



**S. RAJARATNAM SCHOOL
OF INTERNATIONAL STUDIES**
A Graduate School of Nanyang Technological University

Broader Horizons

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

Featured *MSP Perspective*:



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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

INDONESIA IN THE U.S. REBALANCING TO ASIA: THE MARITIME DIMENSION

By Ristian Atriandi Supriyanto
Senior Analyst, Maritime Security Programme

INDONESIANS often discuss about their archipelago's geostrategic location in the 'cross-roads' (*posisi silang*) of two oceans and two continents – the Indian and Pacific Oceans, and the Asian and Australian continents, respectively. Lying in between, and connecting the two regions, are the three critical maritime choke-points for global trade: the Straits of Malacca-Singapore, Sunda, and Lombok-Makassar. The Straits of Malacca and Singapore are partly administered by Malaysia and Singapore, while the Sunda and Lombok-Makassar Straits are located within the Indonesian Archipelagic Sea Lanes (ASL). At a glance, these features might seem a geostrategic blessing. Recent developments in maritime strategic environment, however, could potentially complicate Indonesia's geostrategic calculus.

The U.S. rebalancing to Asia is going in parallel with China's military rise as a potential U.S. adversary. The rebalancing involves the shifting of more American air, naval, and marine forces into the Pacific theatre, and re-deploying them to less vulnerable, but still accessible positions, such as Guam, Hawaii, Singapore, and Australia. Despite the bulk is concentrated on Northeast Asia, there would be a higher likelihood of more U.S. forces transiting the Indonesian waters and airspace, as the Chinese maritime forces [venture south into the Indian Ocean](#) corresponding with Beijing's expanding interests in the region.

Consequentially, the U.S. rebalancing could increase the geostrategic weight of choke-points and ASL within Indonesian waters. Jakarta should be concerned that heightened and simultaneous presence of the U.S. and Chinese maritime forces in Indonesian waters could trigger incident or miscalculation. In this situation, Jakarta could face three options. First, Jakarta could tacitly support the U.S. camp. This option enables Jakarta to harness U.S. military and diplomatic support as well as aligning itself more closely with U.S. allies, but at a great cost of antagonising Beijing. The U.S. military in turn could help secure Indonesia's northern flank in the South China Sea. On the flip side, China could conduct clandestine ISR activities or even

sabotage in Indonesian waters, including the choke-points, against the U.S. and allied shipping.

Second, Jakarta could enter into Beijing's maritime orbit, while distancing itself from the U.S. camp. This option envisages a scenario in which China has already showered huge assistance to Indonesia, but would expect the latter to return the favour. Beijing could ask Jakarta to return the favour by remaining detached from the U.S. and its allies, and even from fellow Southeast Asian states, in any activities inimical to Chinese interests. The downside is the U.S. and its allies could violate Indonesia's sovereignty to conduct unilateral maritime operations within Indonesian waters against Chinese maritime forces.

Third, Jakarta could aggressively or passively declare neutrality. Aggressive neutrality means enforcing the 1994 San Remo Manual on Armed Conflicts at Sea, which forbids hostile actions by belligerent forces in waters of a neutral state. But monitoring all belligerents' ships and aircraft in over six million kilometres of maritime jurisdiction could overstretch Indonesia's limited naval resources. And were there lapses which permit incidents to occur between the belligerents - while no-one claims responsibility - all fingers would be pointed toward Jakarta for not being able to strictly enforce its neutrality. Meanwhile, passive neutrality implies that Jakarta would do little, if at all, action during the hostility out of strict non-involvement. However, the political, economic, military, and environmental costs of passive neutrality would be catastrophic. Hostile encounters between belligerents in Indonesian waters could put Indonesian (and other neutrals') lives and assets at great risks of collateral damage, while not contributing much, if at all, to its neutralist credibility.

These options however are not as unique to Indonesia as to other regional countries, which see the looming Sino-U.S. competition as a dire scenario. But at least Jakarta could contemplate the "least bad" option that would keep itself a key player in the game.

Naval Development & Policy

WORLD | 4 MARCH | UPI

Market for conventional submarines to grow

LONDON, March 4 (UPI) -- The world market for conventional diesel-electric submarines is predicted to grow at a compounded rate of 1.8 percent until 2022. British market research and analysis company Frost and Sullivan said especially in demand will be submarines with air-independent propulsion systems. "The naval operations environment has changed significantly; operations at sea have moved from the 'blue water' open ocean to the 'brown water' shallow coastal environment," said Frost and Sullivan Aerospace, Defense and Security Industry Analyst Dominik Kimla.

[Full Report](#)

MALAYSIA-PHILIPPINES | 6 MARCH | THE NEW YORK TIMES

Malaysians Kill 13 Filipino Fighters Amid Fears of Wider Conflict

MANILA — An air and ground assault by Malaysian forces killed at least 13 of the nearly 200 militants seeking to reclaim part of Borneo Island for a Filipino sultan, Malaysian police officials said Wednesday. Sporadic fighting continued on Wednesday in remote coastal areas of the eastern Malaysian state of Sabah as the police and soldiers scoured rugged territory, searching house to house to find Filipino rebels who escaped the large assault on Tuesday. At least 40 people have died so far in the fighting.

[Full Report](#)

CHINA-JAPAN | 6 MARCH | REUTERS

China navy seeks to "wear out" Japanese ships in disputed waters

China's naval and paramilitary ships are churning up the ocean around islands it disputes with Tokyo in what experts say is a strategy to overwhelm the

numerically inferior Japanese forces that must sail out to detect and track the flotillas. A daily stream of bulletins announce ship deployments into the East China Sea, naval combat exercises, the launch of new warships and commentaries calling for resolute defense of Chinese territory.

[Full Report](#)

INDIA | 8 MARCH | DEFENSE NEWS

Indian Navy To Be Without Carrier Until December

NEW DELHI — India will be without an operational aircraft carrier at least until December as it awaits the delayed delivery of the Russian-made carrier Admiral Gorshkov, and the Navy's sole carrier, INS Viraat, is still undergoing refit. Viraat is doing trials after a refit at the state-owned Cochin Shipyard, after which the carrier will be docked at the naval dockyard for repairs to propulsion, boilers and air conditioning systems. Indian Navy sources say the Viraat refit could take another year.

[Full Report](#)

INDIA-RUSSIA | 11 MARCH | DEFENSE NEWS

Antony: Indian Navy To Get Russian Carrier, Finally, By Year's End

NEW DELHI — After four years of delays and rising costs, the Russian-built aircraft carrier known as the Admiral Gorshkov will be commissioned into the Indian Navy's fleet by the end of this year, India's defense minister said. A.K. Antony told the parliament in a written reply March 11 that the aircraft carrier's commissioning in the Indian Navy is now scheduled in the last quarter of 2013. "The final cost of the project agreed upon in March 2010 is \$2.3 billion," Antony said. "The reason for increase from the initial cost decided in January 2004 was due to increase in the scope of the repair and modernization work."

[Full Report](#)

CHINA | 12 MARCH | XINHUA

China's new stealth frigate commissioned

HANGZHOU, March 12 (Xinhua) -- A Chinese-developed next-generation stealth frigate was commissioned to the People's Liberation Army Navy (PLA Navy) on Tuesday. The country's first "type 056" stealth frigate, formerly known simply as ship 582, was renamed Bengbu at a commission ceremony held in a naval port in Zhoushan, a coastal city in east China's Zhejiang Province.

[Full Report](#)

TAIWAN | 12 MARCH | DEFENSE NEWS

Taiwan To Study Building Own Submarine Fleet

TAIPEI — Taiwan on Tuesday confirmed it plans to study the feasibility of building a submarine fleet on its own in a move that suggests it is running out of patience over a long-stalled U.S. offer to supply eight of the warships. The navy hopes to come up with an in-depth report in four years on items ranging from design and acquisition of equipment, to construction capabilities and product tests and evaluation, according to a defense ministry statement. The report

will cost around Tw \$140 million (\$4.7 million) to be financed by a defense ministry-controlled fund, it said.

[Full Report](#)

JAPAN-ASEAN | 13 MARCH | DEFENSE NEWS

Japan Seeks Defense Ties with ASEAN Amid China Rows

TOKYO — Japan on Wednesday called for stronger security ties with Southeast Asia as Tokyo looks to boost alliances at a time of growing territorial tensions with China. Vice-minister level representatives from Japan and the 10-member Association of Southeast Asian Nations (ASEAN) began a two-day gathering at a Tokyo hotel, with several participating nations embroiled in sovereignty rows with Beijing. "The Asia-Pacific region has various issues concerning security and defense...including territorial conflicts in the South China Sea," Japanese Vice Defence Minister Akinori Eto told the opening session of the closed-door meeting.

[Full Report](#)

NEW ZEALAND | 18 MARCH | DEFENSE NEWS

New Zealand Issues Request for Frigate Combat Systems

Wellington, New Zealand — Anticipating the next phase of the upgrade to the Royal New Zealand Navy's Anzac-class frigate combat systems, itself part of the frigates' platform system upgrade, New Zealand's Ministry of Defence has issued request for tenders for anti-ship missile defense soft kill (ASK) underwater systems and an electronic support measures suite. The upgrade was approved in November 2007 at an estimated cost of 57.6 million New Zealand dollars (\$47.6 million) and the request for the ASK suite says current life is "to at least until 2030."

[Full Report](#)

INDIA | 20 MARCH | DEFENSE NEWS

Sources: India Rules in Favor Of WASS on Torpedo Deal

NEW DELHI — Finmeccanica subsidiary WASS is set to win a \$300 million tender to supply advanced Black Shark torpedoes for Indian submarines, Indian Defence Ministry sources said. Allegations by Atlas Elektronik of Germany that the contest had been rigged to favor WASS have been rejected after careful study, ministry sources said, and the procurement is ready for the final phase of contract negotiations.

[Full Report](#)

AUSTRALIA-IRAN | 22 MARCH | DEFENSE NEWS

Australia Confirms Iranian Warship Interception

Melbourne, Australia — An Australian Defence Force spokesperson confirmed Iranian reports that two of its warships had encountered a Royal Australian Air Force reconnaissance aircraft in the Indian Ocean earlier this month, but denied there was a confrontation. “An Australian AP-3C Orion encountered an Iranian frigate during a routine Operation Gateway patrol on 10 March 2013,” said a Defence Department spokesperson. The Iranian Navy ships were reportedly heading home after a port visit to Zhangjiagang in China and were nearing Sri Lanka when they were intercepted by the Australian aircraft.

[Full Report](#)

RUSSIA-CHINA | 25 MARCH | DEFENSE NEWS

Russia: No Deal on Sale of Fighters, Subs to China

TAIPEI — Russia is denying Chinese media claims that Moscow and Beijing have signed agreements to sell Russian-made arms and military technology to China, including 24 Su-35 multirole fighter jets and four Amur-class diesel submarines. During a recent visit by Chinese President Xi Jinping to Moscow from Friday to Sunday, no discussions took place regarding “military-technical cooperation” issues, the ITAR-TASS news agency reported Monday.

[Full Report](#)

CHINA-VIETNAM | 26 MARCH | THE WALL STREET JOURNAL

Hanoi Says Chinese Shot at Boat

Vietnam accused a Chinese vessel of chasing and firing at a Vietnamese fishing boat in disputed waters on March 20, in the latest flare-up over the strategically important South China Sea. Hanoi didn't say whether the Chinese vessel was a government craft; a state-run Vietnamese newspaper quoted the captain and owner of the fishing boat as saying it bore the markings of the China Marine Surveillance agency. Chinese ships have clashed repeatedly with vessels from neighboring countries in the past two years as China has grown more assertive in its territorial claims.

[Full Report](#)

TAIWAN | 26 MARCH | DEFENSE NEWS

Taiwan To Hold 1st Major Live-Fire Drill Since '08

TAIPEI — Taiwan on Tuesday unveiled plans for its biggest live-fire military exercise since 2008, aimed at reviewing the island's defense capability against a simulated Chinese invasion. The operation will take place April 17 on the Penghu islands in the middle of the 180-kilometer (110-mile) strait that separates Taiwan from the Chinese mainland. The archipelago is used to control major shipping lanes linking the South China Sea and East China Sea. “The main purpose of the drill is to review the defense capability of the troops stationed in Penghu,” Maj. Gen. Tseng Fu-hsing told reporters.

[Full Report](#)

CHINA-MALAYSIA | 27 MARCH | THE WALL STREET JOURNAL

Chinese Ships Approach Malaysia

BEIJING—China took navy exercises to the farthest reaches of its claims in disputed waters, with four heavily armed ships coming within 50 miles of the coast of Malaysia, a country that has made relatively little noise about Beijing's recent assertiveness in the South China Sea. China's official Xinhua news agency

said the four ships that sailed to the James Shoal—a submerged reef in the South China Sea—on Tuesday included the Jinggangshan, China's largest amphibious landing ship.

[Full Report](#)

CHINA | 27 MARCH | THE PHILIPPINE STAR

China holds landing exercises in disputed sea

BEIJING (AP) — China said its navy visited its southernmost territorial claim during military drills in the disputed Spratly Islands in the South China Sea. The visit to James Shoal followed exercises that began Saturday marking a high-profile show of China's determination to stake its claim to territory in an area that is disputed by Vietnam, the Philippines, Taiwan, Malaysia and Brunei.

[Full Report](#)

CHINA-JAPAN | 29 MARCH | THE WALL STREET JOURNAL

Japan Study Sees Increasingly Assertive China

TOKYO—China appears willing to risk strained relations with neighbors over territorial claims, a report by a Japanese government think-tank said Friday, claiming that Beijing had its eyes on a set of disputed islands well before Tokyo triggered a heated row by nationalizing them. China is "beginning to show no hesitation in taking actions that could cause friction," the East Asian Strategic Review said, recommending Tokyo both strengthen the defense of its southern islands and work with Beijing to establish a multitier crisis-management mechanism to deal with increasing risks of conflict.

[Full Report](#)

Maritime Safety and Security



SOUTHEAST ASIA | 18 MARCH | INSURANCE JOURNAL

Report Warns of Rise in Maritime Crime in South East Asia

UK'-based marine intelligence provider, Dryad Maritime, is releasing a special report – "Special Advisory Southeast Asia. Disorganized theft to organized crime" – which will focus on the rise of targeted hijackings in South East Asia. The advisory, to be released today, March 18, 2013, provides an overview of the security situation and the increased threat from maritime crime in the region. Dryad said its risk analysis of these incidents "has shown that the hijack of merchant vessels does not follow the same pattern as seen in the Horn of Africa where vessels and crew are taken to be ransomed back to their original owners.

[Full Report](#)

INDIAN OCEAN | 4 MAR | TRAVEL WEEKLY

Cruise line steers clear of piracy risks

French cruise line Compagnie du Ponant remains hopeful that it will return to the Maldives and the Seychelles, but only when problems with pirates in surrounding waters improve. International sales director Stephen Winter told Travel Today the cruise line had axed visits to the Indian Ocean destinations in 2011 due to prevalence of pirates in the area. The move followed the 2008 seizure of its 64-passenger Le Ponant by Somali pirates in the Gulf of Aden. The pirates held the ship and its 30 crew members hostage for three weeks, with the vessel only released when the company paid a \$2 million dollar ransom.

[Full Report](#)

CHINA | 6 MAR | South China Morning Post

Chinese fishermen on front line of marine dispute in South China Sea

The tropical waters of the South China Sea are among the most contested on earth, but Chinese fishermen

who sail in them shrug off the dangers of navigating between multiple competing claimants.

"It's a little risky... but in Chinese regions we're not afraid, we're in sea which belongs to us, how could we be arrested?" asked Liang Min, 29, as he stood in his ship's dank engine room, wearing yellow plastic shoes. It is a sentiment that would be disputed in several Asian capitals, and as tensions mount in the area Liang risks finding himself embroiled in an international incident on one of his regular visits.

[Full Report](#)

SINGAPORE | 6 MAR | THE STAR ONLINE

Singapore launches search and rescue operations immediately

A man is missing at sea after a ferry, carrying more than 100 passengers from Pasir Panjang Ferry Terminal to Pulau Bukom, collided with a coaster craft. Search and rescue operations are underway for the man after the accident, which happened at about 5.50am yesterday. The Indonesian-registered coaster craft, Budi Jasa 18, sunk in the West Keppel Fairway, after it collided with the Sea Hawk, which was ferrying about

200 passengers from the Pasir Panjang terminal to Pulau Bukom.

[Full Report](#)

INDIA | 15 MAR | BUSINESS STANDARD

Mistaken killing on high seas a common problem for piracy wary sailors

The Italian Ambassador faces the prospects of being restrained from leaving India, but killing civilians by mistaking them for pirates is not something unheard of for those on the high seas. In 2008, the Indian Navy got accolades for sinking a “pirate mother ship”. But much to their dismay, it turned out to be a Thai fishing trawler called Ekawat Nava 5. The Indian Navy had suspected there were pirates on board the vessel and shot in self-defence. The Italian marines on board the Enrica Lexie, too, had mistaken Indian fishermen for pirates before opening fire on them in February 2012.

[Full Report](#)

BANGLADESH | 16 MAR | THE FINANCIAL EXPRESS

Piracy declines in BD maritime area as coastguards, others up vigilance

The number of incidents of piracy in Bangladesh's maritime area has shown a declining trend in the recent years thanks to the heightened vigilance by law enforcement agencies and the port authorities, according to the officials concerned. In 2012, 11 such incidents took place within Bangladesh's 'off-shore-limit' areas against 14 in 2011, against 21 in 2010 and 15 in 2009. Among the Asian nations, Indonesia stands at the top where 65 sea-piracy incidents took place in 2012, 47 in 2011, some 37 in 2010, and 14 in 2009.

[Full Report](#)

CHINA | 18 MARCH | THE GLOBAL TIMES

China's search and rescue efforts in South China Sea seriously lacking

When it comes to enhancing China's legitimate presence in the South China Sea region, one thing deserves special attention: improving search and

rescue (SAR) operations in the waters. The South China Sea has many vital trade routes. About one-third of China's total trade volume, roughly totaling \$1.5 trillion, is shipped through lines on the South China Sea every year. Nearly 60 percent of China's energy imports, as well as 40 percent of global trade, depend on those lines. However, security and safety in the regions are vulnerable. There are over 200 islands and reefs in the South China Sea region.

[Full Report](#)

MALAYSIA | 22 MARCH | AL JAZEERA

Porous borders leave Sabah open to invaders

Dressed as a migrant worker seeking greener pastures, Indonesian Ali Fauzi crossed into Malaysia's eastern state of Sabah on a fishing boat, dodging maritime patrols with ease under the cover of darkness. Unknown to his fellow passengers, Fauzi was a member of an al-Qaeda-affiliated group on his way to the southern Philippines to procure guns, explosives and detonators. "It is very easy to enter Sabah, as the borders are porous. You don't need a passport and I certainly don't carry one," Fauzi told Al Jazeera in a telephone interview from Lamongan, East Java, Indonesia.

[Full Report](#)

CHINA | 23 MARCH | CHINA DAILY

New ship patrols South China Sea

A fishery inspection ship set off on its maiden voyage from Guangzhou to patrol the South China Sea on Friday, according to the Regional Bureau of South China Sea Fishery Management of the Ministry of Agriculture. Wu Zhuang, director of the bureau, said the Yuzheng 312 will play a positive role in regular patrols of the South China Sea, strengthening the country's law enforcement capacity and better protecting fishermen's safety. The 101-meter ship, with a displacement of 4,950 tons, is the largest fishery patrol vessel in the fishery fleet patrolling the South China Sea.

[Full Report](#)

CHINA & INDONESIA | 23 MARCH | THE ECONOMIST

An avoidable tragedy tarnishes the reputation of Indonesia and of the bulk trade

A DARK underbelly exists in Indonesia's thriving trade with China. Since late 2010 five ships loaded with Indonesian minerals have sunk when bound for China, with huge loss of life. Little has been done to break the deadly trend. Indeed, plenty of interests have an incentive to hush it up. The latest ship to founder is the Harita Bauxite, a bulk carrier which sank on February 17th near the Philippines. Of its 24 crew, who were all or mainly from Myanmar, ten were rescued, one of whom later died. Fourteen were still missing when the search was called off two weeks later. The vessel is thought to have been carrying nickel ore, a potentially deadly cargo, loaded on Obi island in the remote Indonesian province of Maluku and destined for China's steel mills.

[Full Report](#)

AUSTRALIA | 25 MARCH | ALJAZEERA

Asylum-seeker boat capsizes off Australia

At least two people have died after a boat carrying 95, mostly asylum-seekers, reportedly capsized off the Australian territory of Christmas Island, local media reported. Radio Australia said on Monday that efforts were underway to rescue the crew and passengers of the boat. A spokesman for the Australian Maritime Safety Authority told the AFP news agency that some people were sent to a hospital in the island after sustaining injuries from the accident. "All the people have been accounted for, and there are a number who have needed medical attention," the spokesman said.

[Full Report](#)

VIETNAM & CHINA | 26 MARCH | WORLD BULLETIN

Vietnam accuses China of attack on fishermen

Vietnam has accused China of opening fire on a fishing boat in the disputed South China Sea and burning down its cabin, charges denied by Beijing on Tuesday as tensions resurface over sovereignty in the energy-

rich waters. Claims by an increasingly powerful China over most of the South China Sea have set it directly against U.S. allies Vietnam and the Philippines. Brunei, Taiwan and Malaysia also claim parts of the waters and China has a separate dispute with Japan in the East China Sea. A statement posted on the Vietnamese government's website said the trawler was chased away and came under attack from Chinese ships near the Paracel islands on March 20, calling the incident a breach of international maritime law.

[Full Report](#)

INDIA | 27 MARCH | INDIA TIMES

German Sailors Held for Mid-Sea Collision Off Chennai Coast

Two German sailors were arrested on Tuesday, ten days after their cargo ship collided with a fishing boat off the Chennai coast leading to one fisherman's death, bringing back memories of the MV Enrico Lexie case in which Italian marines are facing trial for killing two fishermen off the Kerala coast last year. A city court later released the German seamen on bail while restraining them from leaving the shores.

[Full Report](#)

GULF OF ADEN | 31 MARCH | THE NATIONAL

Private navy set to tackle piracy threat with convoys

The founders of a private navy being launched to escort merchant ships through the pirate-infested waters of the Gulf of Aden hope to base the operation in the UAE. Called Typhon, the company already has an office in Dubai and a UAE registered website - www.typhon.ae - and it says it plans for its force of escort ships to become operational by July. Typhon's tactics will be broadly based on Britain's Royal Navy's basic convoy plan, which proved so effective during the Second World War.

[Full Report](#)

Shipping, Ports, and the Maritime Economy

SINGAPORE | 28 MARCH | THE ECONOMIC TIMES

Shipping industry to grow in Asia, say experts

Shipping industry in Asia will continue to grow in the long term fuelled by economic growth in countries like China and India, said regional industry leaders at a CEO round table held here today. However, global shipping markets would continue to face fundamental problems such as vessel over-supply and uncertainty in the United States and European economies, said the panelists.

[Full Report](#)

CHINA | 3 MARCH | THE WALL STREET JOURNAL

How shipper China COSCO sailed into rough seas

One of the country's most prominent liner shipping operators, China COSCO Holdings Co. Ltd., is struggling to avoid being kicked out of the Shanghai Stock Exchange five years after its debut. It lost 6.5 billion yuan (\$1.04 billion) in the first three quarters of 2012 after a 10.4 billion yuan loss the previous year. Analysts expect it to post a loss of under 10 billion yuan for all of 2012. If it is in the red again in 2013, it will be forced to temporarily suspend trading until a profit can be turned.

[Full Report](#)

THE PHILIPPINES | 4 MARCH | ZAMBO TIMES

PPA prioritises 5 port upgrades this year

The Philippine Ports Authority (PPA) has allocated P2.6 billion for port modernization program, mainly for 5 key ports which have shown significant increase in economic activities. Assistant general manager Tomas B. Carlos said PPA's priority port development projects for this year are the Port of Masbate, Port of Guadalupe, the Davao Port, Caminawit Port in Mindoro

Occidental and the upgrade of breakwater in South Harbor.

[Full Report](#)

MANILA | 12 MARCH | BUSINESS WORLD

North harbor operator eyes \$100-M fund-raising

NORTH HARBOR operator Globalport 900, Inc. plans to raise around \$100 million later this year to fund acquisitions, the firm's chairman said yesterday. "We are looking at a fund-raising within the year, after the election probably; we plan to do it through equity. It will probably be around \$100 million for acquisitions," Globalport Chairman Michael L. Romero told reporters on the sidelines of an AirAsia, Inc. briefing in Makati City.

[Full Report](#)

ASIA | 13 MARCH | SOUTH CHINA MORNING POST

Asia exports to fuel orders for big container ships

Growing exports, particularly from China and Southeast Asia, will fuel a boom in international container shipping volumes in the next four years,

shipping experts said yesterday. But while ocean carriers such as Orient Overseas Container Line are set to place orders for more mega box carriers, they are expected to find trading conditions difficult, the experts added.

[Full Report](#)

SINGAPORE | 13 MARCH | TRADEWINDS

Singapore shipyard nabs tanker over repair bills

Singapore's Jurong SML shipyard has seized a tanker belonging to a spin-off of troubled Titan Petrochemicals for non-payment of repair bills. Jurong SML claims that Singapore Tankers, the Titan offshoot that owns 10 small products tankers, has failed to pay an SGD 265,000 (\$212,000) bill for repair work that was carried out on the 9,100-dwt tanker CM Maya (built 2009) in January 2012.

[Full Report](#)

SHANGHAI | 14 MARCH | THE WALL STREET JOURNAL

Chinese Firm to Buy Stake in Belgian Port Operator

A unit of state-owned China Shipping Container Lines Co. will purchase a 24% stake in a busy Belgian container port terminal, another sign of China's push to acquire port assets world-wide. Facing sluggish growth prospects at home, Chinese port operators increasingly are looking overseas and taking advantage of lower prices to snap up assets that often are sold by companies seeking to reduce debt. China Shipping Terminal Development Co. agreed to buy the stake in APM Terminals Zeebrugge NV from APM Terminals last week, but details were released late Wednesday. The terms weren't disclosed.

JAPAN | 18 MARCH | ENP NEWSWIRE

MHI and Hakata Shipbuilding Agree on Collaboration in Joint Development of High-performance 1,000 TEU Container Carrier

Mitsubishi Heavy Industries, Ltd. and Hakata Shipbuilding Co., Ltd., of Imabari, Ehime Prefecture, have agreed to collaborate in the joint development of a 1,000 TEU container carrier. On March 18 the two

companies received the first order for the carrier, for two vessels to be used for time chartering by Korea Marine Transport Co., Ltd. (KMTC) of Korea. The collaboration between MHI and Hakata Shipbuilding targets the development of a new fuel-efficient, high-performance, high-quality, low-cost vessel.

[Full Report](#)

CHINA | 21 MARCH | WORLD MARITIME NEWS

China: CSDC Invests Big in Its Own LNG Fleet

Driven by a desire to expand its LNG transportation business, China Shipping Development Co (CSDC) announced a USD 1.2 billion investment intended for construction of six LNG carriers at Hudong Zhonghua Shipbuilding Group, Seatrade-global writes. The announcement comes after CSDC had announced earlier this week that it intends to engage in new LNG transportation projects, one of such projects being establishment of its own LNG fleet.

[Full Report](#)

YOKOHAMA | 21 MARCH | THE JOURNAL OF COMMERCE

Yokohama Container Trade Drops 2.6 Percent

The port of Yokohama saw its container trade with foreign countries decline 2.6 percent in 2012 from a year earlier to 2,731,231 twenty-foot-equivalent units, according to preliminary figures released by the Yokohama municipal government. In 2012, Yokohama, Japan's second-largest container port after Tokyo, exported 1,465,718 TEUs of containers, down 2.1 percent from 2011, and imported 1,265,514 TEUs of containers, down 3.0 percent from 2011.

[Full Report](#)

INDONESIA | 26 MARCH | SEENEWS SHIPPING

Construction of Indonesia's USD-4bn Kalibaru Port starts

State-owned Indonesian Port Corporation (IPC), or Pelindo II, said today it had officially started the construction of the USD-4-billion (EUR 3.1bn) Kalibaru

Port, or New Priok, in North Jakarta. The first phase of the project, to require an investment of IDR 22.7 trillion (USD 2.3bn/EUR 1.8bn), envisages construction of three container terminals with a capacity of 4.5 million twenty-foot equivalent units (TEU) and two gasoline terminals with a capacity of 9.4 million cu m (332m cu ft).

[Full Report](#)

CHINA | 26 MARCH | DOW JONES NEWSWIRE

DJ China Shipping Container Lines 2012 Net Profit CNY522.69 Mln

China Shipping Container Lines Co swung to net profit in 2012 as demand recovered and the company booked proceeds from the disposal of containers. Net profit for the 12 months ended Dec. 31 was 522.69 million yuan (US\$84 million) compared with a net loss of CNY2.74 billion in the year-earlier period, the company said on Tuesday.

[Full Report](#)

SINGAPORE | 26 MARCH | THE BUSINESS TIMES

APL launches first of 10 fuel-efficient container vessels

APL, the container shipping arm of Neptune Orient Lines, has added the first of a series of 10 fuel-efficient mega-container vessels to its fleet in a move to make the company more cost-competitive. The APL Temasek was christened by Mary Tan, wife of Singapore President Tony Tan Keng Yam, at the PSA Pasir Panjang Terminal yesterday.

[Full Report](#)

INDONESIA | 27 MARCH MAR | REUTERS

Indonesian shipper Berlian files for creditor protection in the US

Indonesia-based oil and gas shipping company, PT Berlian LajuTanker, filed for Chapter 15 creditor protection in a U.S. bankruptcy court on Tuesday, days after it reached a deal with creditors to restructure its \$1.9 billion debt. Under U.S. bankruptcy laws, Chapter 15 grants a foreign company protection from creditors looking to seize its assets in the country. The company's vessels are mortgaged to a consortium of banks as security under a \$685 million loan agreement.

[Full Report](#)

SINGAPORE | 29 MARCH | THE BUSINESS TIMES

PSA Int'l net profit up 11% to \$1.26b in 2012

Heavier container traffic at PSA International's ports abroad and in Singapore helped the port operator punch through 2012 with an 11 per cent year-on-year increase in net profit to \$1.26 billion from \$1.14 billion. Profit from operations grew 7 per cent year-on-year to \$1.84 billion from \$1.72 billion. Annual revenue increased 4 per cent to \$4.50 billion from \$4.31 billion a year ago.

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