



**S. RAJARATNAM SCHOOL
OF INTERNATIONAL STUDIES**
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Broader Horizons

A Monthly Maritime Bulletin and Perspectives of the Maritime Security Programme at the S. Rajaratnam School of International Studies

Featured *MSP Perspective*:

The Sabah Standoff and Regional Maritime Security – p. 1

By Ristian Atriandi Supriyanto



MSP Perspective:

The Sabah Standoff and
Regional Maritime Security
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Maritime Security Programme, RSIS

Editorial Team

Jane Chan

Ristian Atriandi Supriyanto

Joash Loh

Wilson Lam

Contact Us

For comments /
suggestions /requests,
kindly write to us at

RSISMSP@ntu.edu.sg

MSP Perspectives

THE SABAH STANDOFF AND REGIONAL MARITIME SECURITY

By Ristian Atriandi Supriyanto
Senior Analyst, Maritime Security Programme

THE [standoff](#) between a Filipino armed group and Malaysian forces in Sabah in February-March 2013 exposes major gaps in Southeast Asian maritime security. It began on 11 February 2013 when the self-proclaimed heir to the Sulu Sultanate, Jamalul Kiram III, sent the armed “Royal Security Forces of the Sultanate of Sulu and North Borneo” to Sabah to enforce his claims. They landed and holed up in the coastal district of Lahad Datu and adjacent areas until the Malaysian authorities discovered and surrounded, while Manila sent [navy ships](#) to prevent further incursions. Despite the negotiation efforts by Kuala Lumpur and Manila to peacefully resolve the standoff, armed clashes ensued, which resulted in Malaysian and Filipino casualties. Some feared the standoff could derail the recent peace settlement to end separatist conflicts in Mindanao and chill bilateral relations between Kuala Lumpur and Manila. This incident also highlighted the convoluted nature of regional maritime security problems which often combine both transnational and traditional dimensions.

On one hand, transnational problems prod littoral states to cooperate to protect their maritime borders. The Sabah standoff should largely be blamed to lapses in the littoral states’ ability to effectively monitor their maritime domain. Had there been a continuous and cooperative presence of maritime authorities from both countries, the incident would not have happened, or at least could have been prevented at sea. Maritime security cooperation in the Sulu-Sulawesi Seas area is relatively under-developed compared to the busy Malacca Strait, perhaps owing to the lesser commercial and strategic interests involved. Moreover, the porous maritime border is frequently used by irregular migrants moving back and forth from Sabah. Yet the area is also where some of the region’s most wanted terrorists once found their host-sympathizers. On the other hand, there is a “traditional” trust deficit which deters states from cooperating in disputed areas with their fellow claimants. For Manila, the lingering Philippine claim to Sabah, although downplayed since the Marcos era,

to some extent remains a thorn in bilateral relations. Malaysia also harbours continuing suspicions about Manila’s motivations that are based on the belief that armed groups in the Philippines have received support as “proxies” in the past.

Three lessons could be drawn from the Sabah standoff and its bloody conclusion. Firstly, it demonstrated that diplomatic ties in the region are still strained by sovereignty issues. Despite cordial relations between Manila and Kuala Lumpur, nationalist sentiments often come first in the public consciousness whenever it comes to sovereignty. Such sentiments adversely contribute to the trust deficit inhibiting security cooperation.

Secondly, the standoff exemplifies a classic maritime security case which blurs the line between transnational and traditional problems. This means that cooperation is often undertaken reluctantly, if at all. Tensions in disputed waters and islands are worsened by nationalist activists making illegal landings, such in the Senkaku/Diayou Islands in August 2012. Such action could be met with overreaction by overzealous security authorities, further inflaming tensions.

Lastly, the standoff highlighted laxity in the littoral states’ maritime domain awareness capacity and cooperation. Enhancing situational awareness drains scarce resources (people, money, and equipment). Manila and Kuala Lumpur have made strides through the Joint Committee on Border Cooperation (JCBC) to jointly manage and coordinate maritime patrols conducted along their common maritime border. However, to be effective, its frequency needs to be increased. Furthermore, the presence of air elements in maritime surveillance is also significant as the Malacca Strait Patrols between the navies of Indonesia, Singapore, Malaysia, and Thailand demonstrated.

Naval Development & Policy

CHINA-JAPAN | 5 FEBRUARY | THE NEW YORK TIMES

Japan Says China Aimed Military Radar at Ship

TOKYO — Japan said Tuesday that a Chinese military vessel trained a radar used to help direct weapons last week on a Japanese naval vessel near disputed islands in the East China Sea. The Japanese Defense Ministry also said that a Chinese frigate directed the same kind of radar at one of Japan's military helicopters in a previously undisclosed episode on Jan. 19.

[Full Report](#)

CHINA | 1 FEBRUARY | XINHUA

Navy enters South China Sea for patrol, training

MISSILE DESTROYER QINGDAO, Feb. 1 (Xinhua) -- A Chinese People's Liberation Army (PLA) Navy fleet has entered the country's territorial waters in the South China Sea for patrol and training missions, military sources revealed Friday. Comprising the missile destroyer Qingdao and the missile frigates Yantai and Yancheng, the fleet entered the South China Sea at 11:40 a.m. after taking about five hours to pass through the Bashi Channel.

[Full Report](#)

S. KOREA – U.S. | 2 FEBRUARY | CHANNEL NEWS ASIA

S. Korea, US in naval drill amid N. Korea tensions

SEOUL: South Korea and the United States will hold a joint naval exercise next week, a report said Saturday, a move seen as a warning to North Korea ahead of its widely-expected nuclear test. The three-day exercise involving a US nuclear submarine and other warships will begin on Monday in the Sea of Japan (East Sea) off

the South Korean port city of Pohang, Yonhap news agency reported.

[Full Report](#)

RUSSIA-JAPAN | 5 FEBRUARY | RIA NOVOSTI

Russia Starts Kuril Islands Exercises

MOSCOW, February 5 (RIA Novosti) - Russia has started large-scale military exercises in the disputed Kuril Islands in the country's far east, a military official said on Tuesday. The Kuril Islands, known to neighboring Japan as the Northern Territories, are a contentious issue in Russian-Japanese relations. The exercises are taking place just two days before Japan marks its Northern Territories Day on February 7.

[Full Report](#)

CHINA-JAPAN | 8 FEBRUARY | DEFENSE NEWS

China Denies Japan's Radar Charges

BEIJING — Beijing's defense ministry on Feb. 8 denied allegations that a Chinese warship's radar system had locked onto a Japanese destroyer, accusing Tokyo of

hying the “China threat.” The incident, which Japan said happened last week, marked the first time the two nations’ navies have locked horns over a territorial dispute that has some commentators warning about possible armed conflict.

[Full Report](#)

INDONESIA | 8 FEBRUARY | ANTARA NEWS

Indonesian navy to establish primary base in Papua

Jayapura (Antara News) - The Indonesian Navy is to enhance the monitoring on maritime defense by establish Navy Primary Base in Papua region. "We will establish the twelfth Indonesian Navy Primary Base in Sorong, Papua," said the Fifth Primary Base Commander of Jayapura Brigade General Putu Wijamahaadi here on Friday.

[Full Report](#)

CHINA | 8 FEBRUARY | TIME MAGAZINE

China To Find A Target-Rich Environment

TOKYO – If Chinese warships escalate from locking-on radars to actually pulling the trigger in the East China Sea, they’ll have lots to shoot at – and it won’t be just the Japanese. With little fanfare, U.S. commanders have been pouring in thousands of new troops, deploying powerful new war machines and ramping up training with allies from across the region. Most of this is due to the “rebalancing” of U.S. forces announced more than a year ago.

[Full Report](#)

U.S. - THAILAND | 14 FEBRUARY | CHANNEL NEWS ASIA

Exercise Cobra Gold kicks off with amphibious assault

BANGKOK: US and Thai military forces have staged an amphibious assault on a stretch of beach near Pattaya. It is the first military drill to be held under this year's Exercise Cobra Gold - the largest multinational exercise in the Asia-Pacific. The multilateral military exercise started on Thursday with a beach assault exercise involving over 300 Thai and US marines. It is the first in

a week-long campaign of not only military exercises, but also humanitarian and disaster response exercises.

[Full Report](#)

CHINA | 15 FEBRUARY | THE WASHINGTON POST

China wages a quiet war of maps with its neighbors

BEIJING — Bitter maritime disputes between China and its neighbors have recently sent fighter jets scrambling, ignited violent protests, and seen angry fishermen thrown in jail. But beneath all the bellicose rhetoric and threatening posture, China also has been waging a quiet campaign, using ancient documents, academic research, maps and technical data to bolster its territorial claims.

[Full Report](#)

AUSTRALIA | 15 FEBRUARY | ABC NEWS

Largest navy ship named HMAS Canberra

The largest ship ever built for the Australian navy has been officially named. Hundreds of sailors and navy veterans gathered in the main dock of the vessel at Williamstown, in Melbourne, as it was officially named HMAS Canberra. When it is fully built, the ship will hold up to 1,400 personnel as well as numerous helicopters and military vehicles.

[Full Report](#)

U.S.-JAPAN | 17 FEBRUARY | DEFENSE NEWS

With USMC Help, Japan Flexes More Muscle

CAMP PENDLETON, Calif. — Hauling large packs, rifles and 84mm mortar tubes, they stormed ashore from Navy ships Feb. 13 looking a lot like Marine infantrymen. But these grunts belonged instead to a company-size force with Japan’s Western Army Infantry Regiment, having traveled here for the annual three-week exercise Iron Fist.

[Full Report](#)

CHINA-TAIWAN | 20 FEBRUARY | DEFENSE NEWS

Taiwan Plans Troop Withdrawal From Islets Near China

TAIPEI — Taiwan plans to withdraw troops from two islets near the Chinese mainland and will turn the former battleground into a tourist attraction as relations improve, officials said Wednesday. The two tiny islets, Tatan and Ertan, form part of the Taiwan-controlled Kinmen island group off southeast China's Xiamen city and are currently manned by around 120 soldiers.

[Full Report](#)

MALAYSIA-PHILIPPINES | 22 FEBRUARY | FREE MALAYSIA TODAY

Philippine navy blocks Sulu Sea

MANILA: The Philippine Navy has sealed off the so-called southern backdoor to prevent the followers of the Sultan of Sulu province from traveling to Sabah, where a standoff between the sultanate's followers and Malaysian security authorities persists. The naval blockade was one of the measures taken by the Philippine government to prevent the escalation of the already tense situation, meant to ease the tension in and around Lahad Datu, where hundreds of Filipinos were holed up.

[Full Report](#)

CHINA | 25 FEBRUARY | REUTERS

Chinese transport "workhorses" extending military's reach

China is expanding its long-neglected fleet of supply ships and heavy-lift aircraft, bolstering its military prowess in support of missions to enforce claims over disputed territory and to defend Chinese interests abroad. These transport workhorses are unlikely to arouse the same regional unease as the steady rollout of high performance fighters, long-range missiles or potent warships, but they are a crucial element of the

People's Liberation Army's (PLA) three-decade military build-up, defense analysts say.

[Full Report](#)

SINGAPORE-MALAYSIA | 26 FEBRUARY | NAVAL-TECHNOLOGY.COM

Singapore and Malaysian navies begin exercise Malapura 2013

The Republic of Singapore Navy (RSN) is conducting a joint annual bilateral maritime exercise, Malapura 2013, with the Royal Malaysian Navy (RMN) at Changi Naval Base (CNB) in Singapore. During the 12-day exercise, around 540 personnel from both navies will participate in joint planning and training at CNB, as well as perform manoeuvres in conventional naval warfare and maritime security, in the Malacca Strait.

[Full Report](#)

CHINA | 26 FEBRUARY | CHANNEL NEWS ASIA

China navy gets new "stealth frigate": state media

BEIJING: China's navy has taken delivery of a new type of stealth frigate that is expected to bolster the country's maritime defences amid territorial disputes, state media reported Tuesday. The ship, identified by the official Xinhua news agency as a "Type 056 stealth frigate", was delivered to the navy Monday afternoon in a ceremony in Shanghai.

[Full Report](#)

Maritime Safety and Security



MALAYSIA-PHILIPPINES | 15 FEBRUARY | BBC

Malaysia stand-off with Philippine group

Malaysian troops are negotiating with about 100 men from the Philippines holed up in a remote part of Sabah on Borneo island, officials say. The men, some reportedly armed, landed in Lahad Datu town earlier this week. Police say they have identified themselves as the "royal army" of the Sulu Sultanate, which has a historic claim to the area. Malaysian and Philippine officials are in discussions over the incident, many details of which remain unclear.

[Full Report](#)

SRI LANKA | 3 FEBRUARY | HERALD SUN

Sri Lanka rescues 138 stranded people on sinking boat: navy

SRI Lanka's navy has rescued 138 Bangladeshis and Burmese nationals from a sinking fishing vessel off the island's east coast. One passenger was found dead while many of the 138 plucked from the boat were dehydrated, said navy spokesman Kosala Warnakulasuriya, adding that the vessel had been adrift for 10 days before it sank today. "We sent three ships for the rescue at a location 50 miles (80 kilometres) off the eastern coast of Akkaraipattu," Mr Warnakulasuriya said.

[Full Report](#)

JAPAN | 4 FEBRUARY | BBC NEWS ASIA

Japan frees crew of 'illegal' Chinese fishing boat

Japan has released the captain and crew of a Chinese fishing boat who were arrested last week on suspicion of illegally fishing in Japanese waters. The 100-tonne boat with 13 crew members had been fishing for coral near Miyako island in the Okinawa chain. They were

about 150km (95 miles) from a group of islands at the centre of a dispute between Japan and China.

[Full Report](#)

INDONESIA-THAILAND | 7 FEBRUARY | VIETNAM PLUS

Thailand, Indonesia release Vietnamese fishermen

The Thai authorities, with the coordination of the Vietnamese Embassy in Thailand, have completed procedures to repatriate 40 Vietnamese fishermen, who were arrested and put on trial for illegal violations of the Thai sea territory. Of those fishermen, 24 will go back to Vietnam on February 9, just one day before the Lunar New Year. They have been detained for between two and three months.

[Full Report](#)

ASIA | 8 FEBRUARY | CNN

Asia's sea pirates target treasure of marine fuel

While piracy in Somalia in the waters off the Horn of Africa may have grabbed the headlines over the past few years, shipping industry experts say piracy is moving back to its former heartland in South East Asia.

And, as fuel becomes one of shipping's biggest expenses, pirates are targeting valuable cargoes of highly saleable and easily transferred MGO - in some cases operating on the high seas as floating pumps for below-cost stolen bunker oil that is transferred from ship to ship.

[Full Report](#)

PHILIPPINES | 13 FEBRUARY | THE WALL STREET JOURNAL

Crane Vessel to Help Get Ship Off of Philippine Reef

A crane ship that can conduct salvage operations without requiring anchoring will soon join the challenging effort to extract a stranded U.S. Navy minesweeper from a protected reef in the Sulu Sea off of the southwestern part of the Philippines. The crane vessel, on its way from Singapore, is expected to reach the Tubbataha Reef on Feb. 16. The soccer-field-length Jascon 25 was enlisted after the salvage ship SMIT Borneo, which requires anchoring, couldn't secure itself to the ocean floor due to rough seas to begin the complicated task of dismembering the minesweeper.

[Full Report](#)

BANGLADESH-MYANMAR | 22 FEBRUARY | UNHCR

UNHCR urges action to prevent boatpeople tragedy in Bay of Bengal

UNHCR on Friday said it was concerned about the growing number of people dying in the Bay of Bengal after setting out by boat in search of safety and better lives in other countries, including desperate ethnic Rohingya from Myanmar. The refugee agency called on regional governments to do more to prevent further tragedy on the high seas. UNHCR spokesman Andrej Mahecic, talking to journalists in Geneva, several thousand people were believed to have boarded smugglers' boats in the Bay of Bengal since the beginning of the year, among them Rohingya from Myanmar's Rakhine state or from Bangladesh's refugee camps and makeshift sites.

[Full Report](#)

PHILIPPINES | 24 FEBRUARY | PHISTAR

Passenger ship runs aground off Talisay

A passenger vessel owned by Trans Asia Shipping Lines, Inc. yesterday ran aground in the shallow area of the sea off Lawis Ledge in Talisay City. No one of the 364 passengers and 72 members of the crew of MV Trans Asia 9 were hurt. They safely reached Pier 5 in Cebu City, although few hours delayed of schedule. "All the passengers and crew were safe," said Kenneth Sy, chief executive officer and president of the shipping company.

[Full Report](#)

HONG KONG | 26 FEBRUARY | CNN

Fresh clashes between Japanese whalers, environmental activists

Environmental activists and Japanese whaling authorities have reported fresh clashes in Antarctic waters, with each side accusing the other of causing dangerous collisions between ships. The conflicting claims follow harsh words and threats of legal action exchanged between the two sides last week amid activists' attempts to impede the Japanese vessels' annual hunt for whales in the Southern Ocean."

[Full Report](#)

NEW ZEALAND | 26 FEBRUARY | SCOOP

Govt must step up monitoring of Antarctic's Southern Ocean

The Government should step up its efforts to monitor illegal fishing in Antarctica's Southern Ocean rather than pull them back, Green Party fishing spokesperson Steffan Browning said today. Mr Browning was responding to news that the Government may not be able to monitor illegal fishing in the Southern Ocean because its ships are not up to the task. New Zealand is a member of The Convention on the Conservation of Antarctic Marine Living Resources (CCAMLR).

[Full Report](#)

PACIFIC OCEAN | 28 FEBRUARY | ABC AUSTRALIA

Interpol moves to halt illegal fishing in Pacific

International criminal police organisation Interpol has held its first ever meeting to address illegal fishing, in a bid to curtail the multi-billion dollar black market. The organisation's Environmental Crime Program established an illegal fishing unit to help countries deal with fish piracy and to monitor and disrupt criminal activities. The Pacific Ocean is a hotbed of illegal fishing, and Greenpeace's Pacific Oceans Campaigner, Nathaniel Pelle, told Radio Australia's Pacific Beat that governments need to work with Interpol to reduce the impact of illegal fishing.

[Full Report](#)

JAPAN-SOMALIA | 26 FEBRUARY | THE JAPAN TIMES

Somali teenager gets five to nine for piracy

An 18-year-old Somali was sentenced Monday to five to nine years by the Tokyo District Court for boarding and attempting to hijack a Bahama-registered oil tanker off the east coast of Africa in March 2011. The defendant, whose name has been withheld because he is a minor, is one of four Somalis to face trial in Japan under a 2009 antipiracy law. The series of trials is being heard by three professional judges and six citizens under the lay judge system.

[Full Report](#)

AUSTRALIA-INDIA | 22 FEBRUARY | THE TIMES OF INDIA

Australia to work closely with India to strengthen IOR-ARC

SINGAPORE: Australia is keen to work closely with India and others to address challenges and develop new opportunities like combating piracy and climate change in the Indian Ocean region, a senior diplomat said. Australia will take over the chairmanship of the Indian Ocean Rim-Association for Regional Cooperation (IOR-ARC) from India next month.

[Full Report](#)

CHINA-PAKISTAN | 16 FEBRUARY | AGENCE FRANCE PRESSE

Pakistan port integral to China maritime expansion

ISLAMABAD — China's acquisition of a strategic port in Pakistan is the latest addition to its drive to secure energy and maritime routes and gives it a potential naval base in the Arabian Sea, unsettling India. The Pakistani cabinet on January 30 approved the transfer of Gwadar port, a commercial failure cut off from the national road network, from Singapore's PSA International to the state-owned China Overseas Port Holdings Limited.

[Full Report](#)

JAPAN-INDONESIA | 14 FEBRUARY | KYODO NEWS

Japan, Indonesia hold joint anti-piracy drill in waters off Jakarta

JAKARTA, Feb. 14 -- Japan and Indonesia held a joint antipiracy drill in waters off Jakarta on Thursday amid an increasing number of piracy acts there. The Japan Coast Guard sent its biggest patrol boat, the 7,175-ton Shikishima, to the drill in which six patrol boats from Indonesia's police forces joined. The Japanese patrol boat carried two helicopters.

Full Report Available Upon Request

Shipping, Ports, and the Maritime Economy

CHINA | 19 FEBRUARY | GLOBAL TIMES

China takes over Gwadar Port

A Chinese company Monday took over the operation of the strategic Gwadar Port in Southwest Pakistan and at the door of the Strait of Hormuz, which has been seen as a move that could secure an energy route for China. At a ceremony held in Islamabad on Monday afternoon, representatives from Chinese Overseas Port Holdings Ltd, Gwadar Port Authority and the Port of Singapore Authority (PSA) signed an agreement on the transfer of the port's administrative control.

[Full Report](#)

INDIA | 5 FEBRUARY | THE HINDU BUSINESS LINE

Pre-bid application deadline extended again for Kolkata container terminal

Kolkata Port Trust began scouting for infrastructure players for developing a Rs 1,500-crore 1.2-million-TEU container terminal at Diamond Harbour here even before a feasibility report was ready. Result: three months since the tender was floated, the last date for filing applications has been extended twice. The latest extension came into effect today. The new deadline is now February 28. In October, the port authorities invited pre-bid tenders from infrastructure majors across the world for developing the terminal closer to the river mouth at Diamond Harbour.

[Full Report](#)

CHINA | 6 FEBRUARY | THE WALL STREET JOURNAL

Chinese Port Operators Step Up Investment Overseas

China's state-owned port operators are stepping up their investments abroad, taking advantage of depressed prices as a global shipping downturn forces companies elsewhere to cut debt by unloading assets.

Extensive investment and development of China's port infrastructure in recent years have helped drive growth at such companies as China Merchants Holdings (International) Co. and the ports unit of shipping conglomerate China Ocean Shipping (Group) Co.

[Full Report](#)

INDIA | 6 FEBRUARY | ALERTNET

India "concerned" by China role in Pakistan Port

China's role in operating a strategically important port in Pakistan is a matter of concern for India, its defence minister said on Wednesday, as New Delhi and Beijing jostle for influence in the region. Indian policy-makers have long been wary of a string of strategically located ports being built by Chinese companies in its neighbourhood, as India beefs up its military clout to compete with its Asian rival.

[Full Report](#)

INDIA-EGYPT | 6 FEBRUARY | LIVE MINT

Suez Canal toll hike to hit India's external trade

A toll increase of as much as 5% by the authority that owns and maintains the Suez Canal, one of the world's busiest shipping lanes, may raise the cost of transporting goods into and out of India. For all but the smallest ships, the Suez Canal toll increases range from about 3-5% according to capacity and ship type. The move follows an across-the-board increase of 3% that was implemented in March last year. The toll increase will come into force from 1 May, Ahmed Mohamed El Manakhly, a director of transit department at the Suez Canal Authority, wrote in a 31 January circular.

[Full Report](#)

ASIA | 11 FEBRUARY | FUELFIX

Shell will repair rigs in Asia, possibly delaying Arctic work

After dedicating nearly eight years and \$5 billion to the quest, Shell's plans to continue hunting for Arctic oil this summer are in jeopardy, as company officials on Monday confirmed they will tow two drilling units to Asian dry docks for repairs. Although Shell Oil said the firm has not ruled out drilling in the Chukchi and Beaufort seas north of Alaska this summer, it appears unlikely the vessels will be able to make the two-to-four-week treks to those Asian ports, undergo repairs, clear U.S. inspections and return to those Arctic waters in time for the drilling season that begins in July.

[Full Report](#)

SINGAPORE | 13 FEBRUARY | THE NATIONAL BUSINESS REVIEW

Shipping company's mega bank debt revealed

Scuppered shipping company Reef Group, which sported former All Black Michael Jones on its management team, owes almost \$28 million to ANZ, receivers reveal. Reef Group and its numerous subsidiaries was placed in receivership in late November. The privately-owned group provides sea freight services between New Zealand, Australia, Asia and the Pacific Islands.

[Full Report](#)

ASIA | 15 FEBRUARY | BLOOMBERG

LNG Price Gap Seen Boosting Shipping by Hoegh Offsetting Fleet

The price gap between liquefied natural gas in Asia and Europe will support demand for shipping even as new vessels are built before fuel output expands, according to operator Hoegh LNG Holdings Ltd. About 50 percent of the 87 new LNG carriers that will join the fleet of 365 by 2016 have secured charters, the Hamilton, Bermuda-based operator of seven tankers said in a report today. Global production will increase to 330 million metric tons by 2017 from 240 million tons in 2012, the company said, citing figures from BG Group Plc.

[Full Report](#)

MALAYSIA | 16 FEBRUARY | THE STAR ONLINE

Kuantan Port to make a big splash

WITH multi-billion ringgit worth of port expansion plan and industrial hinterland development, IJM Corp Bhd via its subsidiary, Kuantan Port Consortium Sdn Bhd (KPC), is expected to make a big splash in the maritime industry soon. This is because the new capacity in the pipeline for Kuantan Port, a presently feeder port in the east coast of Peninsular Malaysia, would be easily taken up by the hinterland development that will utilise the port to import raw materials and export finished products.

[Full Report](#)

S. KOREA | 21 FEBRUARY | FINANCIAL TIMES

Hanjin upbeat on shipping recovery

Hanjin Shipping, the world's eighth-largest shipping company by fleet size, expects to turn in a net profit this year after two years of losses as freight rates are likely to rise amid growing trade volume on the Asia-Europe routes. Kim Young-min, Hanjin's chief executive, said he expected the global container market to recover next year while the bulk market would rebound in 2015, although the global shipping industry continues to suffer from overcapacity and slow demand.

[Full Report](#)

Rate increases and slow steaming boost profits at Maersk

Maersk, the world's largest container shipping line, made a profit of \$461m last year, a \$1bn turnaround after the loss of \$553m in 2011. The improvement is the result of rate increases on most trades along with capacity adjustments in the form of slow steaming, scrappings, idling and blanked sailings. The line currently accounts for about 15 per cent of the world's container capacity ahead of Mediterranean Shipping and CMA CGM.

[Full Report](#)

Ulsan Port Emerges as Northeast Asian Oil Hub

"The port of Ulsan lies at a strategic foothold of marine transportation for Asia and the Pacific Ocean. Ulsan Port Authority will work diligently to turn the port into a hub of the Northeast Asian oil distribution by expanding and harnessing grand-scale petrochemistry infrastructure," said Park Jong-rok, president of the Ulsan Port Authority (UPA).

[Full Report](#)

Kolkata port may benefit from Railways' investment plans

The Railway Ministry's proposal to invest Rs 3,800 crore for port connectivity projects will enable cargo evacuation and linkages in the proposed Diamond Harbour Container Terminal and Sagar port. An investment of up to Rs 9,000 crore is expected under these projects, including Rs 3,800-crore for port connectivity projects..." To be developed through the public private partnership route, the proposed Rs 1,500-crore container terminal is one of the major infrastructure development projects executed by KoPT.

[Full Report](#)

Daewoo Shipbuilding & Marine Engineering Company Limited selects Intergraph® SmartPlant® Enterprise

Daewoo Shipbuilding & Marine Engineering Company Limited (DSME) has selected Intergraph® SmartPlant® Enterprise solutions for operations and maintenance data handover of the INPEX Ichthys LNG Project in Australia. INPEX, operator of the Ichthys LNG Project, had chosen Korea-based DSME to construct a giant floating production, storage and offloading (FPSO) vessel, which is worth approximately US\$2 billion.

[Full Report](#)

Finnish Crane Giant Eyeing Indonesia

Finnish-based Konecranes, the world leader in crane manufacturing and services, has positioned itself to tap growth in Indonesia and the Asia-Pacific. Konecranes chief executive Pekka Lundmark has relocated his office to Singapore to establish contacts in the region. "It shows commitment from us to the market," Lundmark said during an interview with the Jakarta Globe on Tuesday. "Asia is not only India and China, this is a misconception. That's why we have selected Indonesia as one of our key targets."

[Full Report](#)