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# Indian Ocean Watch

*A Monthly Newsletter on the Indian Ocean Region*



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**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

## **Disclaimer**

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## EDITOR'S NOTE

In the month of August, there were several significant developments in the region. The Indian Navy gave a boost to its modernisation plan with the launch of its first indigenous aircraft carrier, Vikrant, and also launched its first indigenous communications satellite, GSAT-7. Shortly after this, as a setback to the Indian Navy, came the news of the sinking of INS Sindhurakshak while docked at Mumbai. Australia has formed a task force to examine a proposal to move its Navy's assets to the north in order to meet future security challenges. Meanwhile, ASEAN agreed on a Code of Conduct for the South China Sea before its bilateral talks with China on the contentious issue.

The 3rd Biannual Meeting of the Committee of Senior Officials (CSO) of the Indian Ocean Rim-Association for Regional Cooperation (IOR-ARC), hosted by India, was held in Mauritius from August 20-21. In other developments on the economic front, sixteen members of the Comprehensive Economic Partnership for East Asia (CEPA) agreed to adopt common tariff rates under a regional trade pact. Mangalore Refinery and Petrochemicals Ltd., resumed oil imports from Iran after the Indian government proposed a 20 billion rupee state guarantee to back local insurance for plants using Iranian oil. Despite perceived Chinese influence in Sri Lanka, India intends to double its trade with the country in the next three years. Iran and Oman also signed a draft agreement for the construction of a pipeline to export Iranian natural gas to Oman.

Thailand experienced a major oil spill when a pipeline leaked approximately 50,000 litres of crude oil into the sea off Rayong Province. Although immediate steps to contain and remove the oil slick were taken, the environmental damage is still being assessed.

We hope our readers find this issue useful.

**Ruchita Beri**

**Editor**

## MARITIME SECURITY

### Indian submarine explodes

INS Sindhurakshak, a diesel-powered Indian submarine stationed at the Mumbai dock, exploded and sank on August 14, 2013. The incident, a huge loss to the Indian Navy, left 18 sailors missing who are feared to be killed. The cause of the explosion is not known and the Indian government has set up an enquiry. The fully operational submarine was carrying a “full complement of torpedoes and missiles” at the time of the incident. However, another submarine close to the Sindhurakshak, successfully drove away to safety. Sources confirmed that the fire broke out in the front section where the battery system and torpedoes are kept.<sup>1</sup>

### ASEAN meet to agree on a Code of Conduct in South China Sea

The Association of South East Asian Nations (ASEAN) agreed on a Code of Conduct (COC) for the disputed South China Sea, in an informal meeting in Hua Hin, Thailand. The agreement is aimed at strengthening the regional grouping and presenting a unified face to China at the ASEAN- China bilateral meeting, to be held in Beijing from September 14-15.<sup>2</sup> After years of resisting efforts made by the ASEAN to address conflicts in South China Sea, China has finally agreed to host talks between senior officials to discuss the COC, which seeks to establish maritime rules governing behaviour in the region and the Declaration of the Conduct of Parties in the South China Sea. The

Chinese Premier, Li Keqiang, said that China wants a peaceful resolution to the dispute although Beijing expressed no hurry to sign an accord.<sup>3</sup>

### Iran clarifies that it detained Indian tanker on charges of oil spill

According to Iran, MT Desh Shanti, an Indian oil tanker, was detained due to an oil spill alarm raised by a regional marine pollution monitoring agency. The Marine Emergency Mutual Aid Centre (MEMAC), based in Bahrain, blamed the ship for oil discharge while on its way from Iraq to India. The tanker, allegedly, had discharged “oily ballast water” making a 16 km long oil stain in the Persian Gulf. If the charge for environmental damage stand proven, penalties are likely to be slapped on the insurers of the ship. Holman Fenwick Willan Middle East, a law firm, stated that the investigations conducted by the Shipping Corporation of India did not find any evidence of oil spill from the vessel. The earlier media reports implied that the tanker was detained to signal Tehran’s displeasure with New Delhi for her decision to cut crude imports from Iran as a result of the western sanctions.<sup>4</sup>

### Sri Lanka reminds India of Joint Working Group Meet on fishermen’s issue

Rajitha Senaratne, Sri Lankan Fisheries and Aquatic Resources Minister, has demanded that India should host the Joint Working Group meeting on fishermen’s

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<sup>1</sup> “Navy submarine explodes, sinks”, *The Hindu*, August 15, 2013, <http://www.thehindu.com/todays-paper/tp-in-school/navy-submarine-explodes-sinks/article5023338.ece>

<sup>2</sup> “ASEAN agrees on South China Sea Conduct”, *Bangkok Post*, August 15, 2013 at <http://www.bangkokpost.com/news/asia/364660/asean-agrees-on-south-china-sea-conduct>

<sup>3</sup> “China says wants South China Sea solution but Manila sees worrying signs”, *New Straits Times*, September 3, 2013 at <http://www.nst.com.my/latest/china-says-wants-south-china-sea-solution-but-manila-sees-worrying-signs-1.348452>

<sup>4</sup> “Indian tanker detained after oil spill alarm, says Iran”, *The Hindu*, August 16, 2013, at <http://www.thehindu.com/todays-paper/tp-national/indian-tanker-detained-after-oil-spill-alarm-says-iran/article5027569.ece>

issue without any further delay. The Working Group is supposed to meet once in six months and the last meeting was held in Colombo in January 2012. According to the minister, it is now India's turn to host the meeting. He alleged that the fishermen in the northern Sri Lanka are affected severely because of Indian fishermen's engagement in bottom trawling which is banned in his country. The Sri Lankan authorities had arrested a total of 265 Indian fishermen in 2013 on charges of illegal fishing and 118 of them have been released so far.<sup>5</sup>

### **Pakistan-Thailand to strengthen defence ties**

Pakistan and Thailand agreed to strengthen defence ties, according to a joint statement issued at the end of Thai Prime Minister Yingluck Shinawatra's two day visit to Islamabad. While much of the focus of the visit was on deepening economic and trade relations, the two governments agreed to take several steps to enhance defence and security cooperation. High level exchanges between the three military services, cooperation in military training and exercises and academic linkages and collaboration in the defence industry were deemed to be important for better defence ties. The two countries also identified counter-terrorism, fight against transnational crime and intelligence sharing as important areas for security cooperation. They committed to support each other at the regional and multilateral fora. Thailand agreed to continue to support Pakistan's candidature for full dialogue partnership with ASEAN while Pakistan endorsed Thailand's bid for a position in the Organisation of Islamic Cooperation

(OIC). The two will also back each other's candidatures in the UN Human Rights Council.<sup>6</sup>

### **Sri Lankan Navy arrests 35 Indian fishermen**

The Sri Lankan Navy seized four Indian boats and arrested 35 fishermen on board from Pamban while they were fishing between Talaimannar and Dhanushkodi in the Palk Strait. The fishermen allegedly violated the International Maritime Boundary Line (IMBL) between the two countries. For the past more than a month, more than a hundred fishermen from Nagapattinam, Rameswaram, Nagapattinam and Karaikal, charged of crossing the IMBL and fishing in the Sri Lankan territory, are in Sri Lankan prison.<sup>7</sup> On the other hand, the Indian side is shocked as the fishermen from the Pamban area are known for their disciplined fishing.<sup>8</sup>

### **Kevin Rudd proposes to move Navy northwards**

The Australian Prime Minister announced the setting up of a task force to examine the relocation of a significant part of the navy's resources from Sydney's Garden Island to northern outposts in Queensland and Perth. The taskforce consists of the Chief of the Defence Force, the Secretary of the Defence Department and the Chief of Navy. It will provide advice on the timing, proportions and implementation of moving some or all of the fleet to naval posts in the north. The PM said that the strategic move would allow ships to respond faster to natural disasters and other operations and that Australia's future security challenges would lie to its

<sup>5</sup> "India unable to curb poaching: Sri Lanka", *The Hindu*, August 18, 2013, at <http://www.thehindu.com/todays-paper/tp-national/tp-tamilnadu/india-unable-to-curb-poaching-sri-lanka/article5034058.ece>

<sup>6</sup> "Pakistan and Thailand to upgrade defence ties", *Asia News Network*, August 22, 2013 at <http://www.asianewsnet.net/Pakistan-and-Thailand-to-upgrade-defence-ties-50655.html>

<sup>7</sup> "35 TN fishermen arrested by Lankan Navy", *The Hindu*, August 26, 2013, at <http://www.thehindu.com/news/national/tamil-nadu/35-tn-fishermen-arrested-by-lankan-navy/article5061198.ece>

<sup>8</sup> "We rarely cross maritime boundary line, say fishermen", *The Hindu*, August 29, 2013, at <http://www.thehindu.com/news/national/tamil-nadu/we-rarely-cross-maritime-boundary-line-say-fishermen/article5068833.ece>

northern approaches. He also said that the relocation would provide economic benefits to Queensland and to New South Wales (NSW), as it would help open up Garden Island to the possibility of new uses such as development of public green spaces.<sup>9</sup> However, the NSW Premier Barry O' Farrell criticised the proposal, saying that the Garden Island base brings in millions of dollars and creates thousands of jobs for Sydney's economy each year and they stand to lose a significant economic contributor to the state if the move goes through.<sup>10</sup>

### **UN Office on Drugs and Crime programme for reforming Somali pirates**

Many Somali pirates who terrorised the Indian Ocean hijacking dozens of ships every year and extorted millions of dollars as ransom, are undergoing a transformative stint in jails. According to some claims, it is not only the international military response against the pirates from the Horn of Africa that has ensued the process of their extinction but also the transformation and settlement efforts by the authorities of the jails in which they are imprisoned. More than 100 suspected and convicted pirates are incarcerated at the Shimo la Tewa high security prison in Kenya and they prefer to call themselves as "fishermen" rather than pirates. The jail authorities aim at teaching them some skills to earn a living and do not turn to piracy again, once they are out. They are taught to read and write, given free healthcare and adequate food. They play, sing and are also allowed to retain links with their families through phone calls. Most of them were illiterates but now

some have even taken exams. The fund for such counter-piracy programme is being provided by the UN office on Drugs and Crime.<sup>11</sup>

### **Mixed reactions from China on India's indigenous aircraft carrier**

A mixed and measured reaction has come from the Chinese side on the launch of India's first indigenous aircraft carrier Vikrant. Some Chinese analysts call it a reflection of India's "ambition to dominate the Indian Ocean" and an attempt to a greater Indian presence in the Pacific. A senior researcher at the People's Liberation Army (PLA) Naval Military Studies Research Institute observed that it will "further disrupt the military balance in South Asia" as the Indian Navy would be "more capable of patrolling distant oceans when the carrier is in service." On the other hand, Global Times, in a rare praise, lauded the launch of India's first indigenous aircraft carrier INS Vikrant, calling a "firm stride" towards indigenous production of hi-tech arms. But the praise was attached with a caveat that the launch of INS Vikrant and Japan's helicopter carrier should be taken as an alert for China.<sup>12</sup>

### **India's first full-fledged military communication satellite launched**

A multi-band spacecraft, GSAT-7, India's first advanced and full-fledged military communications satellite to be used exclusively by the Indian Navy was launched from Kourou space port of French Guiana in South America. It was the last of Indian Space Research Organisation's (ISRO's) series of seven

<sup>9</sup> "Task Force to examine Navy move from Sydney to Brisbane", *The Australian*, August 27, 2013 at <http://www.theaustralian.com.au/national-affairs/election-2013/taskforce-to-examine-navy-move-from-sydney-to-brisbane/story-fn9qr68y-1226704934011>

<sup>10</sup> "Kevin Rudd announces task force to look at moving Navy out of Sydney", *The Guardian*, August 27, 2013 at <http://www.theguardian.com/world/2013/aug/27/kevin-rudd-navy-out-sydney>

<sup>11</sup> "Reforming Somali pirates, securing their future", *The Hindu*, August 20, 2013, at <http://www.thehindu.com/todays-paper/tp-international/reforming-somali-pirates-securing-their-future/article5040679.ece>

<sup>12</sup> "Chinese daily lauds launch of INS Vikrant", *The Hindu*, August 21, 2013, at <http://www.thehindu.com/news/national/chinese-daily-lauds-launch-of-ins-vikrant/article5045154.ece>

satellites of fourth-generation. The satellite will significantly improve India's maritime security and intelligence gathering on either coasts of the Indian Ocean region. The satellite would be functionally ready by the end of September. It is India's first full-fledged military communication satellite built specially for navy's requirements of a platform to safely

link up its ships, submarines, aircraft and command from land in real time. The launch is a part of a long-term modernisation plan of the Indian Navy involving the use of satellites and information technology.<sup>13</sup>

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<sup>13</sup> "Navy's first satellite GSAT-7 now in space", *The Hindu*, August 30, 2013, at <http://www.thehindu.com/news/national/navys-first-satellite-gsat7-now-in-space/article5074800.ece>

## ECONOMIC COOPERATION

### MoU on tourism signed between Seychelles and South Africa

A mutually beneficial Memorandum of Understanding (MoU) for tourism industry has been signed between Seychelles and South Africa. The accord will create new opportunities for the tourists to go to South Africa and then come down to Seychelles. The agreement will also facilitate training and exchanges between the tourism academies of the two countries. The two parties have agreed to work together in trade fairs internationally. The pact emphasises not only on the need to attract the tourists coming from the region or the African continent, but also the need to welcome them in the country. Both the countries aim at further strengthening the mutually working relationship in the field of tourism.<sup>14</sup>

### Indonesia gears up for Open Skies Policy

Indonesian airline operators are gearing up for ASEAN's Open Skies Policy by procuring brand new planes, developing their human resources and improving services and maintenance centres, in order to capture a substantial share of the region's growing market. According to the Vice President Communications, of Indonesia's national carrier Garuda, they were confident that Garuda could compete with other carriers such as Singapore Airlines and Malaysia Airlines, who currently have stronger networks in the ASEAN region. Indonesia has also committed to open or expand its five international airports by 2015. The Open Skies Policy,

set to be implemented in 2015, is a component of the grouping's economic integration and aims at boosting air connectivity in the region. This, in turn, is expected to bring down barriers to trade, facilitate changes, ease the flow of labour and boost tourism.<sup>15</sup>

### Sri Lanka wants more business with India

The Sri Lanka Ports Authority (SLPA) envisions the new harbour at Colombo as a trans-shipment hub in the Indian Ocean Region, with the Eastern coast of India as the biggest business supplier. Large volumes of cargo from the Western coast of India are moved through Dubai or Oman, and Colombo will be far more attractive in terms of distance and efficiency as claimed by the Sri Lankan authorities. SLPA's future aim is to attract 20 per cent of the Indian container load while Colombo handles around 16 per cent currently. But, in the plan for the extension of the Sri Lankan port, most of the funds have ironically come from China which is competing with India for dominance in the region. China, which has been the biggest lender to Sri Lanka since the end of a destructive civil war in 2009, has funded US\$ 1.4 billion for the new land reclamation project, just south of the new Colombo port. The Sri Lankan authorities feel that they will be able to attract more Indian business simultaneously with the Chinese help.<sup>16</sup>

### The Government of Mozambique approves new tourism zone

Creation of a new integrated tourism resort in the northern province of Nampula has been approved

<sup>14</sup> "Seychelles, S. Africa boost ties in tourism", *Seychelles Nation*, August 6, 2013, at <http://www.nation.sc/article.html?id=85644>

<sup>15</sup> "RI operators gear up for ASEAN Open Skies Policy", *The Jakarta Post*, August 12, 2013 at <http://www.thejakartapost.com/news/2013/08/12/ri-operators-gear-asean-open-skies-policy.html>

<sup>16</sup> "Seeking more Indian business with Chinese help", *Ceylon Today*, August 10, 2013, at <http://www.ceylontoday.lk/16-39791-news-detail-seeking-more-indian-business-with-chinese-help.html>

by the Mozambican government. The zone covers the Crusse and Jamali islands, which were earmarked as an “area of tourism interest” in 2010, and the adjacent area of the mainland. This is intended to help development in areas with potential for developing integrated projects, particularly in hotel and tourism industry. The idea is to build luxury hotels and complementary units and also an area for “residential tourism”. The move is intended to transform the area into one of the most attractive zones for luxury tourism in the world. A tourism operator for the entire area will be chosen through an international public tender.<sup>17</sup>

### **India targets doubling the bilateral trade with Sri Lanka**

India targets to increase its bilateral trade with Sri Lanka to US\$10 billion (double the current volume) in the next three years. Since the operationalisation of the India-Sri Lanka Free Trade Agreement (FTA) in 2000, there has been an eight fold multiplication in trade between the two countries. The economic and commercial partnership is ever increasing and the trade volumes crossed US\$5 billion mark in 2011-12. The cumulative FDI approvals for Indian investments in Sri Lanka stand at about US\$1 billion since 2003, with an inflow of US\$160 million investment in 2012. A number of Indian projects have been successfully completed in Sri Lanka, under the Small Development Project scheme, and many more are included in the increasing project portfolio. These projects are spread throughout diverse sectors such as education, health, fishing, agriculture,

community empowerment, small and medium enterprises development, art, craft and culture.<sup>18</sup>

### **Global economic slowdown hits tourism in Mauritius**

Dragged lower by a slump in visitors from France, one of the most important markets for Mauritius, the number of tourists visiting the country fell by 2.4 percent year-on-year in July. Arrivals from France fell by 30 per cent in July compared to the same period in the previous year. Worries about the euro zone crisis and the global slowdown have hit tourism in Mauritius. Tourist numbers from Europe dropped by 14.5 per cent, which accounted for some two-thirds of total arrivals. The forecast for tourism share in the domestic product in the Indian Ocean Island's economy had also been trimmed down to 7.9 per cent of the year 2012 from 8.4 per cent.<sup>19</sup>

### **Hefty projects on tourism planned by Tanzania Investment Centre**

The Tanzania Investment Centre (TIC) has identified 14 tourism projects which could greatly increase investment opportunities in the country. The report adds that a platform in the country exists to develop it as a world-class tourism destination and the Swahili Coast as the centre of an ‘anchor’ attraction. The project components will include, 150 vacation club apartments, 50 letting units of international deluxe hotel; 250 letting units of the international first class resort hotel; golf academy; 18 holes golf course; wellness centres and spas. It also plans for retail centre, country club and related infrastructure.<sup>20</sup>

<sup>17</sup> “New tourism zone established”, *All Africa*, August 14, 2013, at <http://allafrica.com/stories/201308150356.html>

<sup>18</sup> “India to double bilateral trade with SL in 3 years”, *Ceylon Today*, August 15, 2013, at <http://www.ceylontoday.lk/16-40250-news-detail-india-to-double-bilateral-trade-with-sl-in-3-years.html>

<sup>19</sup> “Tourism in Mauritius has been hit by the global economic slowdown”, *KotZot*, August 17, 2013, at <http://www.kotzot.com/tourism-in-mauritius-global-economic-slowdown/>

<sup>20</sup> “TIC plans hefty tourism projects”, *Daily News Online*, August 19, 2013, at <http://www.dailynews.co.tz/index.php/local-news/21301-tic-plans-hefty-tourism-projects>

### IOR-ARC 3<sup>rd</sup> Biannual Meeting

The 3rd Biannual Meeting of the Committee of Senior Officials (CSO) of the Indian Ocean Rim-Association for Regional Cooperation (IOR-ARC), hosted by India, was held in Mauritius from August 20-21. The issues on the agenda of the meeting were finalisation of various projects on maritime security and safety, trade and investment, enhancement of cooperation in the field of fisheries, student exchanges, capacity building, tourism and cooperation on academics and science and technology. The recommendations of the CSO will be placed before the Council of Ministers when they meet later this year (2013). Australia is set to take over the role of the Chair of the association while Indonesia will assume the role of the Vice Chair.<sup>21</sup>

### MRPL and HPCL to resume oil imports from Iran

Hindustan Petroleum Corporation (HPCL) is all set to resume crude oil imports from Iran even as Mangalore Refinery & Petrochemicals Ltd. (MRPL) purchased its first cargo of Iranian oil, after a four month hiatus. HPCL and Mangalore Refinery had halted crude purchases from Iran in April after European insurance firms backed out over sanctions and Indian insurers declined to cover refineries that process the oil.<sup>22</sup> The decision to resume imports was taken after the Indian government indicated a plan to provide a 20 billion rupee State guarantee to back local insurance for plants using Iranian oil, following the Finance Minister's comment that India plans to

import crude from Iran without breaching United Nations sanctions. The insurance will be managed by General Insurance Corporation and an initial amount of 5 billion rupees is expected to come soon.<sup>23</sup>

### Common tariff pact signed by Asian and Oceania nations

Sixteen Asian and Oceania countries agreed to adopt common tariff rates under a proposed regional trade pact. The 16 members of the Comprehensive Economic Partnership for East Asia (CEPEA), which includes the 10 member ASEAN, Japan, China, South Korea, India, Australia and New Zealand, agreed to work out a broad plan for tariff reductions under the Regional Comprehensive Economic Partnership (RCEP) before the next ministerial meeting of the RCEP negotiation members. The nations also agreed to conclude the RCEP talks by the end of 2015. These agreements were reached at the first ministerial meeting of the RCEP negotiation members held in Brunei. The next session is slated to be held in Myanmar in late September and the expected agenda includes detailed discussions on market access, including tariffs.<sup>24</sup>

### Iran-Oman sign agreement on gas exports

Iran and Oman signed a draft agreement to build a pipeline for the export of Iranian natural gas to Oman. The agreement was signed by the new Iranian Energy minister Bijan Namdar Zanganeh and his Omani counterpart Mohammed-bin-Hamad Al-

<sup>21</sup> "Biannual Meeting of senior officials of IOR-ARC member states kicks off in Mauritius", *Tehran Times*, August 19, 2013 at <http://www.tehrantimes.com/politics/110124-biannual-meeting-of-senior-officials-of-ior-arc-member-states-kicks-off-in-mauritius>

<sup>22</sup> "MRPL resumes oil imports from Iran", *Business Standard*, August 20, 2013 at [http://www.business-standard.com/article/economy-policy/mrpl-resumes-oil-imports-from-iran-113082000622\\_1.html](http://www.business-standard.com/article/economy-policy/mrpl-resumes-oil-imports-from-iran-113082000622_1.html)

<sup>23</sup> "Mangalore refinery resumes Iran oil buying as insurance sought", *Bloomberg*, August 20, 2013 at <http://www.bloomberg.com/news/2013-08-20/mangalore-refinery-resumes-iran-oil-buying-as-insurance-sought.html>

<sup>24</sup> "16 Asian economies agree to adopt common tariff rates", *Sin Chew Daily*, August 20, 2013 at <http://www.mysinchew.com/node/90199>

Rumhy. The two countries agreed to start laying the pipeline as soon as possible.<sup>25</sup> They also signed a Memorandum of Understanding (MoU) to export gas from Iran to Oman starting from 2015, in a 25 year deal valued at US\$60 billion. The announcement came at the end of Oman's Sultan Qaboos-bin-Said Al-Said's three day visit to Iran. It has been termed as "the largest economic deal" between the two nations.<sup>26</sup>

### Unified visa for GCC countries

The Gulf Cooperation Council countries have announced a plan to introduce a unified visa for the six member countries. The GCC Secretariat said that the visa could be available from middle of the next year, allowing foreigners to visit all GCC states, similar to the European Schengen visa. Kuwaiti sources said that single entry visas would be valid for one month but visas for more than one entry could be issued for a year. The move is aimed to give a boost to commerce and tourism. Dr. Karasik, the Director of Research at the Institute of Near East and Gulf Military Analysis, also pointed towards the security benefits of such cooperation. According to him, such

a system will help to monitor the flow of individuals into the region and track their movements, while also allowing the GCC to secure its borders and insulate itself from the political upheaval in the neighbouring regions.<sup>27</sup>

### Seychelles becomes a full member of the UNWTO executive council

Seychelles has been elected as a full member of the on the executive council of the United Nations World Tourism Council's (UNWTO's) Commission for Africa (CAF). Tunisia, Angola and South Africa are the other countries entering into the executive council with Seychelles. With the election, Seychelles' authorities expect their voice to be heard and their country to be seen as an important tourism destination. Seychelles' Minister for Tourism and Culture, St. Ange, expressed his happiness for his country being seated in the Council of the most important grouping for tourism industry. His country's presence is expected to help get more focus on Africa and the island nations while deciding on tourism and related matters multilaterally.<sup>28</sup>

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<sup>25</sup> "Iran, Oman sign draft agreement for gas pipeline", *Business Week*, August 26, 2013 at <http://www.businessweek.com/ap/2013-08-26/iran-oman-sign-draft-agreement-for-gas-pipeline>

<sup>26</sup> "Oman signs MoU to import Iranian gas", *Reuters*, August 27, 2013 at <http://uk.reuters.com/article/2013/08/27/uk-iran-oman-idUKBRE97Q0EE20130827>

<sup>27</sup> "Single Visit Visa for GCC's six nations 'as soon as 2014'", *The National*, August 27, 2013 at <http://www.thenational.ae/news/uae-news/single-visit-visa-for-gccs-six-nations-as-soon-as-2014>

<sup>28</sup> "Seychelles elected on UNWTO executive council", *Seychelles Nation*, August 31, 2013, at <http://www.nation.sc/article.html?id=117709>

# ENVIRONMENTAL CONCERNS/ DISASTER RISK MANAGEMENT

## First Seychelles Environment Outlook report draft reviewed

The draft of a first Seychelles Environment Outlook (SEO) report developed and funded by the United Nations Development Programme (UNDP) - Global Environmental Facility (GEF) was reviewed by the key stakeholders concerned with environment preservation, conservation, management and other related issues. The work on the draft started in September 2012. The report's objective is to provide information on the state of the environment assessment, monitoring and reporting in Seychelles. It also will help identify national environmental concerns and highlight policy priorities and solicit feedback from key stakeholders for subsequent review. He noted that additional input was provided through the circulation of a first draft of the report for comments. It examines the environmental issues affecting Seychelles in an integrated manner and therefore it is expected to make a valuable contribution to sustainable development planning in the island nation. The report would be Seychelles' first integrated assessment of the state and trends of key environmental resources, including freshwater, land, biodiversity, marine and coastal resources etc. It is also expected to provide a standard for the assessment of environmental progress in the country.<sup>29</sup>

## Volcano eruption in Indonesia kills six people

A volcanic eruption on Paule Island, near East Jakarta, killed six people, including two children and

led to the evacuation of thousands of people. Mount Rokatenda erupted, spewing hot ash and rocks for about 2 km high into the air. The ash covered a nearby beach, leading to the casualties. The hot lava also burned trees around the beach and villages and made it difficult to reach the area where the victims were killed. More than 3000 people have since been evacuated from the affected region, according to the National Disaster Mitigation Agency.<sup>30</sup>

## Oil leak hits Thailand's Rayong province

Approximately 50,000 thousand litres of crude oil spilled into the sea off the province of Rayong in eastern Thailand. The pipeline was operated by PTT Global Chemicals (PTTGC), a state owned oil company. Several ships from the Royal Thai Navy fleet were deployed in order to contain and clean up the spill, according to the Thai Marine Department. PTTGC also flew in a specialist oil spill response company from Singapore.<sup>31</sup> The oil leak occurred when a tanker was loading crude oil to the pipeline and immediately raised concerns about the environmental and economic damage to the region. Many fishing communities in the KohSamet region were affected and tourism also took a hit as the oil spill reached the shores of AoPhrao, one of Thailand's most popular beaches. PTTGC agreed to provide compensation to the affected fishermen but talks between the Rayong Small Fishing Trawler Association and PTTGC officials were inconclusive as both parties disagreed on the terms of compensation. Meanwhile, a committee set up by the Energy Minister has cleared PTTGC of any

<sup>29</sup> "Stakeholders review draft of first Seychelles Environment Outlook report", *Seychelles Nation*, August 9, 2013, at <http://www.nation.sc/article.html?id=85692>

<sup>30</sup> "Mount Rokatenda, Indonesian volcano, erupts killing six", *The Huffington Post*, August 10, 2013 at [http://www.huffingtonpost.com/2013/08/10/mount-rokatenda\\_n\\_3736203.html](http://www.huffingtonpost.com/2013/08/10/mount-rokatenda_n_3736203.html)

<sup>31</sup> "Oil spill threatens Rayong Beaches", *Bangkok Post*, July 28, 2013 at <http://www.bangkokpost.com/news/local/361839/oil-spill-threatens-rayong-beaches>

wrongdoing saying that the company followed all operational procedures in handling the oil leak, which was caused by a ruptured hose, but bad weather led to the severity of the spill. It added that if the hose was found to be made of defective materials, PTTGC could seek legal action against the supplier.<sup>32</sup>

### **Fishing experts from different nations meet to discuss genetics of the Indian mackerel**

For a harmonisation training workshop on Indian mackerel genetics, fisheries experts from eight countries met at the Central Marine Fisheries Research Institute in Kochi on August 15. The National Bureau of Fish Genetic Resources (NBFGR), Lucknow, and the Bay of Bengal Large Marine Ecosystem (BOBLME) project jointly organised the event. Fisheries specialists from India, Indonesia, Bangladesh, Malaysia, Myanmar, the Maldives, Sri Lanka and Thailand took part in the event. The Food and Agriculture Organisation leads the international collaborative BOBLME project which aims at a coordinated programme of action for improving the lives of coastal populations through regional management of the environment in the Bay of Bengal and its fisheries. The Indian mackerel is an important commercial species in the Bay of Bengal region. It is really difficult to accurately identify the levels of sustainable harvest and formulate management plans due to the uncertain stock status of the various populations of the Indian mackerel. Hence, the NBFGR is mandated with identifying and cataloguing the fish genetic resources of the country.<sup>33</sup>

### **Saline intrusion by sea concerns Mozambique**

As a result of a significant reduction in the flow of some of the Mozambican rivers as their water is being

consumed by upstream countries, a saline intrusion is now beginning to affect the country. Susana Saranga, the Mozambican National Director of Water, expressed the concern during the UN-sponsored High Level International Conference on Water in Dushanbe, Tajikistan. The quantity of water reaching to the mouth of these rivers in Mozambique is so small that the seawater enters in ever larger amounts. The situation is particularly worrying in the Limpopo and Incomati rivers in the southern part of the country. The Mozambican authorities have undertaken a series of measures to deal with the situation and have set up river basin commissions with its neighbouring countries.<sup>34</sup>

### **Sri Lanka installs early warning systems for nuclear crisis**

To alert the public in the event of nuclear accidents, five nuclear detector early warning systems have been installed across the country, according to the Sri Lankan Ministry of Power and Energy. The ministry is planning to install even more detectors. The installations have been justified by the Sri Lankan Atomic Energy Authority (AEA) as timely as the Kudankulam Nuclear Power Station in India, closer to Sri Lanka, is scheduled to start operations from the month of September. The detectors are to be placed at six Navy camps, in the Western Province, in the centre of the island and in the Kandy region. Sri Lanka had purchased eight early warning systems from the International Atomic Energy Authority (IAEA) as a contingency measure in the event of a nuclear crisis. The AEA Disaster Management Centre and Sri Lanka Navy, on June 28 signed a trilateral agreement regarding the setting up of the systems. Accordingly, The Main Control Centre of the warning systems will operate from the Atomic Energy

<sup>32</sup> "Panel clears PTTGC of wrongdoing", *Bangkok Post*, August 15, 2013 at <http://www.bangkokpost.com/news/local/364661/committee-clears-pttgc-in-oil-spill>

<sup>33</sup> "Global meet on mackerel genetics", *The Hindu*, August 20, at <http://www.thehindu.com/news/cities/Kochi/global-meet-on-mackerel-genetics/article5039329.ece>

<sup>34</sup> "Mozambique worried by saline intrusion", *All Africa*, August 21, 2013, at <http://allafrica.com/stories/201308220121.html>

Authority building in Orugodawatte. The AEA Disaster Management Centre has identified nuclear accidents as the kind of disaster that requires preparedness and planning at a national level.<sup>35</sup>

### **Shark ‘finning’ banned in India to protect endangered species**

In a move to protect the endangered species of sharks from indiscriminate hunting, India has banned hunting sharks for only their fins. Demand from China, where shark fin soup is considered a delicacy, has encouraged the practice of shark “finning” or slicing off a shark’s fins and throwing it back on the

ocean floor where it dies of starvation or inability to move. Dozens of shark species have been enlisted by India as endangered species which includes hammerheads, broadfins and whale sharks. Fishermen now found with hauls including detached fins risk up to seven years in prison, under the Indian Environment Ministry’s new policy, for hunting an endangered species, since identifying species by fins alone is difficult. The population of sharks is declining worldwide, with some species numbering now only ten percent of what they were three decades ago.<sup>36</sup>

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<sup>35</sup> “On the alert for nuclear disaster”, *Ceylon Times*, August 22, 2013, at <http://www.ceylontoday.lk/51-11217-news-detail-on-the-alert-for-nuclear-disaster.html>

<sup>36</sup> “India bans shark ‘finning’ to protect species”, *The Hindu*, August 26, 2013, at <http://www.thehindu.com/sci-tech/energy-and-environment/india-bans-shark-finning-to-protect-species/article5061493.ece>

## About the IDSA

### Africa, Latin America, Caribbean & UN Centre

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.



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