AS PIRATE ATTACKS GROW, SHIPOWNERS TAKE ARMS

Attacks by Somali pirates have risen, leading shipping companies to hire their own protection. Do private firms have a right to arm themselves?

BY PETER APPS
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Upstairs in a public house on the English south coast, 18 men are preparing to take on the pirates of the Indian Ocean.

Around antique polished wooden tables scattered with laminated charts, handouts and smartphones, they sit in attentive silence as teachers in jeans and T-shirts discuss pirate tactics and the hazards of the law. Almost to a man, the students – their haircuts short, their arms muscled and tattooed – have military experience: some on well-paid, dangerous private security contracts in Iraq or Afghanistan.

It almost feels as if history is repeating itself. The Blue Boar pub is in a building that dates back to the 18th century, when Poole was one of England’s busiest trading ports and ships sailed the globe with cargoes of cotton, silk, tea, cotton, spices and opium. Those privately owned vessels were armed like warships, equipped to fight off pirate attacks and privateers far from naval help. Now, it seems, one ocean at least is becoming lawless again.

Sailing from havens on Somalia’s coast, young men with AK-47s, rocket-propelled grenades, grappling hooks and ladders
have wreaked havoc with regional shipping over the past six years. Dozens of warships from the world’s navies have failed to stem the attacks leading a growing number of shipowners to turn to private security companies. It’s a lucrative trade, and there’s no shortage of applicants for the three-day “ship security officer” course run by former Royal Marine commandos John Twiss, Nick Williams and their company, Independent Maritime Security Associates (IMSA).

“We’re probably training twice as many people as we were last year,” 55-year-old Williams told Reuters in the pub’s function room, which serves as a classroom. “If you look at the way things are going in the Indian Ocean, it’s just getting worse. The work is there, and there are guys who want to do it.”

But even these tough, no-nonsense men -- confronted with a wheelchair-bound Reuters correspondent and a flight of stairs, they simply haul the wheelchair and reporter aloft and carry them to the first floor -- are far from blasé about what they might face.

“The standard operating procedure for the pirates these days is to fire into the superstructure of the vessel to intimidate the master,” Williams tells the group. “Some of these attacks now last upwards of 90 minutes. It takes a lot of bottle to hold your nerve during that.”

The class would not be so popular if the world’s navies had managed to fix the problem. Ships from the European Union, NATO, a separate U.S.-led coalition and newer powers such as South Korea, India, China and Russia have all sailed to the waters off Somalia in recent years. Loosely coordinated through meetings in Bahrain and a secure internet chatroom, they have managed to reduce attacks at choke-points in the Gulf of Aden, between Yemen and Africa. But the pirates have responded by shifting further out into the Indian Ocean, which naval commanders say is too big to police.

Pirate activity has risen steadily. The first three months of 2011 were the worst on record, the EU says, with 77 attacks and hijackings -- up from only 36 in the same period of 2010. The pirates have started using hijacked vessels -- including giant tankers the size of skyscrapers -- as mother ships, so they can operate throughout the stormy monsoon season and far further out to sea than before.

The worsening situation, say experts, has made it almost inevitable that today’s merchant ships will buy in their own armed protection. “Nation-states don’t appear to have the ability or the enthusiasm to solve the root problem,” says Nikolas Gvosdev, professor of national security studies at the U.S. Naval War College in Rhode Island. “That leaves the private sector having to manage effectively on its own.”

In a world where power is fragmenting, this raises serious questions. Should shipping lines be allowed to arm their vessels? Does carrying ex-soldiers change the legal status of a merchant ship? Who’s policing what companies do to defend themselves? And why are the world’s most powerful nations unable or unwilling to prevent a handful of barely equipped young Somalis from commandeering their ships, leaving hired protection the only option?

**MACHINE GUNS**

IT’S DIFFICULT TO ESTIMATE the number of private security contractors now working off Somalia, but most experts say it’s as high as the mid-hundreds at any one time. Williams and Twiss say about 200 men have taken their courses so far. Several other companies offer similar services, but there is no particular legal requirement for contractors to have any training.

Most of the maritime private security firms are British, including several based in and around Poole -- close by the main recruiting barracks of the Royal Marines and home to its elite Special Boat Squadron. With cuts to defence spending on the way, recruitment is brisk.

“The close-protection side of life in Iraq and Afghanistan seems to be winding down,” said one student, a Royal Marine due to leave service in December who asked not to be...
named to avoid upsetting both his current commanders and potential future employers. “You can see the pirates are expanding their operations, so that looks like a good opportunity for us.”

Pay is not as high as for much riskier jobs in Iraq and Afghanistan, but a security consultant working off Somalia can still expect to bring home around 6,000 pounds ($10,000) a month.

Until last year, security contractors -- as most in the industry call themselves -- usually acted as unarmed advisers, helping overstretched, undertrained crews keep watch for pirates, and ensuring captains held their nerve under attack. A ship’s master was advised to stick to routes patrolled by naval forces, use razor wire and water cannon to prevent pirates from boarding and -- crucially -- keep the vessel moving.

Now, though, more and more ships carry their own weapons. Trawlers and other deep-sea fishing vessels routinely carry heavy machine guns. Before a ship enters port, industry insiders say, the arms are hidden or thrown overboard; that way, no-one gets caught breaking the law.

The shipping industry says it’s taking that step extremely reluctantly. The International Maritime Organisation (IMO), the United Nations body charged with ensuring the safety of shipping, advises against contractors and pirates every day, although many are never reported.

LEGAL GREY AREA

“But things are changing all the time. Legally speaking, it’s complicated, to put it mildly. In Iraq, it is very clear. You work under the rules of the country. Here, there are many more grey areas.”

Over the last two centuries, the use of military force at sea has become largely the preserve of states. The legal basis under which modern-day cargo ships -- with their often multinational crews and ownership structures -- can use lethal weaponry is far from clear, and the IMO guidelines have no weight in international law.

Williams tells his students that their best bet is to find a reputable security company that operates with clear rules of engagement -- but that even then, it may be impossible to avoid a whole host of legal dangers. “We are former servicemen, and as such are simple creatures, but you can guarantee the ambulance-chasers and human rights lawyers are sitting on the sidelines watching this,” he says.

Some of his students say they would be happier carrying weapons -- “it’s kind of a comfort blanket, I suppose” says one Afghanistan veteran. Others worry. “I haven’t made up my mind yet. There are arguments for and against,” said a former policeman who now works as a private investigator -- “mostly marital.”

CONVENIENT?

THE LEGAL risks of bearing arms at sea are further complicated by the often complex ownership of modern merchant ships. Shipping companies routinely register vessels under flags of convenience, placing their legal ownership in jurisdictions such as Panama and Liberia where tax and other regulations are lenient. But in a case of self defence, the nationality of a ship’s owners, its master and crew, and which ports it has passed through also have legal implications.

“There are multiple layers of law that might apply in any case,” says John Drake, senior risk consultant with UK-based security firm AKE, another company operating in the Somali region -- albeit one that refuses to carry weaponry and only operates unarmed teams. “The thing is no one wants to be the one to take responsibility for pulling together the legislation to clarify the situation.”

Naval forces operating in the Horn of Africa say that makes their work harder as well, and
is one reason -- along with serious concerns over hostage safety -- they have been reluctant to board captured ships even when they are being used to attack other vessels. “Who do you call when you have, say, a Mongolian ship with a Vietnamese crew?” asked one officer involved in international counterpiracy efforts. “Sometimes it stops us from acting.”

Gvosdev, at the U.S. Naval War College, agrees, and says the complexities of ownership make states less keen to intervene. “There’s a feeling that if companies are going to chase the flag of convenience for tax and other reasons, they can also take on responsibility for protecting themselves,” he says.

But that, says Hinchcliffe at the International Chamber of Shipping, should not let navies dodge their responsibilities. Even if shipping companies register vessels in particular ports for financial advantage, he says they still contribute to the wider global economy and deserve protection. “What they need to do is tackle the ‘mother ship’ problem,” he said. “We know that it probably could not be done without at least some risk to the crews being held, but it is the only way of addressing the problem. Without it, the pirates will keep growing the area of operation -- perhaps out beyond the bottom of India.”

CITADEL HIDEOUT

HOW CLOSELY A SHIP is secured is most often determined by what it and its cargo are worth. High-value vessels such as seismic survey craft, drilling rigs and the occasional luxury yacht are usually well protected, and almost never taken.

In contrast, bulk carriers -- big cargo vessels which are relatively easy to board -- are typically already operating on squeezed margins, so are much less likely to carry special security personnel. “It’s a big, bad commercial world out there,” says Twiss. He periodically still sails as a security contractor in the region to keep his skills up, and experienced his first pirate boarding just a few months ago.

In late 2010, the bulky former commando was leading an unarmed four-man security detail on a chemical tanker as it slowly made its way up the east African coast.

Before dawn one morning, a colleague spotted a small craft on the radar, apparently shadowing the tanker’s movements. Shortly after first light, the men made out a white fishing boat. A smaller skiff was already heading towards them with young Somali men ready in the bows.

“The hairs on the back of your neck stand up,” Twiss says. “You know it’s going to be a long day.”

As 7.62 mm AK-47 rounds slammed into their ship, Twiss and the captain abandoned the bridge, pausing only to send pre-set distress messages to the owner and international naval forces. They and the crew moved en masse to a secure space in the engine room from which they could still communicate and steer the ship -- the “citadel”, in anti-piracy jargon.

Temperatures were sweltering, the predominantly Filipino crew members terrified. But after several hours the pirates appeared to have fled -- perhaps because of the impending arrival of a NATO warship. Twiss and his colleagues armed themselves with the largest spanners they could find to go room by room and check the Somalis had all gone.

Would Twiss have been happier if he and his team were carrying weapons?

“Oh God yes,” he says. “The way things are going out there at the moment, you definitely need it. The problem was that in that case the flag state would not allow it.”

LONG SHOT

NOT EVERYONE AGREES. Some insurers are against ships carrying armed security staff. Many serving military officers say they are inherently uncomfortable with letting private guards use lethal force on the high seas. Some security companies, too, say heavy weaponry makes an already risky situation worse. They say the answer is having good advisers who ensure the ship follows best practice, help keep a constant lookout and reassure the captain during attacks.

Nonetheless, no vessel carrying armed guards has yet been pirated. “It would be foolish of us to deny their success sofar,” says Wing Commander Paddy O’Kennedy, spokesman for the EU antipiracy task force EU.
NAVFOR. “But we do not endorse the practice and we do have concerns. We are worried that you will get an escalation of violence with the pirates and an arms race. We are also worried about how you guarantee quality of training. We know of cases where contractors have fired on contractors and an arms race. We are also worried about how you guarantee quality of training. We know of cases where contractors have fired on contractors and an arms race.

The shooting of four Americans when special forces took up positions during an operation to rescue crew members from Somali pirates on the Samho Jewelry in the Arabian Sea January 21, 2011. Five pirates were captured, eight killed. REUTERS/SOUTH KOREAN NAVY/HANDOUT

Some in the industry even wonder if a special security effort is really necessary. There are around 35,000 ship voyages a year through the Indian Ocean, they point out: the vast majority are completely unarmed and make it through. One security veteran already working in the region said private contractors could spend months without ever seeing a pirate.

For now, insurers and most shipping companies seem willing to risk the occasional hit. Experts say piracy adds only slightly to the cost of shipments through the region. As long as cost remains negligible, world powers feel scant compulsion to take tougher action.

“The rate of suspicious approach is about 1 in 350, and hijacked is 1 to 950,” Twiss tells the group. “If you were offered those odds in a betting shop you’d like to take them.”

Williams takes a more personal approach to shipping firms who choose to do without security. “What they are doing is gambling with the lives of crews,” he says.

There have been upwards of 600 crew held hostage at any given time this year, the shipping.

BOSASSO

BY ABDIQANI HASSAN

O nly two years after deciding to join in the piracy rampant off the Somali coast, Saeed Yare is a dollar multi-millionaire. Leaning against the door of his luxury Toyota Landcruiser, one of the latest models in the seaside town of Bosasso, Yare puffs on a cigarette.

“It is not an easy job being a pirate. You gamble with your life, but I enjoy being a piracy tycoon,” says the slim 27-year-old, dressed in a sharp suit he says is Italian.

“The piracy business is like a presidential seat, you don’t want to give it up once you taste its sweetness. A friend of mine died in the recent navy operation -- but he left one million dollars!” Yare said, referring to a botched rescue attempt that also left four U.S. citizens dead.

Yare said he made $2.4 million in 2010: $1.2 million for investing in the venture that led to the hijacking of the British-flagged Asian Glory, another $700,000 for Saudi tanker Al Nisr Al Saudi and $500,000 Bulgarian vessel Panega.

“I earned more cash after investing in two operations and personally participating in a separate hijacking, all were successful,” he said. “I spent some of the cash on weapons, private bodyguards, luxury cars, trucks, a boat and three villas. And I still have enough to use until another ship is hijacked.”

Armed pirate gangs have made millions of dollars striking at ships in the vast expanse of the Indian Ocean, as far south as the Seychelles islands and eastwards towards India.

Yare abandoned a lucrative trade in khat, a sure-fire route to amassing riches in the Horn of Africa country, when he saw former fishermen getting even richer by piracy.

He befriended a pirate who advised him to “invest” $80,000 to help carry out a hijacking and expect a 50 percent return of $120,000 once ransom was paid.

“I got inspired to be a pure pirate in 2009. First, I set off into the sea with them and captured a Saudi oil tanker that made us lick our fingers -- a hell of a lot of cash!”

FLASHY LIFESTYLE

YARE WAS THRUST Into his father’s trade of fishing at the age of nine and was expected to contribute to the family’s income by the time he became a teenager.

He took up selling khat after saving enough to import a batch of the stimulant from neighbouring Kenya.

But even returns as high as 300 percent from selling the mild narcotic were not enough for the ambitious young man. He turned to piracy to fuel a flashy lifestyle.

The gangs have an agreed formula for splitting their loot -- hijackers receive 50 percent, investors get 35 percent, and guards on the ship get the remaining 15 percent.

Yare said the pirates’ objective was purely money, not to torture or kill their hostages. The shooting of four Americans when special forces tried to rescue them was because those holding them were pushed to the wall, he said.

However, Yare issued a chilling warning for crews of any South Korean and Russian ships that are captured.

South Korea’s navy rescued a South Korean chemical ship hijacked by Somali buccaneers in the Arabian Sea, capturing five pirates and killing eight.

In a separate incident, Russian forces cut 10 pirates adrift without navigation equipment or much hope of survival after they stormed a tanker the gang was holding.

“The South Korean and Russian rescue operations did not affect us, but ... we must take revenge,” Yare said. “We shall be killing Russian and South Korean crew until their navies stop attacks against us.”

The bandits’ wealth has pushed up the cost of living in coastal pirate towns such as Garad, Hobyo and Hardheere, but the gangs are philanthropic to the less fortunate, Yare said.

“We give residents $200,000 whenever a ship is freed to enable them to cope with the changing life. This amount goes to them through local officials such as clan elders.”

Pirate gangs elsewhere are forced to share ransoms with al Shabaab Islamist rebels, al Qaeda’s proxies in east Africa.

“Colleagues in other towns give cash to Islamists in order to continue their business,” he said. “Al Shabaab is just another pirate group, Islamists are parasites.”

(Writing by Abdi Sheik; editing by Helen Nyambura-Mwaura)
industry says, mainly sailors from places such as Malaysia, India and Vietnam. According to data from risk firm AKE, ships taken by Somali pirates are on average now held for 187 days, up from roughly 100 in early 2010.

In shipping, the saying goes, owners worry about protecting their vessels, cargoes and crew -- in that order. The industry itself disputes this; some in the security business suspect one reason companies use armed guards is the risk that crew taken hostage might sue their employers for failing in their duty of care by not hiring enough protection.

Many of those recently released say they were mistreated, underfed, used as slave labour and sometimes even forced to join in attacks on other ships. When international naval forces approach, officers say hostages are often simply lined up on the deck with guns to their heads until the forces withdraw.

Sometimes -- especially on ships carrying low-value cargoes -- crews say owners seem willing to abandon them to their fate. Williams and Twiss tell the group in the pub that there are tales of oil tanker owners deliberately holding back ransom payments to ensure ships are held while the price of oil rises.

**BROADER TREND**

THE GROWTH IN PRIVATE security work is not limited to the Indian Ocean. When governments and organisations needed to get thousands of their citizens out of Libya in a hurry, many turned to private firms staffed mainly by ex-military people to organise and sometimes carry out evacuations.

And the demand isn’t just coming from western states and companies. London-based consultancy firm Control Risks -- one of the largest of a new breed of such firms providing services from IT security to advice on piracy to hostage negotiation -- says it managed the evacuation of about 2,000 Chinese oil workers using hired commercial airliners.

“We are the child of globalisation,” says its chief executive Richard Fenning.

Increasingly, private firms provide data-crunching for intelligence agencies that need to go through millions of phone calls and e-mails to detect hints of militancy and dissent. They guard embassies, maintain banks and aircraft. NATO forces in Afghanistan are heavily dependent on small Pakistani trucking firms hired to bring supplies across the Khyber pass.

In the Indian Ocean, several companies are even trying to raise funds to buy former naval patrol boats or converted commercial vessels to form a flotilla of small private armed escort ships. They would be the first private warships in more than 200 years -- although not everyone is convinced the sums involved would make it viable. For some, that’s a relief.

“There is no great enthusiasm for this privatisation of what used to be the military,” says Gvosdev at the U.S. Naval War College. “It’s something that has happened as states no longer have the resources to do everything and have looked to do things cheaper. But clearly no one wants these private entities to have too much in the way of capabilities.”

Such thoughts are far from the minds of those completing the ship security officer course in Poole. After a test and a curry buffet the students receive their pre-printed certificates and head off to an uncertain future. There are jokes and blister, but these men may soon be out at sea, taking life-and-death decisions far from help.

“The last thing you want to do is open fire,” says Williams. “But if it’s three in the morning and you’re standing watch on your own, what are you going to do?”

*(Editing by Simon Robinson and Sara Ledwith)*

**COVER PHOTO**: Suspected Somali pirates on the deck of an Indian Coastguard vessel in Mumbai February 10, 2011. Twenty-eight pirates were captured following an incident in the Indian Ocean, the Indian Navy and Coastguard said. REUTERS/VIVEK PRAKASH

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