

Featured *MSP Perspectives*:



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COSCO-Piraeus Port Deal Brings China Closer to Europe



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The 21st Century Maritime Silk Road (MSR) has been a major focus of President Xi Jinping's foreign policy agenda since the initiative was announced in October 2013. The recent acquisition of 67% stake in Piraeus Port Authority (PPA) by China Ocean Shipping Company (COSCO) in January this year sets the foundation to complete the maritime link from China into the Mediterranean and Europe.

COSCO's investment in Piraeus Port started even before the launch of the MSR. In 2009, COSCO obtained a 35-year concession from PPA to operate Piers II and III of Piraeus' container terminal. The investment has already helped revived the once declining port into the 10th largest port in Europe, with container throughput [increasing approximately 4 times from 2009 to 2013, from 0.67 million to 3.20 million twenty-foot equivalent units \(TEU\).](#)

Strategically located in the Mediterranean, Piraeus Port in Greece is China's first major port investment in the area. Continued investment in Piraeus as part of the recent EUR 1.5 billion privatization deal will set the momentum for China to develop Piraeus into a major transshipment hub in the Mediterranean, which can act as the Western terminus of China's MSR running from major ports in China.

Chinese investment in port infrastructures in Europe as part of the MSR will inevitably bring China closer to Europe through encouraging ever greater trade flows between China and Europe. Acquisition of Piraeus provides China with a new entry point for Chinese exports into Eastern and Central Europe. This will help boost Chinese shipping to the region by providing direct access to the wider European market through Greece. Market access to Europe is extremely crucial for China as the European Union is currently China's largest trading partner.

More importantly, acquisition of Piraeus acts as a springboard for the development of Piraeus into a transshipment hub in the region. So far, COSCO has not only invested in port infrastructure but

also a large network of outward-linking infrastructure, including a railway linking the port's terminals to the national railway system, which significantly improves Piraeus' connectivity to the rest of Europe, boosting the port as a distribution hub for goods shipped from China to the rest of Europe.

Greece has also expressed willingness to sign a [customs clearance treaty with China](#) which will clear way for a direct linkage between Piraeus and planned land-sea express passage connecting Greece directly to China via Belgrade and Budapest through the planned Hungary-Serbia railway. If this comes true, Piraeus will become an important hub which connects China's Maritime Silk Road to the land-based Silk Road Economic Belt and further boost China's connectivity to Europe.

Given China's rising status as an economic powerhouse, Europe will benefit from improved connectivity with China brought about by the MSR and the larger "One Belt, One Road" (OBOR) initiative. In particular, Central and Eastern Europe would be the largest beneficiaries given the focus of OBOR in that region. In the long run, this could help boost the economic status of Central and Eastern European countries in the European Union.

This piece is an abridged version of an article published in China and Greece on 6 March 2016. (Click [here](#))



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CHINA | 17 FEBRUARY | REUTERS

WRAPUP 3-China sends missiles to contested South China Sea island - Taiwan, U.S. officials

China has deployed an advanced surface-to-air missile system to one of the disputed islands it controls in the South China Sea, Taiwan and U.S. officials said, ratcheting up tensions even as U.S. President Barack Obama urged restraint in the region.

[Full Report](#)

CHINA-INDIA | 4 FEBRUARY | THE ECONOMIC TIMES

India, China hold inaugural dialogue on maritime cooperation

Amid enduring tensions over the South China Sea, India and China today held inaugural round of talks on maritime cooperation.

[Full Report](#)

KOREAS | 7 FEBRUARY | REUTERS

North Korean patrol boat crosses to South, retreats after warning shots

A North Korean patrol boat crossed into South Korean waters early on Monday and retreated after the South Korean navy fired warning shots, a South Korean military official said.

[Full Report](#)

INDIA | 8 FEBRUARY | THE TIMES OF INDIA

We must build an ocean of trust: PM Narendra Modi

One of his foremost policy priorities is to ensure security in the Indian Ocean Region (IOR), Prime Minister Narendra Modi said in Visakhapatnam on Sunday. He was the chief guest at the International City Parade (ICP), one of the major events of International Fleet Review 2016 (IFR 16).

[Full Report](#)

NEW ZEALAND | 8 FEBRUARY | THE NEW ZEALAND HERALD

Drones an option to replace Orions

The military is considering using unmanned drones to patrol waters surrounding New Zealand.

[Full Report](#)

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THAILAND-UNITED STATES | 10 FEBRUARY | BANGKOK POST

Cobra Gold reflects tensions as US limits role

The 35th Cobra Gold, Southeast Asia's largest multilateral war game, began yesterday in Sattahip marked by a second year of scaled-back US involvement and its repeated calls for a swift return to civilian rule, reflecting tensions between the long-time allies over Bangkok's lack of democracy and its closer ties to China.

[Full Report](#)

MALAYSIA | 13 FEBRUARY | THE MALAY MAIL ONLINE

Minister assures presence of Chinese coast guard ships on Sarawak waters under control

Defence Minister Datuk Seri Hishammuddin Hussein said the presence of Chinese coast guard ships outside the Gugusan Beting Patinggi Ali waters, about 84 nautical miles from the coast of Miri is under control.

[Full Report](#)

INDONESIA-VIETNAM | 16 FEBRUARY | ANTARA

Indonesia, Vietnam agree to expedite solution to maritime border dispute

The Indonesian and Vietnamese governments have agreed to accelerate efforts to find a solution to the maritime border dispute involving the Exclusive Economic Zone (EEZ) between both nations.

[Full Report](#)

AUSTRALIA | 23 FEBRUARY | THE AUSTRALIAN

Defence white paper to modernise navy, save local shipbuilding

The centrepiece of the new -defence white paper will be a multi-billion-dollar plan to expand and modernise the Royal Australian Navy and to save the shipbuilding industry.

[Full Report](#)



CAMBODIA | 25 FEBRUARY | THE PHNOM PENH POST

Cambodia in talks to buy warships from China

The commander of the Royal Cambodian Navy yesterday revealed that Cambodia was in negotiations to buy two 140-metre heavy warships armed with modern weapon systems from China.

[Full Report](#)

TAIWAN | 25 FEBRUARY | THE CHINA POST

CGA reveals troop numbers in ROC's South China Sea islands

Nearly 400 Taiwanese coastguardsmen are currently listed as assigned to Taiwan-controlled islands in the disputed South China Sea, according to public information recently released by the R.O.C. Coast Guard Administration.

[Full Report](#)

SOUTH KOREA | 26 FEBRUARY | YONHAP

Jeju's new naval base to allow strong response to N. Korea: PM

South Korea's new naval base on the southern resort island of Jeju would enable the Navy to strongly respond to possible high-seas standoffs with North Korea, Prime Minister Hwang Kyo-ahn said Friday.

[Full Report](#)

CHINA | 26 FEBRUARY | THE TIMES OF INDIA

PLAN ships continue to prowl around Andamans

On Tuesday, alarm bells went off in Delhi after a blip on a coastal radar screen. It was an unidentified vessel close to the Andaman and Nicobar Islands. An alert was sent to the Andaman and Nicobar Command (ANC) immediately but by then the ship was already under surveillance.

[Full Report](#)

UNITED STATES | 27 FEBRUARY | REUTERS

U.S. to boost South China Sea freedom of navigation moves, admiral says

The United States, which is worried by China's military buildup to assert dominance in the South China Sea, will increase freedom-of-navigation operations there, a senior Pentagon official said on Wednesday.

[Full Report](#)

INDIA | 28 FEBRUARY | NEW INDIAN EXPRESS

N-powered INS Arihant All Set for Operation

India's first indigenous nuclear-powered submarine INS Arihant is all set to be inducted in the armed forces.

[Full Report](#)



GLOBAL | 2 FEBRUARY | ASSOCIATED PRESS

Ship hijackings down in 2015, piracy mostly low-level theft

A global maritime watchdog said Tuesday that ship hijackings declined in 2015 from a year earlier, while sea piracy incidents increased slightly but consisted mostly of low-level theft.

[Full Report](#)

MALAYSIA-JAPAN | 1 FEBRUARY | BERNAMA

Japan willing to cooperate with MMEA to maintain security in regional waters

Japan is willing to extend cooperation with the Malaysian Maritime Enforcement Agency (MMEA) in maintaining peace and security in regional waters in the future.

[Full Report](#)

CHINA | 1 FEBRUARY | XINHUA

Chinese ship headed for Indian Ocean to join search for MH370 jet

A Chinese ship, Dong Hai Jiu 101, will arrive in South Indian Ocean on Feb. 10 to join the ongoing search for missing Malaysia Airlines flight MH370.

[Full Report](#)

THE PHILIPPINES | 2 FEBRUARY | MANILA BULLETIN

Coast Guard eyes acquisition of bigger ships for WPS patrol

While the Philippine Coast Guard (PCG) expects the delivery of 10 multi-role vessels from Japan starting this year until 2018, the maritime agency is working on getting two bigger vessels that would be deployed to the West Philippine Sea (WPS) and elsewhere.

[Full Report](#)

THE PHILIPPINES | 4 FEBRUARY | THE PHILIPPINE STAR

Coast Guard contains Batangas oil spill

Some 100 liters of bunker fuel oil spilled from the Chevron Philippines Batangas terminal into Batangas Bay last Tuesday, the Philippine Coast Guard (PCG) reported.

[Full Report](#)

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INDIA-SRI LANKA | 5 FEBRUARY | DECCAN HERALD

India, Lanka to find 'innovative' solution to fishermen issue

India and Sri Lanka today agreed to find an "innovative and lasting solution" to the fishermen issue, a major irritant in the bilateral ties, as the foreign ministers of the two countries reviewed the progress made in various sectors like defence, aviation and trade.

[Full Report](#)

INDONESIA | 6 FEBRUARY | TEMPO

Fisheries Ministry Detects New Methods of Illegal Fishing

Ministry of Maritime Affairs and Fisheries has detected a new mode in illegal fishing.

[Full Report](#)

THE PHILIPPINES | 9 FEBRUARY | THE PHILIPPINE STAR

Japanese firm starts assembly of MRRV

Japan Marine United Corp. (JMU), the company which bagged the P8.8-billion contract to supply 10 multi-role response vessels (MRRVs) to the Philippine Coast Guard (PCG), has started assembly of the vessels, the Department of Transportation and Communications (DOTC) said.

[Full Report](#)

EUROPE | 9 FEBRUARY | REUTERS

Europe calls time on ship navigation scheme despite risks at sea

A British-led initiative to create a back-up to satellite navigation systems for ships has been pulled after failing to garner interest from other European countries, despite its proponents pointing to the growing risk of disasters at sea.

[Full Report](#)

INDONESIA | 13 FEBRUARY | ANTARA

Maritime Security Board expected to remove ego-sectoral among law enforcers

The presence of the Maritime Security Board (Bakamla) to maintain security and safety at sea is expected to remove the ego-sectoral among law enforcement agencies.

[Full Report](#)

INDIA-MYANMAR | 18 FEBRUARY | THE ECONOMIC TIMES

Indo-Myanmar conduct coordinated patrolling in Andaman Sea

The fourth edition of the India-Myanmar coordinated patrol has been conducted in Andaman Sea with navies of both the countries signing a protocol on the Standard Operating procedure on its conclusion.

[Full Report](#)

INDONESIA | 22 FEBRUARY | THE JAKARTA POST

Govt to sink 30 illegal fishing boats

The government is scheduled to sink 30 local and foreign fishing boats on Feb. 22, as a court has found them guilty of illegal, exploitative poaching.

[Full Report](#)



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NEW ZEALAND | 24 FEBRUARY | RADIO NEW ZEALAND

Navy to send HMNZS Canterbury to Fiji with aid

New Zealand is sending the navy vessel Canterbury to Fiji to support relief and recovery efforts following Cyclone Winston.

[Full Report](#)

INDONESIA | 24 FEBRUARY | THE JAKARTA POST

Govt hunts down hundreds of outlawed vessels

The government is trying to locate hundreds of boats that have disappeared to avoid law enforcement.

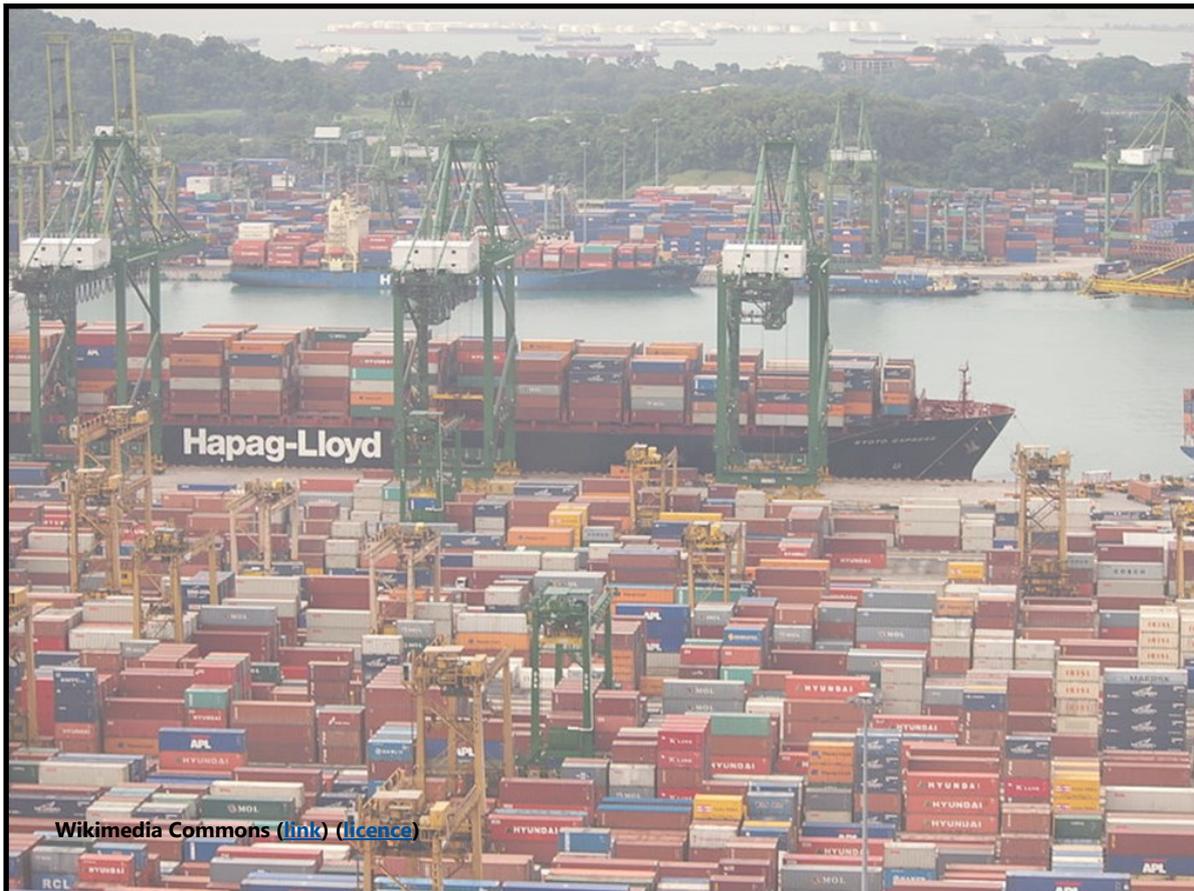
[Full Report](#)

INDIA-PAKISTAN | 26 FEBRUARY | UNITED NEWS OF INDIA

India, Pak coastal policing agencies extend MoU on info exchange

The MoU between Indian Coast Guard (ICG) and Pakistan Maritime Security Agency (PMSA) has been further extended by mutual consent through diplomatic channels for the period of further five years.

[Full Report](#)



SINGAPORE | 12 FEBRUARY | STRAITS TIMES

Shipping union starts new fund to improve welfare

China released its annual ocean development index (ODI) report on Friday at an international forum held in the east port city of Qingdao, Shandong Province. The Singapore Maritime Officers' Union (SMOU) has set up a \$1.1 million care fund to support members in need and their children's education in case of financial difficulties, unforeseen medical conditions, or even death.

[Full Report](#)

SINGAPORE | 5 FEBRUARY | LNG WORLD SHIPPING

Keppel wins diverse contracts

Keppel O&M's Keppel Shipyard in Singapore has won a contract to convert TOTE Maritime Alaska vessel *Midnight Sun* to dual-fuel liquefied natural gas (LNG) propulsion.

[Full Report](#)

JAPAN | 9 FEBRUARY | SPLASH 24/7

Japanese shipping shares hammered on talk of more bankruptcies

On a terrible day for the Tokyo Stock Exchange, shipping shares came in for a particular battering as the market became spooked by the spectre of further bankruptcies.

[Full Report](#)

MALAYSIA | 15 FEBRUARY | FISH INFO & SERVICES

Sabah relaxes ban on fish exports

Sabah authorities have decided to partially lift a ban on fresh seafood exports and allow live aquaculture raised fish to be brought out of state.

[Full Report](#)

GLOBAL | 17 FEBRUARY | SHIP AND BUNKER

CMA CGM and China COSCOI look to solidify new mega-alliance

Alphaliner, in its latest weekly report, says that CMA CGM S.A. (CMA CGM) and China Ocean Shipping (Group) Company (China COSCO) are working toward the creation of a new mega-alliance that could split up three of the four current major East-West shipping alliances and provide significant competition to the fourth.

[Full Report](#)

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SINGAPORE | 17 FEBRUARY | MARITIME EXECUTIVE

Singapore launches Mass Flow Metering Standard

Singapore's MPA has released the world's first National Technical Reference for Bunker Mass Flow Metering (TR48: 2015).

[Full Report](#)

INDIA | 18 FEBRUARY | LIVE MINT

Government aid for shipbuilders contingent on meeting deadline

Local shipbuilders will get financial aid from the government only if they complete construction of a ship within three years of signing the contract, according to the draft guidelines for implementing the scheme approved by the Cabinet in December and issued on Wednesday.

[Full Report](#)

GLOBAL | 19 FEBRUARY | MARITIME EXECUTIVE

DNV GL approves first Polar Code compliant vessel

DNV GL and the Danish Maritime Authority have confirmed that the AHTS *Magne Viking*, owned by Viking Supply Ships, is in compliance with the IMO Polar Code – an industry first for the classification society.

[Full Report](#)

SOUTH AFRICA | 25 FEBRUARY | BIZ-NIS AFRICA

Investment into Phakisa Ocean Economy can unlock Africa's maritime industry

It was revealed on 24 February 2016 during South African Finance Minister Pravin Gordhan's budget speech that as part of the ongoing Phakisa oceans economy initiative, a ZAR9 billion investment in rig repair and maintenance facilities at Saldanha Bay is planned and work has begun on a new gas terminal, oil and ship repair facilities in Durban, South Africa.

[Full Report](#)

GLOBAL | 25 FEBRUARY | SPLASH 24/7

Britannia and UK P&I Clubs in merger discussions

The boards of the Britannia Club and the UK P&I Club, two of the oldest P&I clubs in the world, are in merger discussions.

[Full Report](#)

INDIA-IRAN | 25 FEBRUARY | SEATRADE MARITIME NEWS

India signs off \$150m credit for Iranian port development

India's government today cleared \$150m of Exim Bank credit to further develop the Iranian Port of Chabahar, in the Gulf of Oman.

[Full Report](#)

CHINA | 26 FEBRUARY | XINHUA

China adopts first law on deep seafloor exploration

China's top legislature on Friday passed the country's first law on deep seafloor resource exploration to protect the maritime environment and ensure sustainable exploitation.

[Full Report](#)



[Wikimedia Commons \(link\)](#)

EGYPT | 26 FEBRUARY | SEATRADE MARITIME NEWS

Access channel to Suez Canal Container Terminal completed

A new 8.5km channel allowing large container vessels 24/7 access to APMT's Suez Canal Container Terminal (SCCT) directly from the waterway has opened in Port Said, Egypt.

[Full Report](#)

CHINA | 27 FEBRUARY | HELLENIC SHIPPING NEWS

Troubles brewing at Sinopacific's ship design unit and Dayang yard

Troubles at China's Sinopacific Shipbuilding Group are brewing with local media reporting an imminent shut down of its Shanghai ship design department and layoffs at its Dayang Shipyard.

[Full Report](#)

CHINA-PAPUA NEW GUINEA | 29 FEBRUARY | BUNKER PORTS NEWS

People's Republic of China and PNG engage in sister-port relationship

PNG Ports Corporation has engaged with the Shenzhen Port Administration from the People's Republic of China, in a sister-seaport relationship today in Port Moresby.

[Full Report](#)