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Naval forces left baffled by recent hijackings

A meeting of naval commanders has failed to find any rationale behind the surge in Somali pirate attacks

Richard Meade

THE recent surge in Somali pirate hijackings has raised concerns among naval commanders that pirate gangs are becoming increasingly sophisticated and adept at targeting different ship types.

The hijacking of the UK-flagged car carrier *Asian Glory* on January 1 has been described by NATO anti-piracy forces operating in the region as an "opportunistic attack".

The hijacking has, however, left naval forces "perplexed" as to how the pirates managed to scale the 23 m freeboard of the vessel, 1,000 km off the Somali coast during the monsoon season.

The fact that the seizure of the ship was the fourth hijacking in a five-day period has also sparked high-level questions to be asked about possible operational changes within the Nato, European Union Naval Force and Combined Task Force anti-piracy command structures.

"We have been asking ourselves just how they managed to get on board," said EU Navfor spokesman John Harbour.

"There is a lower door on the vessel, but quite how they made it on board we are not sure.

"We will probably have to wait until the release of the vessel to work out what happened."

Recent attacks indicate that an increasing number of pirates gangs have resumed attacks on vessels in the eastern and southern coast off Somalia and are operating further out into the Indian Ocean.

While the rate of attacks had not diminished, the number of successful hijackings had significantly reduced over recent months, with the last recorded hijacking taking place in July.

But a string of attacks starting on December 28 saw four ships and close to 100 seafarers taken hostage in a matter of days.

A spokesman for Nato anti-piracy forces told Lloyd's List that the surge in hijackings had been discussed at a briefing yesterday morning, but naval commanders were left with no clear understanding as to the possible reasons for the rapid increase in attacks.

Discussions had taken place between other anti-piracy forces in the region, the spokesman confirmed, but no clear conclusions had yet been reached.

All naval forces in the area are now monitoring the situation closely.

According to one naval officer, the number of pirate gangs operating in the region has now increased and the most successful gangs have gained valuable experience and are far more sophisticated in their attacking techniques.

However, the opportunistic hijack of a car carrier took most experts by surprise as they were previously thought to be too challenging for pirates to bother attacking given their high freeboard and relatively high speed.

"This attack should make it clear that any ship is a target," said Cmdr Harbour.

EU naval forces repeated earlier warnings to shipowners that vessels failing to register with the EU's Maritime Security Centre — Horn of Africa were more likely to be attacked by pirates.

While registration has increased slightly, around 20% of all vessels transiting the region are still failing to disclose their details.

Zodiac Maritime Agencies, owner of *Asian Glory*, confirmed that all crew members were safe and unharmed.

Asian Glory, which was registered with MSC-HOA when it was attacked, was expected to arrive in Somali coastal waters yesterday, the company said in a statement.

According to EU Navfor, a total of 10 ships and 257 seafarers are currently being held hostage by pirates in Somalia.



Caring: Borchard Lines calls clients during harvest time to confirm ship arrival times, so ensuring fresh produce arrives at port.

Niche box lines teach deepsea carriers how to make money in a downturn

Janet Porter

SHORTSEA and regional container lines have weathered the industry collapse far better than global carriers that suffered massive financial losses last year.

In contrast to the big lines, many smaller operators ended 2009 in the black, or close to breakeven, as they pitted the benefits of local knowledge and market agility against the heavy-handed attempts of the deepsea carriers to fill their ships during a year of shrinking cargo volumes and depressed freight rates.

The chief executives of half a dozen niche or feeder lines interviewed by Lloyd's List over the past few weeks all expressed quiet satisfaction with the way their companies had managed during the most challenging conditions that container shipping has ever experienced.

They may not make the vast profits that global lines rake in during boom times, but neither do they plunge deep into the red when the market turns sour.

All cited the importance of client relationships, along with tight control on costs and unwavering focus on their core markets, as the main factors behind their ability to navigate through the shipping crisis.

"We are close to every customer," said Atlantic Container Line chief executive

Andrew Abbott, who has had to contend with a huge drop in volumes and freight rates for transatlantic containerised cargo but still expects to produce an overall profit for 2009.

Independent Container Line chief executive John Kirkland is another who believes customer service pays dividends during a recession, with shippers remaining loyal to those lines that have always lived up to their promises.

Whereas every line, whatever its size, will pay lip service to customer care, smaller carriers provide practical examples of what they do to ensure client satisfaction.

London-headquartered Borchard Lines, which operates in the intra-Europe trades, will call customers during harvest time to confirm the next ship arrival so that farmers can start picking and ensure fresh produce arrives at the port on time.

Fleet flexibility is another reason why smaller lines are performing relatively well. Not only did they avoid the temptation to embark on huge expansion programmes that have left many big lines with ships they no longer want, but regional lines are more likely to charter rather than own ships.

This provides operators with the opportunity to scale up or down relatively fast,

so enabling them cope better with situations like the current one, according to Unifeeder managing director Jesper Kristensen

"Because we are focused on exactly what we are doing, we can turn the wheel a bit faster and more accurately than if you are very big line," he said.

Furthermore, chartering instead of owning tonnage ensures a line will always be able to operate a modern fleet, consisting of vessels that are of appropriate size for the trade and ports of call, said Borchard Lines director Richard Borchard.

Those lines that depend on chartered ships are also benefiting from record low charter rates.

This is why European feeder and shortsea operators are so incensed by the Baltic Max Feeder scheme that German shipowners are proposing, and which could artificially raise charter rates if it goes ahead.

Smaller lines are also critical of global players for having little grasp of their real costs and for offering second-rate, door-to-door services.

They also note that deepsea carriers suffer from big trade imbalances, whereas regional or niche operators are better-placed to match cargoes in each direction. **Small lines show resilience — Page 7**



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