the Sustainable Energy Fund for Africa. The project will be established in the Nosy Be Island, Madagascar. It will be used for feasibility studies for joint hydro, wind and solar technologies. Technical assistance to the national power utility and transactions advisory for a public-private partnership are the other objectives. The African Development Bank is paving the way for private investors and others to converge to deliver a sustainable energy solution.⁴⁶

Largest renewable energy project in Middle East inaugurated

Masdar, a company owned by the Abu Dhabi government-owned Mubadala Development Company announced the inauguration of Shams 1, the largest renewable energy project in the Middle East. The project will generate 100 megawatts of clean and sustainable energy and is expected to cost US\$600 million. Shams 1 will cover an area of over 2.5 square kilometres making it one of the largest concentrated solar power plants in the world, and the first utility-scale commercial solar power project in the Middle East. Shams 1 is located near Madinat Zayed in western Abu Dhabi, and will begin feeding power to the emirate's national grid in March this year, helping power around 20,000 homes. Masdar's

⁴³ "Abu Dhabi donates \$2m for disaster relief", *Seychelles Nation*, February 6, 2013 at <http://www.nation.sc/index.php?art=30375>

⁴⁴ "Kenya, Tz sign ecosystems MoU", *The Sunday Times*, February 17, 2013 at <http://www.newtimes.co.rw/news/index.php?a=13385&i=15271>

⁴⁵ "Tropical cyclone Haruna hits southwestern Madagascar", *IRIN*, February 25, 2013 at <http://www.irinnews.org/Report/97542/Tropical-Cyclone-Haruna-hits-southwestern-Madagascar>

⁴⁶ "\$1m SEFA grant to energy services in Madagascar", *Daily Trust*, February 8, 2013 at <http://www.dailytrust.com.ng/index.php/business/50226-1m-sefa-grant-to-energy-services-in-madagascar>

statement also referred to the UAE's initiatives in promoting clean and sustainable energy as a way to meet future energy needs, and reduce environmental footprint.⁴⁷

Humanitarian assistance to Mozambique

In response to the flooding of Mozambique, a 35 tonnes of humanitarian aid has been sent by Russia. The aid constituted tents, blankets, tinned food, rice and a mobile electric power plant. Aid has also been promised by companies working in Mozambique. Another Irish company donated about US\$32000 to help the flood victims. Some other commercial donations include US\$500,000 from BHP Billiton and 450,000 litres of bottled water and ten tonnes of fortified milk powder from Nestle. Around 214, 000 people are being provided assistance by the United Nations World Food Programme in the worst hit Gaza province of the country. The demand for aid has been expected to increase further.⁴⁸

Oman to implement early warning system

Oman's Public Authority for Civil Aviation has announced that it is implementing a National Multi-Hazard Early Warning System in response to a Royal Order from the Sultanate's leader following the 2004 tsunami and adverse weather conditions that hit Oman in 2007 and 2010. The project will consist of nine stages; seven stations for monitoring sea levels have been installed in addition to five radars to monitor marine currents and waves. When completed, the Sultanate will have 21 earthquake network stations. Oman has

been working with the UNESCO and the Intergovernmental Oceanographic Commission for technical assistance on the project, with an international conference planned to be organised in Muscat at the end of this year showcasing the project.⁴⁹

South Africa plans for carbon taxing

South Africa is planning for first generation carbon tax from January 1, 2015. The rate of the tax would be R120 per ton of CO2 equivalent. A tax-free exemption threshold of 60 per cent will also be set with extra allowances for emissions intensive and trade-exposed industries.⁵⁰

UAE building on long-term clean energy initiatives

The UAE is also building on other long-term green initiatives in a bid to contribute to reduce the human impact on climate change. Under a key initiative called "A green economy for sustainable development", the UAE aims to lead in the export and re-export of green products and technologies. Other such projects include the production and use of renewable energy and related technologies; creating employment opportunities in the production of green technologies; focus on urban planning policies to build green cities; reducing carbon emissions through promotion of organic agriculture and other such initiatives; and reducing wastage of water resources, electricity, and natural resources, while promoting recycling.⁵¹

⁴⁷ "Shams 1 Renewable Energy Project to be Opened on March 17", *UAE Interact*, February 26, 2013 at http://www.uaeinteract.com/docs/Shams_1_renewable_energy_project_to_be_opened_on_March_17/53710.htm

⁴⁸ "Russian aid on way to Maputo", *All Africa*, February 27, 2013 at <http://allafrica.com/stories/201302280119.html>

⁴⁹ "Early Warning System Under Way", *Oman Daily Observer*, February 20, 2013 at <http://main.omanobserver.om/node/153078>

⁵⁰ "Carbon tax for SA", *Parliament of the Republic of South Africa*, February 27, 2013, at http://www.parliament.gov.za/live/content.php?Item_ID=2904&Revision=en/0&SearchStart=0

⁵¹ "UAE Builds Long-Term Green Initiatives", *UAE Interact*, February 24, 2013 at http://www.uaeinteract.com/docs/UAE_builds_long-term_green_initiatives/53659.htm

About the IDSA

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The Institute for Defence Studies and Analyses (IDSA) is a non-partisan, autonomous body dedicated to objective research and policy relevant studies on all aspects of defence and security. Its mission is to promote national and international security through the generation and dissemination of knowledge on defence and security-related issues.

The Africa, Latin America, Caribbean & UN Centre of IDSA focuses on understanding developments in the African and the Indian Ocean Region. The Centre also endeavours to analyse India's engagement with Latin American countries, particularly in forums such as the IBSA and BRICS. In addition, the Centre carries out research on the broader theme of India and the United Nations.

This newsletter, compiled by the IDSA covers the recent developments in the fields of maritime security, economic cooperation and environmental concerns/ disaster risk management in the various countries of the Indian Ocean region.



No.1, Development Enclave, Rao Tula Ram Marg,
Delhi Cantt., New Delhi - 110 010
Tel. (91-11) 2671-7983 Fax.(91-11) 2615 4191
E-mail: contactus@idsa.in Website: <http://www.idsa.in>