

## Somali piracy: multi-billion falsification

Study into study, or investigations of falsifications and lies, connected with phenomenon of Somali piracy

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*Wherever possible, we have tried to use conservative estimates, so as to not overinflate the costs.*  
One Earth Future Foundation

### Introduction

Somali piracy developed into a modern phenomenon in many aspects, from military to political ones. Somali piracy grew up from regional nuisance to a ponderous factor in world politics, changing the balance of forces in one of the most important and, regrettably, vulnerable regions of the world – Indian ocean and approaches to Persian Gulf.

What it was and still is about, this phenomenal Somali piracy? It's about world shipping, risks and losses inflicted on world shipping by modern piracy of unthinkable before proportions and scale. Navies of half of the world – any more or less known to the world navy in fact – bunch in Indian ocean under a banner of making merchant shipping safe. If we presume that this is the case and we're talking world shipping, then, we must look at the problem as any other problem we encounter. To solve the problem, we must appreciate problem's scale, get statistics and analyze them, and start looking for the best solutions. First things first – we need clear picture of ongoing situation and we need statistics, as clear and unequivocal as possible. That's exactly what we don't have, thanks to tremendous efforts of interested States, international maritime organizations and all those who agree to falsify statistics and publish misleading studies.

I was deeply involved in several hijack cases, including world-famous hijack of ro-ro Faina loaded with battle tanks and many other items of arms and ammunition. I monitor piracy for many years, and file my own statistics. I receive information from many sources, from relatives of hijacked crews to sailors who navigate dangerous waters, or were pirates' prisoners, from security agencies to shipowners, and as I see it, there is stunningly wide gap between publicly known Somali piracy and Somali piracy as a reality, encountered every day by world shipping. World mass-media, with industry media being no exception, rely on information provided by States, UN, International Maritime Organization, other international maritime organizations and associations, without giving the whole matter a second thought, taking all they're fed with on trust. With growing scale and publicity of the problem, grows number of those who're eager to get any profit they may from the process, which is called by all involved "fighting piracy", and most noticeable among them are "scholars", "think-tanks", from time to time astounding us with fantastic reports and findings on Somali piracy.

Emergence of a new study was too much for me, and I decided to publish my own study – or to be exact, to prove that the study in question is a downright falsification, except maybe some small points. I refer to the study The Economic Costs of Maritime Piracy, created and presented recently in London, by US-based One Earth Future foundation (OEF).

I meet many lies and falsifications related to Somali piracy, in fact they're as common, as pirates activities in Indian ocean, but yet, no other "study" or "report" on matter in question was so boldly false. This study, backed by IMO, IMB, BIMCO and other organizations, is a pack of lies and falsifications, based on the main premise which makes this falsification possible – warped and shuffled statistics. My task is to prove it. This is the study on piracy, this is not an essay on arts, so please forgive me my English. I'm limited by my English knowledge, in comparison with my native Russian, almost to a state of

a cripple, but it's all about figures, numbers and facts, so those interested I hope, will understand and have no doubts on the contents of what they'll read below.

## Classification of highjacked vessels

Now, what statistics, related to seaborne piracy, count? They count vessels. Vessels physically are floating objects, i.e. any object capable of being afloat for long enough time to be counted as floating object. From the point of view of physics, supertanker and small paddled boat in a nearby pond are both vessels, enjoying same laws and rights as such. But in other realities, from economy to exploitation, they're as different as their sizes. They aren't equal and can't be equal.

There are ocean-going merchant marine vessels, involved in international, global trade. All such vessels without exception have unique IMO number, non-changeable during all vessel's life. All such vessel are listed in different reference books, all such vessel transmit AIS signals, they have more or less transparent history and known owners and operators, with known number and nationalities of crews. These vessels are the core of what we call world shipping, and when we say that 90 percent of all goods are transported by sea, we mean these vessels. Their costs are anything between millions and tens of millions, sometimes more than hundred millions, USD. The goods they carry may cost anything from dozens of thousands USD to hundreds of millions, on one given vessel. When we talk about Somali pirates highjacking vessels, we talk about these vessels. We know everything about highjacked vessel from the very beginning, from her characteristics to owner's name and even names of the crew. We know the routes of highjacked vessels, from where and where to, with what cargo, they were sailing when highjacked. We know how talks are going on, condition of the crew, we know when vessel is released and sometimes – what was the ransom.

There are other vessels, involved in regional trade. Almost all of them, with regards to Somali piracy region, are so-called "dhow", type of vessels rooting deep in history, to times of Alexander the Great and Sindbad the Sailor. They change very little with milleniums, they swap sails for engines and they use some modern communications and navigational equipment, still far cry from what modern international freighters use. Many of them are wooden. Their sizes may differ, but their cargo capacity in general is something between dozens and hundreds of tons, very rarely exceeding one thousand tons. They are engaged in regional trade, goods may be anything from charcoal to illegal migrants. They don't have IMO number, they aren't listed in international reference books, they aren't insured with international insurers, their owner may be any petty company or person along the coastlines of India, Pakistan, Persian Gulf, Oman or Red Sea. For world shipping, these vessels, their owners, their masters and their crews, are simply non-existent. Their costs may be thousands of USD, even maybe tens of thousands, but not anywhere close to the costs of international freighters. Their goods may cost thousands or tens of thousands USD, but not anywhere close to costs of cargoes carried by international freighters. We don't know how and why, under what circumstances, they are highjacked. There are strong reasons and facts to believe, that some of these vessels willingly cooperate with pirates as their mother-ships. These vessels often are involved in any kind of illegal trade and smuggling one can name, from Somali charcoal to illegal immigrants. And after all, Somali may be the land of lawlessness and frustration, but there are trade and different activities in there, demanding different kinds of goods. Pirates themselves enjoy luxuries of modern world, but somehow those luxuries are to be transported to them, is it not so? If Indian or Pakistani dhow sails to Somali coast, owner and crew know what they're doing, aren't they? They obviously have agreements with this force in Somali or that, ensuring their safety, but often something went wrong and rival group highjacks the vessel. Some dhows are actually highjacked and forced to be mother-ships, and then released without any ransom paid. Some dhows with goods are robbed off their goods and then released without any ransom paid. In fact, we never heard any confirmed story on any dhow being ransomed out for the sum being publicly known.

There are "strange" cargo vessels reported from time to time as highjacked and then released under unclear circumstances. Some of them even have IMO numbers, national flags and known owners. Some of them are suspected in arms smuggling to Somali. Some are freed by their crews, or military of Yemen or Puntland. Why, how, and with what casualties, we generally don't know, it remains a mystery.

There are, also, fishing vessels. Some of them are as known and internationally recognized, as any international freighter. For example, tuna fishing vessels, Alacrana (Spain) and Thai Union 3 (Thailand). Both were highjacked in 2009, both with IMO numbers and recognized owners, fate of both was closely watched by mass-media and public, in Spain and in Russia, as Thai Union 3 crew was mostly Russian. Everything from dates of highjack and release to condition of crews while held by pirates, and sums paid to pirates, was known to public.

There are other fishing vessels, in fact most part of fishing vessels that pirates highjack. Those other fishing vessels don't have IMO number, more often than not they don't have recognized, known to public owner, we don't know under what circumstances they were highjacked and released, and nearly all such vessels are suspected in poaching. Mostly those vessels are used as pirate mother-ships, they are prisoners of pirates for much longer time than any other vessels including dhows, and when they're finally released, we don't know even exact dates, let alone terms of release. Looking at pics and characteristics of those vessels, anyone may guess that if ransom was paid, it was far cry from millions of dollars.

There are yachts, with several, from two to four-five, yachtmen on board. Some cases hit top headlines in world media, some are unclear. Those boats are to be counted when we know for sure that there was highjack and yachtmen nation claimed their nationality and confirmed kidnapping. Yachts, or to be more exact, pleasure boats, are hardly relevant to world shipping – after all, yachtmen know about risks involved, they don't have shipowner ordering them to transit dangerous waters, they have a safe choice but opted for most risky one. Each such case is an exception and can't be measured as statistically normal and regular.

Several organizations and news agencies compile and update Somali piracy statistics, among them IMB (International Maritime Bureau, with Kuala-Lumpur Piracy Reporting Center) is considered to be most reliable and professional. IMB and the rest include in statistics all types of vessels I described above. It may lead to no fault, if statistics are properly analyzed with regards to the types of the highjacked vessels. Regretfully this is not the case. IMB as a branch of international maritime organizations, claiming themselves to be leaders of world shipping, should of course, provide statistics with clear and unequivocal explanations and classification. IMB instead, made it's own statistics kind of closed, not to mention outdated. Reports should be open for downloading, reports should be timely, reports should exclude any mistakes when analyzing statistics. Instead, statistics prepared by IMB pave the way for broad-scale falsifications and distortions. IMB with it's activities and piracy statistics deserves a special study.

And now, keeping in mind classification of highjacks, let's have a look at the study named "The Economic Costs of Maritime Piracy". I want to foreword my study of their study with their cite:

*"Wherever possible, we have tried to use conservative estimates, so as to not overinflate the costs."*

## "The Cost of Ransoms"

I'll start with Section, named as "The Cost of Ransoms", as most astounding. Analyzing just this one Section is enough to show the true character of the study in question, but I'll shortly analyze some other Sections too, to make sure everyone will get the point.

Here are estimates given in study:

| Average Ransom                       | Total Number of Successful Hijackings | Total Cost of Ransoms |               |
|--------------------------------------|---------------------------------------|-----------------------|---------------|
| 2009                                 | \$3.4 million                         | 52                    | \$177 million |
| 2010                                 | \$5.4 million                         | 44                    | \$238 million |
| <b>Cost of Ransoms 2009 and 2010</b> |                                       | <b>\$415 million</b>  |               |

"By 2009, the average ransom was around \$3.4 million", claimed study. Below you'll find my statistics of highjacks and ransoms paid to pirates. Judging from my statistics, average ransom in 2009 was \$2.4 million. Record ransoms were paid for VLCC Sirius Star, ro-ro Faina, dredger Pompei, fishing vessel Alakrana, bulk carrier Delvina and boxship Kota Wajar, all in range \$ 3 – 3.5 million. There are 31 recorded in year 2009 cases of releasing ocean-going vessels for ransom, officially and publicly recognized. Except the above-listed record cases, the rest of known ransoms were in a range \$ 1 – 2.8 million. Let me cite once more: *"Wherever possible, we have tried to use conservative estimates, so as to not overinflate the costs."* Let's muse at the conservatism of the authors of the study.

But this is not the end of the story. Let's assume average ransom was \$3.4 million. Let's multiply 3.4x31, total will be 105.4. Study gives us \$177 million. Where the rest came from? To understand this, we should recall my classification of highjacked vessels. Let's look at IMB Piracy Statistics, year2009. 47 recorded by IMB cases of highjack. Mostly vessels highjacked in 2009 were ransomed or released during the same 2009, average time of capture was 4-8 weeks, not months, like now. How come, that I count 31 releases (including release of the vessels, highjacked in 2008), and study claims 52? Look at IMB Report again – what vessels did they count as highjacked? Several examples:

Serenity – pleasure catamaran Seyshelles  
Al Rafiquei – Dhow India  
Indian Ocean Explorer – Yacht Seyshelles  
Tanit – Yacht France  
Win Far 161 - Fishing Vessel Taiwan  
Vishwa Kalyan – Dhow India

So on and so forth, till we get required number of highjacks. Judging from study's very conservative estimates, record ransoms were paid for all vessels listed in the statistics. i.e VLCC Sirius Star, or ro-ro Faina with 22 heavy battle tanks as a cargo, are of the same value as yacht Tanit, or dhow, or rusty fishing vessel with very murky background.

We don't know how and on what terms dhows are released by pirates. There are some suspicious vessels, counted as highjacked as then released, but no news on terms of their release, let alone ransoms. I counted only known vessels. To comprehend conservative ways of estimates, practised by authors of the study, one has simply to look at the pictures. Authors of the study, backed by international maritime bodies, are implying by their statistics, that:

supertanker Sirius Star in full load (some 250,000 mt of crude oil) and typical dhow sailing Gulf of Aden costed in 2009 the same average ransom \$3.4 million:





fishing vessel Golden Wave, used by pirates as mother-ship, is comparable in her value with tanker Polar or bulk carrier Eagle:





a local cargo vessel Zoufecar without IMO number may carry as expensive goods as say, ro-ro Faina's 22 battle tanks and anti-aircraft units Shilka:





If a dhow is comparable in value with supertanker fully loaded with 250,000 mt of crude oil, or ro-ro loaded with tanks and anti-aircraft units, then, that dhow must carry cargo of Sindbad fairy tales treasures – gold, precious stones, ivory and beautiful virgins for garem, no less. If a rusty, dilapidated fishing vessel of very moderate proportions and impressive age (with the crew for whom no nation seems to care about) is of the same value, as boxship, piled up with containers full of consumer goods, then fishing vessel must possess something so valuable we can't even guess.

Alas, this is yet not the end of the story. There is another method to manipulate statistics and estimates, not of course missed by authors of the study. Let's return again to IMB Report 2009. We'll find there listed as highjacked US boxship Maersk Alabama. Let's look at the above-listed takings from IMB statistics – yacht Tanit or catamaran Serenity, or yacht Indian Ocean Explorer. They weren't ransomed. Crew of

Indian Ocean Explorer was either ransomed or released on a good will, vessel was scorched by pirates. Yacht Tanit was released by French special forces, the only ransom pirates received were bullets. Boxship Maersk Alabama was captured and held by pirates for several hours and then freed by the crew, so if there was any ransom paid, let alone 5.5 mil, we must assume then, that crew collected between themselves required millions and handed them over to pirates, in great hurry, as US Navy was nearing and could mar the whole ransom business.

Including in estimates vessels, which actually weren't held by pirates and freed for ransom, was kind of scientific discovery for the authors. With counting as ransomed vessels, bordered by pirates and then released by military force, they found truly a gold mine, especially in year 2010. Not less than 8 vessels in year 2010 were boarded by pirates and almost immediately released, mostly by military, and all of them are counted by IMB as pirated! Authors of the study were only glad to find such strong supporters of their cause, and include such vessels as ransomed in their 2010 ransom statistics and calculations.

Now let's look at very curious facts. Study justly writes about a steep hike in time of negotiations (time vessels are hold by pirates) and in ransoms volume, which we witnessed in year 2010. Coincidence or not, but those figures skyrocketed after US president Obama by a special order prohibited paying ransoms to a list of Somali individuals or organizations, known to be connected with international terrorism (in fact that means, that company which has to ransom it's vessel out of pirates hands, has to prove to related US agencies, that ransom or part of it won't reach those listed persons and organizations). It's a well-known fact for all who monitor Somali piracy, that a number of European countries, first of all UK, are also strongly opposed to ransoms. Coincidence or not, but before 2010 we knew about sums paid to pirates almost in each case. After a number of States lead by US, actually made ransoms nearly illegal, ransoms' figures became a big secret, and during last months the only source of information on ransoms was ... pirates themselves. Sometimes they leak to news agencies ransoms they've got, and we have to rely on their words only. Such situation suits pirates perfectly. They claimed, that sums they got are at least twice bigger than they were in year 2009, and their claims are confirmed by think-tanks, backed in their turn by international institutions. So the figure of \$5.5 million may be considered as internationally and officially recongized, and any pirate asking for less would break unspoken but recognized by all parties rules of the game, and would go against scientifically confirmed facts, with that. Shipowner won't dare to pay less fearing he would be considered too poor, or something. Sarcasm aside, psychologically public and shipping are forced into believing, that 5.5 million is an average sum to be paid for release, omitting the fact, that origin of this sum is pirates' word. Thanks to States, maritime organizations and financed by them dubious to say the least, think-tanks with their studies, world shipping will have to pay much more than a year ago. Tell me about pirates... With growing opposition to ransoms in principle, shipowners have to be very secretive, and they are very secretive, keeping their mouths shut. Which gives wide area to speculations and "conservative estimates", based on pirates' "leaks" to mass-media.

Looking at facts and statistics of vessels released in 2010, even assuming average ransom volume is \$5.5 million (which definitely wasn't the case), we'll get a total of some \$ 94 million, still far cry from claimed by study \$238 million. Frankly, I don't understand where authors of the study found in year 2010 44 highjacked and released for ransom vessels. I don't have a slightest idea. But if we count all vessels boarded by pirates and released by force, if we add tens of highjacked dhows mixed with a dozen of fishing vessels and unknown vessels belonging to unknown owners, make them all equal in their value, and sum up them all with "average" ransom sum, then we may get even bigger totals, who's to limit us in our conservatism? Thanks to politicians, ransoming is nearly illegal, shipowners are silenced, while pirates are welcome to name any figure of ransom, the more is the figure the more welcomed pirates statements are.

My estimates show, that total ransoms paid in year 2009 were some \$70-75 million, in year 2010 roughly the same. Never in history of Somali piracy did the ransoms break \$100 million level, let alone \$200 million.

## "The Cost of Re-Routing"

Let's look at Section "The Cost of Re-Routing", which is even more curious than "The Cost of Ransoms", because we're talking now billions.

*"...we make a rough estimate that the shipping industry pays around \$2.3 to \$3 billion per year to re-route ships to avoid piracy each year"*

How did they come to such astounding results and figures? By a flight of very vivid imagination, there is no other explanation.

*“We know that Egypt’s Suez Canal revenue (fees collected from ships transiting the Suez Canal) has decreased by 20% in the past couple of years. We hypothesize that around half of this figure (10%) is a result of reduced shipping volume related to the recent global economic downturn. Therefore, we speculate that around 10% of shipping traffic avoids transiting this region as a result of the threat of piracy”.*

I don’t know what they know, but anyone working with world shipping news and statistics knows, that there was a sharp decline in Suez transit in years 2008-2009, explained by Suez Canal Authorities and industry analytics as a result of global economy recession. Never ever Suez Canal Authorities blamed Somali piracy for more or less noticeable reduction in transit. We’ve been a bit better off in 2010, and here we are, extras from Canal Authorities news and statistics:

*Egypt’s Suez Canal Authority declared a 11.4 percent rise in the canal revenues during 2010 as compared with 2009. Head of the authority Ali Fadel told reporters that statistics indicate a 14.4 percent increase in loaded ships passing through the canal in 2010 in comparison with the previous year. Increased global trade, particularly between Asia and Europe, accounts for a greater number of ships passing through the canal, Fadel explained.*

*Traffic statistics for Nov. 2010, when compared with Nov. 2009 signal:*

*\* 82 Vessels (5.8 %) increase in the number of transits.*

*\* 10.9 million tons (17.6 %) increase in net tonnage.*

But some may say I’m wrong and transit growth in 2010 still leaves around 10% loss in comparison with record years 2006-2007.

Ok, let’s look at OEF speculations and calculations. What vessels did they take for making estimates? They took supertankers VLCC and mega-boxships of 10,000 TEU capacity.

*“The OEF Cost of Piracy Model uses data from the U.S Department of Transport Maritime Administration (MARAD) and the Baltic and International Marine Council (BIMCO) for a 10,000 TEU (Twenty Foot Equivalent Units shipping container) and a 300,000 DWT (Dead Weight Tonnage) VLCC (Very Large Crude Carrier), to estimate the costs of re-routing each ship, per day, as shown in Table below”.*

| <b>Ship Cost: Hire and Fuel</b>             | <b>Cost per day</b> | <b>Excess Cost for 10 day voyage</b> | <b>Cost if 10% of ships re-route</b> |
|---|---------------------|--------------------------------------|--------------------------------------|
| 300,000 DWT VLCC Charter Hire               | \$30,000            | \$300,000                            | \$900 million                        |
| 300,000 DWT VLCC Fuel                       | \$48,500            | \$480,000                            | \$1.44 billion                       |
| <b>Total Cost Per Day: 300,000 DWT VLCC</b> | <b>\$955,000</b>    | <b>\$9,550,000</b>                   | <b>\$2.34 billion</b>                |
| 10,000 TEU Containership Charter Hire       | \$40,000            | \$400,000                            | \$1.2 billion                        |
| 10,000 TEU Containership Fuel               | \$58,200            | \$582,000                            | \$1.75 billion                       |
| <b>Total Cost Per Day: 10,000 TEU</b>       | <b>\$100,000</b>    | <b>\$1,000,000</b>                   | <b>\$2.95 billion</b>                |

Most funny are the calculations, related to container ships. Why? Because no ocean-going boxship ever was re-routed, for very sound and simple reason. Big container ships, with capacity from 4,000 TEU up to 13,000 TEU, are presently the safest from piracy threat. They have very high freeboard, up to tens of meters, and they are the fastest type of vessels in world merchant fleet, with speed exceeding 21-23 knots. Too big prey for Somali pirates, at least for the time being.

Still, VLCC speculations are funny too, though not that much. Not many VLCCs transit Suez in Northern direction, because Suez Canal doesn’t have sufficient depth. VLCCs have to transit Suez partially loaded, and then take the rest in Mediterranean:

*VLCCs are only able to transit the Suez Canal (northbound) if they partially discharge their cargo to the Sumed pipeline at Ain Sukhna Rotterdam oil terminal. Source: Pamir. Terminal in the Red Sea, Egypt and can then pick up an equal shipment at Sidi Kerir Terminal, Mediterranean Coast, Egypt.*

Most part of VLCCs in full load proceeding in western direction sail by Indian ocean, not by Suez. As usual, OEF missed one very important point, because it goes against all their “speculations”. Point is,

Indian ocean is more dangerous for VLCCs than Gulf of Aden. All three hijacked VLCCs were hijacked in Indian ocean, it takes time to hijack VLCC even in full load, with minimum freeboard and lowest speed, and there are no military in 15-30 minutes range in Indian ocean to help vessels under attack. So no one re-routed VLCCs yet from Suez to Indian ocean because of piracy risk. VLCC and other vessels (except big boxships and vessels with armed guards on board) have to re-route, that's true. When travelling North-South direction and vs, vessels have to loop their route as much to the east as it's possible and reasonable, and they return to usual routes after they descend to southern latitudes, to waters known to be free of pirates. When travelling East-West and vs, vessels sail as close to coastlines of India, Yemen and Oman, as it's possible and permitted. Vessels sail right across Arabian sea when weather is favourable, i.e. there is monsoon period with constant rough sea and strong winds, restricting pirates activities and in fact, making any attack and boarding impossible.

There are losses incurred by re-routes of course, but they can't be estimated in figures given by OEF, it's physically impossible. Many vessels due to irresponsible owners, or to their size and speed, or to armed guards on board, don't change their routes and go by shortest ways. One more quotation:

*"...10% of ships transiting the Gulf of Aden region (3,000 ships)"*

That gives us annual 30,000 vessels transiting Gulf of Aden, isn't it? Where did they come from, and where did they go to, I wonder? Vessels transiting GoA transit also Suez Canal. If we assume that this is a fact, then, we have to check number of vessels transiting Suez.

2009 - 17,228

2008 - 21,415

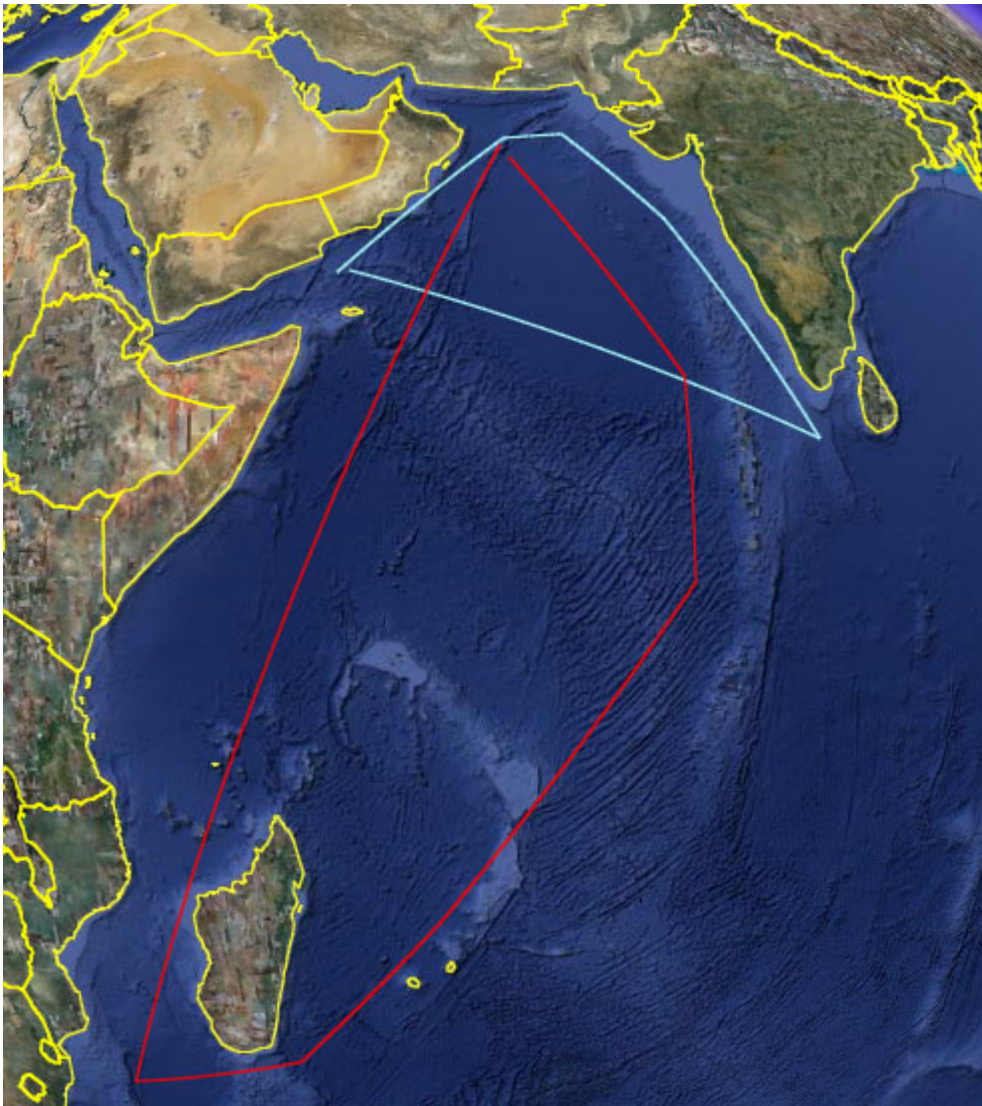
2007 - 20,384

2006 - 18,664

Red Sea ports of course, add up some GoA traffic, but definitely not 10,000 extra vessels, required by OEF statistics.

Can we approximately estimate re-route losses? Let's try. Re-routing when transiting West-East (and vs) direction will add some 500 nautical miles, with average speed taken as 14 knots it's roughly 1,5 extra days. Re-routing when transiting North-South (and vs) direction will add some 800 nm, roughly 2,5 extra days. Let's assume there are 150 vessels sailing daily waters of GoA and risky areas of Indian ocean, by both routes – West-East and North-South. Let's assume third of this number is re-routing, then it's  $50 \times 365 = 18250$  re-routes. Traffic North-South apparently is less than traffic West-East, let's assume it's one third. If so, then, there are roughly 6,000 re-routes N-S and 12,250 W-E.  $6,000 \times 2,5 = 15,000$  extra days.  $12,250 \times 1,5 = 18,375$  extra days. Total is 33,375 extra days. Average world merchant fleet daily expenses stay at roughly \$8,000 per ship. That gives us  $33,375 \times 8,000 = \$267,000,000$ . I personally think, that this figure is inflated, but still, it's nowhere close to OEF \$2.3 - \$3 billion losses.

Typical re-routing:



## “The Cost of Insurance” and “Deterrent Equipment and Personnel Cost”

Let’s proceed to Sections “The Cost of Insurance” and “Deterrent Equipment and Personnel Cost”.

*In calculating the global costs of maritime piracy, we take the largest insurance premiums related to piracy (war risk and K&R) and multiply these rates by 90% of the total ship traffic transiting the high risk region of the Gulf of Aden (around 30,000 ships). We deduct 10% of ship traffic under the assumption that this proportion of ships opts to re-route around the Cape of Good Hope, and is therefore not liable for insurance premiums in the war risk region. (See further explanation in the section below on re-routing ships). This gives us a figure for the total amount payable for war risk insurance and K&R insurance if all ships purchased this insurance. Under the assumption that not all ships purchase insurance premiums, we then work out a lower bound estimate of 10%, and a higher bound estimate of 70% of ships purchasing insurance.*

|  | <b>2009</b>            | <b>2010</b>            |
|--|------------------------|------------------------|
| Kidnap & Ransom Surcharge                      | \$540 million          | \$540 million          |
| War Risk Premium Surcharge                     | \$4.05 billion         | \$4.05 billion         |
| TOTAL INSURANCE COSTS (if all ships purchased) | \$4.59 billion         | \$4.59 billion         |
| <b>Lower Bound Estimate (10%)</b>              | <b>\$459 million</b>   | <b>\$459 million</b>   |
| <b>Upper Bound Estimate (70%)</b>              | <b>\$3.213 billion</b> | <b>\$3.213 billion</b> |

The OEF Cost of Piracy Model estimates that if a ship were to purchase all forms of security equipment and personnel, on average, they would pay around \$134,000 per transit. We then multiply this by 90% of the total ship traffic transiting the Horn of Africa. (We deduct 10% of the total shipping traffic, under our earlier assumption that this proportion might opt to re-route around the Cape of Good Hope, therefore avoiding having to purchase security equipment to transit the high-risk piracy zone of the Horn of Africa.) Just as we did for the cost of insurance premiums above, we approximate a lower bound (10% of ships) and an upper bound (70% of ships) estimate, for the total cost of deterrence equipment to the shipping industry. We calculate that the total cost of deterrence equipment to the shipping industry is between \$360 million and \$2.5 billion, per year.

| Equipment                                      | Cost                 |
|--|----------------------|
| Licensed Security Guards                       | \$80,000             |
| Sonic Deterrent Equipment                      | \$1,250              |
| Barbed/Razor Wire                              | \$12,000             |
| Sandbags                                       | \$1,200              |
| Electric Fences                                | \$40,000             |
| Total Per Ship, Per Transit                    | \$134,450            |
| Total Security Costs If All Purchased Per Year | \$3.6 billion        |
| <b>Lower Bound Estimate Per Year</b>           | <b>\$363 million</b> |
| <b>Upper Bound Estimate Per Year</b>           | <b>\$2.5 billion</b> |

There are several problems with the above estimates. For example – shipowners turn from buying K&R insurances to hiring armed guards. Some insurers do offer insurances packages including armed guards and escort, Jardine Lloyd Thompson Group Plc is organizing private navy flotilla exactly for this purpose. Many shipowners don't buy K&R insurances, turning to another option, which provides guaranteed safe passage, and they hire armed guards. And if they hire armed guards, they don't buy K&R, what for? So uniting both costs of insurance against ransom and hiring armed guards is not correct. Let's look at the price of security guards - \$80,000, with remark "Calculated as an average of two sources of \$60,000 for GoA, see: MARAD, —Economic Impact of Piracy in the Gulf of Adenll, and \$100,000 for Suez, see: Emmanuel, —Time to Join the Fight Against Maritime Piracy".

Here is a price list from one of security agencies, actively engaged in security market in Indian ocean:

- 4 armed guards for a passage Suez – Shri Lanka: \$55,000
- 4 armed guards for a passage Suez – Mombasa (Kenya): \$55,000
- 4 armed guards for a passage Suez – Durban (SAR): \$65,000.

Security services market is on the steep rise, and with growing competition, prices are going down.

Cost of mandatory insurance for an average general cargo freighter: H&M + P&I - \$5,000 for a passage Red Sea – GoA – Arabian Sea. I simply don't know where OEF took a figure \$150,000 from, but I do know, that small and middle-sized shipowners (most part of world shipping) paying \$150,000 insurance for GoA passage just don't exist in nature, with such generosity they'll be doomed to extinction.

And what about razor wires, electric fences and sonic equipment? Say, if our vessel is of average length some 120 meters, cost of razor wire is one thing. If her length is 200 plus, it's another, much bigger. If I own a tanker, I'd be rather careful with electric fence. And I don't know how many shipowners buy acoustic equipment to deter pirates, I have no idea. But OEF statistics presume, that from 10 to 70 percent of vessels, upper and lower limits, spend on all what's on the table sparing no issue, buying insurance, razor wires, guards and sandbags in one package.

My estimates give me some \$100 million annually spent on insurances and safety measures. I'm alone, I don't have fellow researchers working under my supervision, I don't have grants, I don't have support from maritime organizations and institutions. Give me some of the above, and I'll be able to create far more reliable and credible study on Somali piracy. But nobody will grant me anything except maybe some troubles.

## "The Cost of Naval Forces"

Total costs of all navies elbowing each other in GoA may well be in the estimated by OEF range up to \$2 billion. There is an area for some scepticism too, and I believe that the figure is something around \$1 billion. Let's look at navies in general and at some of them personally. We don't know, on any given day, exact number of navy ships patrolling piracy-infested waters. One may figure out their total number if he burdens himself with scrupulously monitoring as many navies as possible and collecting all available information, on a regular everyday basis. Sometimes some navy brass or some politicians find it suitable to inform us. So we don't have exact figures and detalized picture of navies activities in the region. As a rule, distorted and unavailable statistics, lack of knowledge, lead to miscalculations and wrong analyse.

But there are some facts we know, though. Navies demonstrate in public, for more than two years already, their inability to tackle Somali piracy, and navies themselves recognize one of the main reasons of their failure – the lack of full-scale, sincere cooperation between involved nations. Navies admit that establishing united command for all war ships under all flags, now present in GoA, may triple their effectiveness with the same quantity of ships. Problem lies with politicians as usual, each nation is pursuing its own interests, or what is considered to be their interests. China, Korea, India and Japan are plain happy with an opportunity to send their navies to vulnerable region, to stage their military presence as close to oil resources as possible. To China and India, besides, it's an excellent opportunity to stretch their growing muscles and train navies in view of each other. Taking all considerations, those who patrol GoA independently do it for their purposes, not in the name of safe shipping. United command and curbing Somali piracy to some negligible proportions simply don't suit their purposes.

## The costs which are hard to doubt

There are figures in study, which are hard to doubt. Here they are:

### Total Cost of Prosecutions 2010

| Region                                 | Prosecutions | Average Cost        | Total Cost of Prosecutions |
|--|--------------|---------------------|----------------------------|
| Regional                               | 483          | \$52,00052          | \$25,116,000               |
| Europe                                 | 21           | \$246,00053         | \$5,166,000                |
| North America                          | 3            | \$335,73354         | \$1,007,199                |
| <b>Total Cost of Prosecutions 2010</b> |              | <b>\$31,289,199</b> |                            |

### Cost of Anti-Piracy Organizations and Trust Funds

| Organization  | Funds                        |
|---|------------------------------|
| UN Contact Group on Piracy off the Coast of Somalia   | \$3.7 million <sup>56</sup>  |
| IMO Djibouti Code   | \$13.8 million <sup>57</sup> |
| Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) | \$2 million <sup>58</sup>    |
| UNODC   | \$5 million                  |
| <b>Total Cost of Anti-Piracy Organizations</b>  | <b>\$24.5 million</b>        |

I believe in correctness of the above figures without any cast of doubt. I believe these figures for two considerations, missed both by officialdom and by mass-media.

Let's look at Somali piracy in general. Who are they, those nasty pirates? Are they all hard-core, born criminals? Do we have some resemblances in history? Anyone monitoring and analysing Somali piracy will sooner or later come to conclusion, that Somali piracy developed from activities of the few daring enough persons to a nation-wide industry. Hundreds of pirates got caught by navies, dozens or hundreds perish without trace in ocean, but there are thousands eager to replace them. Number of vessels Somali pirates can highjacked and hold is not unlimited, there are physical restrictions, such as for example, resources to provide provisions required for captured crews and vessels, from food and water to fuel. Somali coastline also, doesn't look like one big pirates' haven, capable of harbouring any number of vessels. Hence are the limits to actively engaged in piracy Somalians. As a result, when pirate is caught or "missed in action", there is a line to take up his place.

Advocates of the prosecution as one of the main methods to curb Somali piracy, either intentionally or just because their knowledge of the reality is perfunctory, request in fact, prosecution of a good part of Somali population. There are known examples in history – let's take Civil war in Russia in 1917-22. Quite a number of rural population in Ukraine and Siberia turned into bandits, so-called "green" movement. Locals organized into gangs of different proportions, sometimes quite big. Firstly they were engaged in keeping some order in areas they control, later they started to rob whom and what they could, and more often than not, they were fighting temporary regimes established by Civil war opponents. Gangs consisted of ordinary farmers and poors from small towns, diluted by militarymen and professional criminals. When communists overpower all their opponents and some stability and order were restored, even communists with their bloodthirst were sensible enough not to prosecute ordinary folks for their criminal activities during times of chaos and devastation. They granted amnesty on all "greens", providing "greens" should give up arms and return to law-abiding life, what most farmers willingly did.

Prosecution of all Somalians involved in piracy is not an option (let alone “most required” measure), it’s senseless waste of substantial amounts of money and efforts. All the more so, as many captured Somalians are plain happy with perspectives of being tried and convicted in Western countries, even Russian Siberian prisons may be a resort in comparison with dreary reality of lawless Somali. Why politicians, international organizations and States don’t understand that simple fact? Because they don’t want to, because they have their own reasons to “fight piracy” in a way that looks absolutely absurd, abusive, for common sense.

## “Fighting piracy” or “Making shipping safe”?

There is a well-known termin – “fighting piracy”. Public believes, that “fighting piracy” is equal to “making navigation safe”, but by now these termins apply to two different processes, having nothing in common between them. Shipping doesn’t care if piracy is fought or left immune, all shipping wants is free and safe navigating. Even tactically and technically those two objectives – making shipping safe and fighting piracy, are quite different. We may make navigating safe without as much as touching any potential pirate, just by making vessels impregnable. Or we may fight pirates, prosecute them and go on with that for decades, till we imprison all Somalians ready to turn into pirates, not knowing how many Somalians are potential pirates. Thousands? Tens of thousands, or hundreds of thousands? How much money do we need to provide prosecution, trial and prisons for convicted, if pirates are numbered in thousands, and how much more if they’re numbered in tens of thousands?

“Fighting piracy” developed into a process in itself, many organizations and politicians got involved in a proces to an extent of personal interest. This process, proudly named as “fighting piracy”, and all those who’re part of it, require a special study. For this study, I’ll restrict myself with some names only:

UN;

IMO - International Maritime Organizations, UN branch;

BIMCO – international shipowners’ association;

International Chamber of Shipping and International Shipping Federation;

IMB International Maritime Bureau;

ITF International Transport Federation and affiliated trade unions;

A number of persons, mainly politicians;

Think-tanks of different origin and structure, ready for a reasonable fee to produce any study required.

I think above-listed bodies deserve a special study, explaining their activities, which may be described, political correctness aside, as a betrayal of those whom they claim they defend – shipping, shipowners and seafarers.

There is no coincidence in acknowledgements given in a study “The Economic Costs of Maritime Piracy”. We find in the Acknowledgements list BIMCO and a number of maritime institutions. There is no coincidence that recent report presented by Jack Lang, the Special Adviser on Legal Issues related to Piracy off the Coast of Somalia, in UN Security Council on Somali piracy problem, is based on the figures we find in the study in question. Report’s basic appeal – “give us more funds to prosecute pirates, give us \$25 million, because it’s much less than \$7 billion losses”.

There is world of shipping, as different from world of international bureaucracy, as any planet from Earth. In the world of shipping shipowners and seafarers vote not for “fighting piracy”, but for safe navigation. That may be achieved by two ways – either by establishing order in Somali, or by eliminating piracy threat for each vessel. Establishing order in Somali, by whatever means are possible, is the question beyond my scope. But the task of eliminating piracy threat for nearly all vessels transiting risky waters is technically possible and may be achieved in a very short time, months at the most. Decision is very simple – to provide each vessel with military guards, by “shuttle” method. In point A there is a floating facility, base for military contingent. Vessel approaches point A and takes aboard a team of armed military guards, 4-6 men. There is another floating facility in point B, where vessel disembarks guards. Similar to pilotage – taking pilots on board and disembarking them after navigating through dire straits. The cost of such protection will be dramatically less than the cost of navies presence we suffer now. Safety is guaranteed for all vessels, and there is one more very important gain – vessels won’t have to wait for convoys, their voyages will go on uninterrupted, and that reason is one of decisive ones for shipowners in their everyday activities. We won’t need courts and prisons for pirates, shipowners won’t pay inflated insurances, navies will return to their bases, no re-routes, and the only parties to suffer will be pirates, bureaucrats and politicians.

Elimination of piracy threat by such quick, effective and low-cost way won't be ever achieved, this option isn't even considered officially. On the contrary, officials ardently fight just the idea of armed guards, claiming "it will lead to expanse of violence". When some navies ruthlessly fire at everything moving in the range of their guns it doesn't lead to violence. With emergence of navies in the region, firing on vessels under attack quickly became a practice, before it was an anomaly. All measures to deter pirates, advocated by officials, are non-lethal for pirates, but potentially lethal for crews.

Why official bodies are so strongly opposed to effective measures to eliminate piracy threat? Because the existence of Somali piracy on it's present level serves to the best of their interests. Navies get their budgets. Nations get a chance to demonstrate to the world their growing power. Politicians gain more points in their personal publicity. Official international bodies get more power and more money. The only suffering party is shipping itself, but who cares? After all, actual losses are minimal, and the risk to be hijacked is hardly more than the risk to die under a car while crossing the street. Simple figures – some 25,000-30,000 vessels transiting dangerous waters annually, in both directions N-S and W-E. Some 30-40 (excluding dhows and dubious vessels) out of 25,000-30,000 hijacked annually, what is the probability of hijacking? Roughly 0.1%.

By the way, there is one small issue which demonstrates the morality of maritime international bodies. \$24.5 million spent on antipiracy activities, including conferences, Round Tables, etc. Do you know how much money were spent on seafarers who experienced kidnapping and went through it with serious damage to their health? Nil, none, zero. Seafarers are at the mercy of shipowners. Responsible shipowners compensate medical treatment for released seamen, but in fact, shipowners cover by their money the faults of the society – be it a nation or international community. Theirs is the task of providing safe navigation in peaceful times. They failed, but they don't pay. Oh, yes, of course, they spend money, a lot of money, as shown above, but not on those who bear the consequences of their incompetence. They spend money on themselves, to compensate for their moral burdens and woes, I suppose.

## Conclusion

I will be surprised if any of mass-media bodies I sent this study to will publish it, or at least voice some facts. There is no surprise, that no industry media ever criticize maritime officialdom. Russian media is criticized for being too pro-governmental, but any Russian newspaper, be it most official, is a feast of extreme radicalism in comparison with international maritime media. I consider phenomenon of Somali piracy not as a risk to world economy, but as a demonstration of utter failure of the world system to cope with any global-scale problem. I've got two lessons – one from Arctic Sea case, another from Somali piracy phenomenon. Politicians and political powers are frightfully inefficient, and it can't be otherwise, because any problem society encountered with, is transformed by politicians into the source of their own benefits. They demonstrate top skills and efficiency in only one aspect, in hiding truth from public. The only way to stop them is to make all their faults and crimes public. Speaking of Somali piracy, it will go on for years and decades, till somebody will restore an order in the country, or till public will know the truth about the realities of Somali piracy, and conveys it's bewilderment to responsible bodies.

As I see it, we already lost free mass-media, replaced by political correctness, but thankfully, we still have market economy. Market is the only hope for shipping to cope with piracy threat. Security services become more and more available, more and more shipowners hire armed guards and sleep peacefully after that, knowing that their vessels are safe.

By the time I complete my study EU NAVFOR started to publish weekly reports on attacks, hijacks and vessels held by pirates, strikingly more correct basically, and much more timely, than the reports and statistics published by IMB Piracy Reporting Center.

**Mikhail Voytenko**  
**January 2011**

Attachments:

Statistics of released vessels

**2010**

1. **Dec 28 tanker Marida Marguerite** (IMO: 9445655) released for ransom 5.5 mil USD (as pirates said), vessel highjacked on May 8 2010.
2. **Dec 11 bulk carrier Eleni P.** (IMO: 9128025) released for unknown ransom, vessel highjacked on May 12 2010.
3. **Dec 7 tanker Al Nisr Al Saudi** (IMO: 9058696) released for unknown ransom, vessel highjacked on March 1 2010.
4. **Nov 6 VLCC Samho Dream** (IMO: 9235737) released for record ransom 9.5 million USD (as pirates said), vessel highjacked on April 4 2010.
5. **Nov 6 tanker Golden Blessing** (IMO: 9539016) released for ransom 2.8 million USD (as cited in media), vessel highjacked on June 28 2010.
6. **Oct 16 bulk carrier VOC Daisy** (IMO: 9154555) released for unknown ransom, vessel highjacked on Apr 21 2010.
7. **Sept 9 tanker Panega** (IMO: 8511586) released for unknown ransom, vessel highjacked on May 11 2010.
8. **Jul 29 bulk carrier Frigia** (IMO: 7507485) released for unknown ransom, vessel highjacked on March 23 2010.
9. **Jul 20 product tanker UBT Ocean** (IMO: 9408360) released for unknown ransom, vessel highjacked on March 5 2010.
10. **Jun 11 car carrier Asian Glory** (IMO: 9070474) released for ransom 5.8 mil USD (as pirates said), vessel highjacked on Jan 2 2010.
11. **May 13 tanker St. James Park** (IMO: 9072836) released for unknown ransom, vessel highjacked on Dec 28 2009.
12. **May 11 reefer Talca** (IMO: 8616324) released for unknown ransom, vessel highjacked on March 23 2010.
13. **March 16 chemical tanker Theresa VIII** (IMO: 8105923) released for ransom 3.5 mil USD, vessel highjacked Nov 16 2009.
14. **March 7 tuna fishing vessel Thai Union 3** (IMO 8919415) released for rumoured some 3-3.5 mil USD, vessel highjacked Oct 29 2009.
15. **Feb 28 bulk carrier Navios Apollon** (IMO: 9211145) released for unknown ransom, vessel highjacked on Dec 28 2009.
16. **Feb 26 chemical tanker Pramoni** (IMO: 9408803) released for unknown ransom, vessel highjacked on Jan 1 2010.
17. **Jan 18 supertanker VLCC Maran Centaurus** released for 5.5 mil USD ransom, vessel highjacked on Nov 30 2009.

## 2009

1. Dec 27 bulk carrier De Xin Hai (IMO: 9364758) released for ransom 4 mil USD, vessel highjacked on Oct 19 2009.
2. Dec 27 boxship Kota Wajar (IMO: 9157399) released for ransom 3.3 mil USD, vessel highjacked on Oct 15 2009.
3. Dec 17 bulk carrier Delvina (IMO 9384796) released for ransom 3.5 mil USD, vessel highjacked on Nov 5 2009.
4. Dec 10 bulk carrier Ariana (IMO 8014150) released for ransom 2.8 mil USD, vessel highjacked on May 2 2009.
5. Dec 3 general cargo Charelle (IMO 8506452) released for unknown ransom, vessel highjacked on June 12 2009.
6. Nov 7 tuna fishing vessel Alakrana (IMO: 9335745) released for rumoured 3.3 mil USD, vessel highjacked on Oct 2 2009.
7. Oct 5 bulk carrier Horizon 1 (IMO 7625732) released for ransom 1.5 mil USD, vessel highjacked on Jul 8 2009.
8. Sep 15 bulk carrier Irene E.M. (IMO 7433593) released for ransom 2 mil USD, vessel highjacked on Apr 14 2009.
9. Aug 3 boxship Hansa Stavanger (IMO 9128465) released for ransom some 3 mil USD, vessel highjacked on Apr 4 2009.
10. Jul 18 general cargo Victoria (IMO 9290074) released for ransom 1.8 mil USD, vessel highjacked on May 5 2009.
11. Jun 28 dredger Pompei (IMO 8706583) released for ransom 3.2 mil USD, vessel highjacked on Apr 18 2009.
12. Jun 23 general cargo Marathon (IMO 7529330) released for ransom 1.3 mil USD, vessel highjacked on May 7 2009.
13. bulk carrier Patriot (IMO 9250567) released for ransom some 2 mil USD, vessel highjacked on Apr 25 2009.

14. May 9 tanker Nipayia (IMO 9162069) released for unknown ransom, vessel highjacked on March 25 2009.
15. May 9 bulk carrier Malaspina Castle (IMO 7915967) released for ransom 2 mil USD, vessel highjacked on Apr 6 2009.
16. Apr 25 bulk carrier Saldanha (IMO 9268992) released for 1.9 mil USD, vessel highjacked on Feb 22 2009.
17. Apr 21 tanker Stolt Strength (IMO 9311024) released for unknown ransom, vessel highjacked on Nov 10 2008.
18. Apr 20 general cargo Sea Horse (IMO 7315583) released for just 100,000 USD, vessel highjacked on Apr 14 2009 – released in a week's time, vessel was chartered by World Food Programme to deliver humanitarian food to Somali.
19. Apr 15 bulk carrier Titan (IMO 8117146) released for unknown ransom, vessel highjacked on Mar 19.
20. Mar 28 LPG tanker Longchamp (IMO 9005106) released for unknown ransom, vessel highjacked on Jan 29 2009.
21. Mar 4 general cargo Blue Star (IMO 7706770) released for 1 mil USD, vessel highjacked on Jan 1 2009.
22. Feb 13 chemical tanker Chemstar Venus (IMO ?, built 1999, manager Iino Marine Service Japan) released for unknown ransom, vessel highjacked on Nov 15 2008.
23. Feb 5 ro-ro Faina (IMO 7419377) released for then record 3 plus mil USD, vessel highjacked on Sep 25 2008.
24. Feb 3 general cargo Bosphorus Prodigy (IMO 8415158) released for some 1.5 mil USD, vessel highjacked on Dec 16 2008.
25. Jan 24 tanker Biscaglia (IMO 8406339) released for unknown ransom, vessel highjacked Nov 28 2008.
26. Jan 16 general cargo CEC Future (IMO 9076351) released for some 1-1.5 mil USD, vessel highjacked on Nov 7 2008.
27. Jan 12 bulk carrier African Sanderling (IMO 9403059) released for unknown ransom, vessel highjacked on Oct 20 2008.
28. Jan 12 tanker Karagol (IMO 9369928) released for unknown ransom, vessel highjacked on Nov 12 2008.
29. Jan 9 bulk carrier Delight (IMO 8320133) released for unknown ransom, vessel highjacked on Nov 18 2008.
30. Jan 9 VLCC Sirius Star (IMO 9384198) released for then record 3 mil USD, Sirius Star was first supertanker highjacked by pirates, date of highjack Nov 15 2008.
31. Jan 7 bulk carrier Yasa Neslihan (IMO 9286566) released for unknown ransom, vessel highjacked on Oct 29 2008.

## Statistics of pirated vessels and crews, presently held by pirates (as of Jan 29 2011)

### 1. Ro-ro Iceberg I, UAE

Ro-ro Iceberg I pirated on March 29 10 nm off Aden, crew 24: nationalities 9 Yemen, 6 India, 4 Ghana, 2 Sudan, 2 Pakistan, 1 Philippines. Iceberg I IMO 7429102, dwt 3960, built 1976, flag Panama, owner Azal Shipping & Cargo Dubai.

### 2. General cargo Rak Africana, UAE

General cargo Rak Africana pirated on April 11 in Indian ocean, 280 nm W off Seyshelles. Crew 26: 11 India, 5 Pakistan, 10 Tanzania. Rak Africana – IMO 8200553, dwt 7561, built 1981, flag St-Vincent, owner Zambezi Shipping Agency LLC Dubai.

### 3. General cargo Suez, Egypt

General cargo Suez pirated on August 2 in 13.02N 48.54E, IRTC, Gulf of Aden. Vessel loaded with cement in bags was enroute from Karachi Pakistan to Red sea. Crew 23: 11 Egypt, 4 Pakistan, 2 Shri Lanka, 6 India. Suez – IMO 8218720, dwt 17300, built 1984, flag Panama, owner Red Sea Nav. Co Egypt.

### 4. Tanker Olib G., Greece

Tanker Olib G. Pirated on September 8 in 13 23 N 049 58 E, Gulf of Aden. Crew 18: 18 Georgia, 3 Turkey. Olib G. - IMO 8026608, dwt 6406, built 1988, flag Malta, manager Frio Ventures S.A. Greece.

5. Asphalt tanker Asphalt Venture, UAE

Asphalt tanker Asphalt Venture pirated on September 29, in position 120 nm E off Dar es Salaam, Tanzania. Vessel was enroute Mombasa Kenya to Durban SAR. Crew 15: all India. Asphalt Venture – IMO 8875798, dwt 3884, built 1991, flag Panama, manager Bitumen Invest AS India, owner Inter Global Shipping UAE.

6. General cargo Izumi, Japan

General cargo Izumi pirated on October 10 in Indian ocean in 01 39S 042 05E. Crew 20: all Philippines. Izumi – IMO 9414955, dwt 20170, built 2007, flag Panama, owner Fair Field Shipping Co. Ltd Tokyo Japan.

7. LPG tanker York, Greece

LPG tanker York pirated on October 23 in 04 11 S 41 19 E, vessel was enroute Mombasa Kenya to Seyshelles. Crew 17: 1 (master) Germany, 14 Philippines, 2 Ukraine. York - IMO 9220421, dwt 5076, built 2000, flag Singapore, manager Interunity Management Corp Greece.

8. Product tanker Polar, Greece

Product tanker Polar pirated on October 30 in 12:12N – 064:53E, Indian ocean. Vessel was enroute Baltic to Singapore. Crew 24: 3 Greece, 4 Montenegro, 16 Philippines, 1 Romania. Polar – IMO 9299563, dwt 72854, built 2005, flag Panama, manager Paradise Navigation S.A. Greece.

9. Chemical tanker Hannibal II, Tunis

Chemical tanker Hannibal II highjacked on Nov 11 2010, enroute Malaysia – Suez, with cargo vegetable oil, some 860 nm E off The Horn of Africa. Crew 31: 23 Tunisians, 4 Filipinos, 1 Croatian, 1 Georgian, 1 Russian and 1 Moroccan. Hannibal II IMO 8011756, dwt 23404, built 1983, flag Panama, owner Gabes Marine Tankers Tunis Tunisia.

10. General cargo with container capacity Yuan Xiang, China

Yuan Xiang highjacked on Nov 12 2010 in pos 18 02.55 N 66 04.39 E. Boxship was enroute from Fujarah UAE. Crew 29, all Chinese. Yuan Xiang – IMO 7609192, dwt 22356, built 1978, flag Panama, owner Hongyuan Marine Co. Ltd.

11. Boxship Albedo, Malaysia

Boxship Albedo highjacked on Nov 26 2010 in Indian ocean, vessel was enroute from Jebel Ali UAE to Mombasa Kenya, loaded with containers. Crew 23, nationalities 6 Pakistan, Bangladesh, Shri Lanka, Iran. Albedo IMO 9041162, dwt 15562, built 1993, flag Malaysia, owner Majestic Enrich Shipping Sendirian Berhad.

12. Bulk carrier Jahan Moni, Bangladesh

Bulk carrier Jahan Moni highjacked at 0942 Dec 5 2010 in pos 08 11N 071 43E, near Indian coast. Vessel was enroute from Singapore to Suez. Crew 26, all Bangladesh. Cargo unknown. Jahan Moni IMO 9102954, dwt 41300, built 1996, flag Bangladesh, owner Brave Royal Ship Management Chittagong.

13. Boxship MSC Panama, USA

Boxship MSC Panama highjacked at 1212 UTC Dec 10 2010 in position 0957S 04146E, vessel was fired upon with AKs and RPG. Crew 23 all Myanmar, vessel was enroute from Dar es Salaam (Tanzania) to Beira (Mozambique). MSC Panama - IMO 8902125, dwt 26288, built 1989, flag Liberia, manager Eastwind Shipmanagement Singapore, owner Eurys Berlin New York.

14. Bulk carrier Renuar, Greece

Bulk carrier Renuar was highjacked Dec 11 2010 some 336 nm NW off Maldives. Renuar IMO 9042221, dwt 70123, built 1993, flag Panama, operator Maryville Maritime Greece. Crew 24 Filipinos, vessel was enroute from Port Louis (Mauritius) to Fujairah (UAE).

15. Bulk carrier Orna, UAE

Bulk carrier Orna highjacked at midday Dec 20 2010 in Indian ocean in pos in 01 46S 060 32E, some 400 nm NE off Seyshelles. The attack was launched from 2 attack skiffs, with pirates firing small arms and rocket propelled grenades at the merchant vessel. The vessel was stopped and boarded by at least 4 pirates. Vessel was enroute Durban South Africa - Zhangzhou China carrying 26,500 tonnes of coal. Crew 19: 1 Shri Lanka and 18 Syria. Orna IMO 8312162, dwt 27915, built 1984, flag Panama. Registered owner Sirago Shipmanagement Co., operator Swedish Management, Dubai United Arab Emirates.

16. General cargo with container capacity Thor Nexus, Thailand

At 0140 UTC Dec 25 2010 in 16 01N 060 12E pirates highjacked boxship Thor Nexus. Crew 27 all Thai citizen. Vessel was enroute Jebel Ali UAE – Bangladesh. Thor Nexus IMO 8712491, dwt 20410, built 1989, flag Thailand, owner Thoresen&Company Bangkok.

17. General cargo Ems River, Germany

General cargo Ems River highjacked at 1303 Dec 27 2010 in pos 17 57N 057 43E, GoA. Crew 8: 1 Romanian and 7 Philippine. Vessel was enroute from Jebel Ali UAE to S-Nikolas, Greece. Ems River IMO 9551662, dwt 5200, built 2010, flag Antigua, owner Grona Tankers Germany.

18. Bulk carrier Blida, Algeria

Bulk carrier Blida highjacked in pos 15 28N 055 51E at 1536 UTC Jan 01 2011, approximately 150 nautical miles South East of the port of Salalah, Oman. Vessel was on her way to Dar es Salaam, Tanzania from Salalah in Oman. Crew 27: 17 Algerians, 6 Ukrainians, 2 Philippine, 1 Indonesian and 1 Jordanian. Blida IMO 7705635, dwt 20586, built 1978, flag Algeria, operator Sekur Holdings Greece, owner International Bulk Carrier Algeria.

19. Bulk carrier Eagle, Greece

Bulk carrier Eagle at 0641 UTC Jan 17 2011 in 13 17 N 061 42 E (490 nm SE off Salalah, Oman), vessel was enroute from Aquabar Jordan to Paradip India. Crew 24, all Philippine. Eagle IMO 8126408, dwt 52163, built 1985, flag Cyprus, owner/manager Reposea Shipping Athens Greece.

20. Bulk carrier Hoang Son Sun, Vietnam

Highjacked presumably at around 2200 UTC Jan 19 in pos 20 16N 064 29E, approximately 520 nautical miles South East of the port of Muscat, Oman. Vessel was enroute from Fujarah UAE to Xiamen China, cargo unknown. Crew 24, all Vietnamese. Son Sun IMO 8323862, dwt 22835, built 1984, flag Mongolia, owner/manager HOANG SON CO LTD 9, Trieu Quoc Dat, Thanh Hoa City, Vietnam.

21. Bulk carrier Khaled Muhieddine K, Syria

At 1242 UTC Jan 20 2011 the bulk carrier Khaled Muhieddine K was pirated in the North Arabian Sea in 15 11N 059 38E, approximately 330 nautical miles South East of the Omani coastal port of Salalah. Authorities were made aware of the attack when the master reported being fired upon with small arms and seeing pirates on board. All contact with the vessel was then lost. Crew of 25 (22 Syrian and 3 Egyptian), vessel was enroute from Singapore to Hudaydah, Yemen. Khaled Muhieddine K IMO 8105650, dwt 24022, built 1981, flag Togo, manager/owner Damak Maritime, Syria.  
First case of storming captured vessel in Somali piracy history

22. Heavylift and project m/v Beluga Nomination, Germany

Jan 22 - heavylift and project cargo, multipurpose m/v Beluga Nomination was attacked and boarded by pirates in 01 49N 056 35E, 400 nm N off Victoria, Seyshelles. Crew hid in citadel and holded on for 2.5 days, waiting for navy rescue. Rescue didn't come, either citadel was broken into by pirates, or crew gave up. Crew 12 – 1 Polish (Master), 2 Russians, 2 Unkranians, 7 Philippine. Vessel was enroute Europe – Seyshelles – ROK, with steel cargo. Beluga Nomination IMO 9356402, dwt 9775, built 2006, flag Antigua, owner Beluga Group.

**Crews by nationality:**

Algeria 17 (Blida)

Bangladesh 26

Ghana 4

Georgia 15 Oilb G +1 Hannibal II = 16

Greece 3

Germany 1

Egypt 11 (Suez) + 3 (Khaled Muhieddine K) = 14

India 6+6+11+15=38

Indonesia 1 (Blida)

Jordan 1

Yemen 9

China 29

Montenegro 4

Morocco 1

Myanmar 23=23

Pakistan 4+2+5=11

Poland 1 (Beluga N)

Russia 1 (Hannibal II) + 2 (Beluga N) = 3

Romania 1+1=2  
Syria 18 (Orna) + 22 (Khaled Muhieddine K) = 40  
Sudan 2  
Tanzania 10  
Thailand 27 (Thor Nexus)  
Turkey 3 (Oilb G)  
Tunis 23  
Vietnam 24 (Hoang Son Sun)  
Ukraine 2 (York) + 6 (Blida) + 2 (Beluga N) = 10  
Philippines 1+20+14+16+4+24+7+2+24+7=119  
Shri Lanka 2+ 1 (Orna) + 6 (Albedo) = 3  
Croatia 1

**Total 489 seamen.**

**Plus 2 from the pirated yacht Choizil (SAR), and 6 from MV Leopard, whose fate and condition in fact, are unknown.**

**Vessels' nationality:**

Algeria 1  
Bangladesh 1  
Germany 2  
Greece 6  
China 1  
Egypt 1  
Japan 1  
Malaysia 1  
Syria 1  
Thailand 1  
Tunis 1  
UAE 4  
USA 1

**Type of vessels:**

Tankers – 4  
Tankers LPG – 1  
Boxships - 2  
General cargo – 7  
Ro-ro – 1  
Bulk carriers - 7

**Fishing vessels – all without IMO number, clear history and owners**

Tuna fishing vessel Jih Chun Tsai 68, Taiwan

Tuna fishing vessel Jih Chun Tsai 68 pirated on March 31, no data on the vessel including IMO No. Crew 14: 1 (master) Taiwan, 2 China, 11 Indonesia.

Three tuna fishing vessels Prantalay 11, Prantalay 12, Prantalay 14, Thailand

Three tuna fishing vessels Prantalay 11, Prantalay 12, Prantalay 14 were pirated on April 18 in Indian ocean, some 1200 nm off Somali coast. Vessels were sailing from Jibouti, Ecoterra Intl claims they were enroute to fishing grounds without proper licence, i.e. poaching. No data on any vessel including IMO. All three vessels Thailand flagged and owned, owner PT Interfishery Ltd. Crews 77, all Thailand.

Fishing vessel Golden Wave, ROK

Fishing vessel Golden Wave (Keummi 305) pirated on October 9 off Lamu, Kenia. Crew 43: 2 Koreans (including master, who's also owner), 2 China and 39 Kenya. No data on vessel except 241 tonnage, presumable Kenya flagged and poaching.

Fishing Vessel VEGA 5, Mozambique

The Mozambican flagged Fishing Vessel VEGA 5, which was previously reported missing by her owner, is now confirmed as being pirated in the waters between Mozambique and Madagascar.

On 31 December, the vessel was spotted near the Mozambique coast, approximately 200 nautical miles South West of the Comoros Islands, heading north. The vessel was towing what looked to be a pirate attack skiff and did not respond to any calls. There has been no further communication with the vessel. The FV VEGA 5 has a displacement of 140 tonnes and a length of 24 meters. The nationalities of the 24 crew are 2 Spaniards (the captain and the boatswain are Galician), 3 Indonesians and 19 Mozambicans.

Fishing vessel Shiuh Fu No 1, presumably Taiwan

Fishing vessel Shiuh Fu No 1 hijacked on Dec 25 at 1030 UTC in 12 58S 051 52E, crew 26, nationalities Taiwan, China and Vietnam.

**Total 6 fishing vessels with 184 fishermen on board, all vessels except Vega-5 suspected in poaching.**