

>> sector focus comment: anti-piracy

Technology is the light at the end of the piracy tunnel

Piracy is not going away, so industry should embrace technological advances, states **David Rigsby**, founder and president of WatchStander

Maritime piracy has escalated wildly over the past five years. What began as a comparatively minor irritant for the shipping industry has become an expensive and seemingly intractable international problem. Aside from the human suffering that hostage-taking brings, reliable estimates put the cost of piracy at £5Bn (\$6.7Bn)/year. By far the greatest part of this cost is borne by the shipping industry.

Although every economy on earth relies on sea transport, the industry's pleas for more robust international policing have met with a lukewarm response from the world's governments.

Out of necessity, 20 of the world's most prosperous nations have committed naval forces to a combined

fleet that aims to police the vast Indian Ocean, the Gulf of Aden, and the Arabian Sea and, it must be said, does so with increasing success. The downside is the increasing cost to government naval budgets, which is currently about £952M/year.

While the number of attacks on ships is reducing dramatically, ransom demands are increasing at a corresponding rate. The pirates' net returns from hijacking and hostage-

\$6.7Bn

Annual cost of piracy

taking have increased relentlessly, and for every £1 paid in ransom, £25 goes on counter-piracy expenditure in some form or another.

Leading academic, industrial, financial, and political figures argue that there must surely be a better way to inhibit or control the activities of a mere 2,000-3,000 impoverished, ill-educated marine bandits, who are each costing us between £1.6M and £2.5M a year (about the same as a high-ranking business leader). Apparently not. Numerous conferences are convened to address the problem and disperse with the same conclusion: piracy can only be addressed on the ground by successfully rebuilding Somalia's infrastructure.



There is, however, some light at the end of this long, dark tunnel.

American perimeter defence experts have re-modelled the highly advanced surveillance, detection, and deterrence technologies used by the US Navy to protect its warships. The software has been adapted for commercial use.

Tests on the resulting system, known as WatchStander, show that it

'Pirate deterrent technology such as WatchStander would destroy the current piracy business model'

David Rigsby

The system is a permanent installation, costing on average less than £100,000 to fit. To install it on the 40,000-odd ships that sail the pirate-infested areas of the Indian Ocean would incur a one-off cost of £4Bn. This makes sound business sense and would destroy the current piracy business model.

For the sake of suffering seafarers and the world economy, let's hope that the so far elusive answer to piracy turns out to be new technology – and a perfectly conventional business equation. ■

is capable of preventing unwelcome assailants from boarding ships. It is a fully automatic, robotic, long-range device that identifies distant objects as threats, then repels them with an array of non-lethal countermeasures. The device becomes progressively more intolerable and harmful to the would-be assailants as they attempt to close in.

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Co-operation is vital to meet an evolving threat

There are conflicting reports about the current piracy threat. What is clear is that piracy is not ending but is evolving, writes **James Bellamy**, commercial director of Oxberry Risk Strategies

While Somali piracy experienced a drop in attacks in 2012 compared with 2011, there is genuine cause for concern, when analysing the geographic spread of piracy in the Gulf of Guinea (GoG), that an evolution of the attacks taking place in that region.

Reports of piracy in the GoG show an increase: 30 incidents in 2011 compared with 34 in 2012, according to IMB figures. However, it is widely understood by the security industry that the actual level of incidents has decreased.

Attacks are now taking place further

offshore as well as in the territorial waters of Togo, Benin, and Côte d'Ivoire. These attacks have become increasingly violent, and cargo theft and targeting of oil and product tankers for illegal bunkering seems set to continue as the most lucrative and preferred modus operandi for these criminal gangs.

BIMCO's interim GoG guidance, launched in December 2012, reinforces growing concern among the shipping community about the region's evolving

maritime security situation. This guidance is issued in conjunction with the current BMP 4, which may be slightly confusing for the end user, when many of the measures used to counter piracy in the Horn of Africa are, arguably, ineffective when applied to the GoG.

Unlike the Horn of Africa, the GoG is not patrolled by an international task force and there appears to be no immediate prospect of a credible international solution that could lead to the levels of success experienced by Operation

Atalanta in reducing Somali piracy.

Additionally, the numerous states in the affected region, each with its own civil and governmental organisations mandated to secure its respective territorial waters, present their own unique set of challenges.

Expatriate armed security is not permitted in the territorial waters of nations within the region. But the contrasting wealth and poverty between states directly reflects the maritime resources available to police the maritime domain effectively.

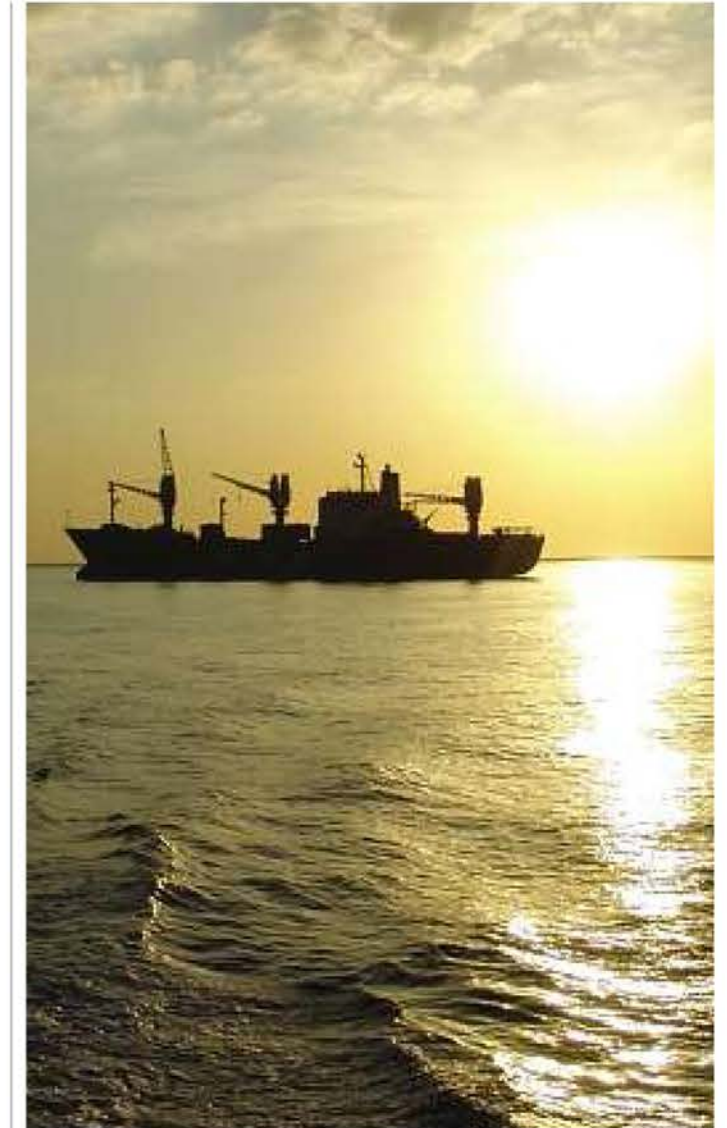
Unlike the Gulf of Aden, there is little co-ordination or regional co-operation

and nations continue to use their own limited assets independently.

Co-operation between shipowners, naval assets, and private maritime security companies is essential to develop and sustain a safe operating model for vessels trading in the region.

These private security companies can play a vital role in the much-needed process. Some already provide onboard advisory services, expert knowledge, and liaison with local security forces.

For an enduring solution the co-operation of all these stakeholders is needed. ■



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