

## **Sri Lanka Navy Outlines Importance of Maritime Hub in Seminar Sessions**

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Ladies and Gentlemen Good morning ! The sequence of my presentation is as flashed. I would first like to define what a hub is? A hub as defined in the Oxford dictionary is “The center of an activity or region”. Obviously then, a ‘maritime Hub’ would then be the center or the focal point of maritime activities.

In MahindaChintana ‘vision for the future’, the development policy framework of the government of Sri Lanka, HE the President has spelled out his vision in transforming Sri Lanka in to a **Dynamic Global Hubby** year 2020. Let me quote, “The objective of our next massive leap forward is to transform Sri Lanka into a strategically important economic center of the world. My determination therefore, is to transform Sri Lanka to be the Pearl of the Asian Silk Route once again, in modern terms. Using our strategic geographical location effectively, I will develop our motherland as a **Naval**, Aviation, Commercial, Energy and Knowledge **Hub**, serving as a key link between the East and the West.”unquote.

Sri Lanka has past five years, since defeating terrorism and ending the internal conflict which is considered as the gloomiest era in the recent history of our nation and now, the county displays a yearning to grab lost opportunities for economic progress. The long term strategy of HE the President for the country’s development indicates the desire to join hands with other emerging economies and also transform the country to a maritime hub in the Indian Ocean.

The importance and value of the Indian Ocean is not only known within the region but is a global secret. There is no better example than to quote Admiral Mahan the infamous geostrategist and historian who’s prediction is as flashed.

As you know, Sri Lanka is an island nation and it was through sea trade that Sri Lanka was known and its history was shaped over the years. The Indian Oceanin which Sri Lanka is located has become the focal point of the 21st century.

This has predicted by historians, academicians, strategists and statesmen, in some cases couple of centuries earlier. Economic globalization has further enhanced sea borne trade many folds with 70% of global oil trade and 50 % of the container traffic passing through the Indian ocean and thus the sea lanes have been aptly dubbed as the “ New Silk route”. The world economics, which is being connected by sea, has been the driving factor in this pivotal process. In rapidly changing geo-political dynamics in the Asia Pacific region , Sri Lanka’s location has given prominence in the strategic dynamics of the major powers, thereby making it a gateway to East Asia and doorstep to South and South East Asia. If this unmatched strategic location enjoyed by our country is harnessed, Sri Lanka could potentially be the focal point of shifting the strategic calculus from the West to the East.

The world’s busiest international shipping lanes or the sea lines of communications (SLOC’s) as popularly known by seafarers pass through the Southern coast of Sri Lanka just 5 nm or 9.5 km from land and this geographical position has made ample opportunities and potentialities to make Sri Lanka a Asian maritime hub in the world, competing with other prominent hubs such as Singapore and Dubai.

The main commercial port at Colombo is ranked 30<sup>th</sup> among the 125 ports round the world and approximately 400 ships enter the port every year and it is progressively moving forward to be a bench mark for this region with an increase in container handling capacity to ten million ( 10 M ) TEU’s (20foot Equivalent Units) by 2020 and thus it will not be too far from being a shipping hub in the region once all its three modern terminals are in operation not forgetting the thousands of employment opportunities it will create. SLPA has record a growth of 12.3% TEUs in transshipment operations during 2013 compared to the same period of 2012.

The deep sea port in the South, namely the Mahinda Rajapakse Port in Hambantota located approximately 12 km from the shipping lane will be a key service center and Industrial port where large ships traversing could refuel.

The port at Galle will also be developed as a yacht marina and a tourist destination meanwhile Trincomalee, arguably the amongst the best natural

harbours in the world will have a special economic zone, water sports and will be an industrial port while the port of KKS will serve as a connectivity and livelihood to the community in the North and East. Therefore it is clearly visible that Sri Lanka is on a fast track mode to gain global acceptance to its port's to achieve the status of a maritime hub.

Having discussed the importance and progressiveness of Sri Lanka to become a global maritime hub in the world, let us now discuss the maritime security issues that the island is encountering and will encounter as it stands between the economic route between the Atlantic and Pacific regions. Given the huge volume of traffic which is further likely to grow many folds in the future, the volatility factor of the SLOC's will increase significantly. The increase in number of occurrences of conventional and unconventional maritime threats have raised fresh challenges to the sovereignty of the seas, causing Maritime security missions to assume critical dimensions. Even revisiting the Laws governing the containment of these threats has become necessary to achieve the desired objectives.

I will now be visiting a few maritime threats that Sri Lanka could envisage in the following years while pursuing to be a maritime hub.

### **Conventional Maritime threats (Slide 21)**

As a hub in Asia, Sri Lanka will have to face with some unavoidable challenges such as how to avoid been the focus of rivalry or completion among major powers. The Indian Ocean is a theatre where the great Naval powers seek to extend their power projection in pursuit of their respective National interest. India is the pre-eminent naval power in the region, and has a vital role to play with regard to the future of the Indian Ocean. The USA also has an extremely significant naval presence in this strategic region. At the same time, it is apparent that the influence of China in the region is also expanding rapidly with its military modernization, its increasing naval presence in blue waters and its expanding economic influence in countries of the IOR. It is obvious that the safety and stability of the Indian Ocean is critical for China's energy security and its increasing interest and increasing naval presence in this region is quite understandable.

It is important to stress that Sri Lanka is a small nation that is nevertheless very strategically placed, at a critical location within the Indian Ocean. This has focused the attention of many powers on this country. However, none of these conventional threats of the states mentioned present an immediate threat to Sri Lanka as it has always pursued a non-aligned foreign policy, and our only interest is in our economic development. After having suffered for three decades of terrorism, the Sri Lankan people yearn for a better tomorrow. We welcome assistance from anybody who is willing to fund the projects that are necessary to unlock its economic potential without harsh conditions being attached. This should not be misunderstood as a form of alignment with any one country or another.

### **(SLIDE 24) Maritime Terrorism**

A second grave issue that affects nations in the Indian Ocean littoral is the threat of terrorism. Time and again, terrorists have demonstrated their ability to exploit unprotected coastlines to cause havoc within nations. A study on maritime capable groups worldwide demonstrates that only a few armed groups have developed the capabilities to mount attacks on maritime targets. Most terrorist groups learn incrementally. Most groups are not innovative but imitative. For instance, Al Qaeda attack on USS Cole in year 2000 was a copy cat of LTTE attack on Sri Lanka Navy ship Abheetha, which was rammed by a LTTE suicide boat in 1991. Until the LTTE was eradicated, the Sri Lanka Navy stands as the only Navy in the world to operate in a suicidal environment. During the three decades of terrorism suffered by Sri Lanka, the Liberation Tigers of Tamil Eelam or LTTE, smuggled a vast arsenal of formidable weaponry into Sri Lanka through the sea. This arsenal included heavy weapons such as high calibre artillery, surface to air missiles, anti-aircraft guns and other significant assets such as armoured vehicles and light aircraft. They were stored in large floating warehouses off Sri Lankan shores. Smaller vessels were dispatched to ferry these items from those floating warehouses to the coastline. The LTTE also pioneered in placing sea mines of various types against both Naval and merchant vessels plying in restricted waters.

This modus operandi can easily be replicated by any terrorist group or non-state actors who have designs on a nation's sovereignty and security. As shown, today, there is a greater connectivity between terrorist groups and cross border terrorist

networks are operating across the Middle East, Central Asia, South Asia and South East Asia. Use of the sea coast by terrorist to gain access to land for asymmetric warfare against state actors is also quite prevalent and hence there is an imperative need to enhance the maritime and coastal security considering the proximity of SLOC to Sri Lanka.

### **Piracy**

The menace of piracy is threatening the global maritime trade. Until 2004 the focus of piracy was on Singapore / Malacca straits and thanks to the initiation of a tripartite naval cooperation between Malaysia, Singapore and Indonesia (MALSINDO) an all year round operation was launched to ensure greater safety for commercial ships that transit through the narrow Malacca and Singapore straits each year. Now one can be happy that incidents of piracy have dropped sharply even in the horn of Africa in 2012. This is due to multiple reasons; Deployment of capital ships by various countries, convoys, changing monsoon, the improving situation in Somalia and most of all due to having On-Board Security Teams (OBST). This is a practice; we developed and mustered in mid 1990's during our conflict. We even proposed this methodology to UN in year 2009. Now, Sri Lanka has pioneered a legitimate public-private partnership in carrying out this operation. Sri Lanka, too, is playing a small but significant role in combating piracy. Sri Lankan private sector companies working through the Ministry of Defence have provided on board security to a large number of commercial shipping lines and fishing trawlers that operate in this region. Even though there is no any reported piracy actions in Sri Lankan waters there were number of incidents in Indian Ocean. Right now there is no direct impact on Sri Lanka but it affects the entire global maritime trade and thereby Sri Lanka also can be affected. However, an ACT to provide for the suppression of piracy in Sri Lanka is in place since year 2001 to legally deal with such offenders.

### **Drug trafficking**

Due to huge profits, drug trafficking has become one of the most lucrative and money spinning means which is used to finance data networks and arms smuggling and trafficking. Due to proximity to golden triangle and golden crescent, Sri Lanka

is fast becoming a transit points for drugs for the East and West as well. Heroin is routed via Sri Lanka from Pakistan or India on a big scale by sea by containers and mechanized fishing craft. This sea route takes two forms. One is from Pakistan to Mumbai (facilitated by underworld dons in the city), then to Tuticorin or Rameshwaram and then to Sri Lanka by sea, or from Pakistan directly to southern India. The money generated from the drugs trade has also been linked to international terrorism. For example, it is a known fact that the LTTE used money raised from drug smuggling to fund its acquisition of weaponry to wage war in Sri Lanka. The wider impact of the drugs trade requires nations to take a holistic and multi-pronged approach to the issue of drug smuggling, which not only affects a nation's health and domestic security, but can also have serious ramifications on the sovereignty of countries far away. However, SLN has been successful in apprehending a considerable amount of drug traffickers at sea in the recent years.

### **Human smuggling**

The trafficking of persons internationally is another grave issue that affects nations through the sea. Every year, thousands of illegal immigrants are transported through international waters to other countries. This has had a major impact on the domestic policies and even the electoral politics of many nations. The nexus between human smuggling and terrorism is particularly worrying. After the military defeat of the LTTE in 2009, its international shipping network began engaging in this illegal enterprise in earnest. Charging thousands of dollars per person, LTTE vessels transported thousands of illegal immigrants through international waters to western nations and to Australia. Not only did this allow economic migrants to seek asylum in these countries under false pretenses but even more disturbingly, it allowed trained terrorists to escape justice and pose a threat to the domestic security of the countries they travelled to. More recently even multi day trawlers were used for this illegal transfer to Australia. In this context, I am pleased to report that the Sri Lanka and Australia have been working together in the recent past to stop the illegal trafficking of persons to Australia from Sri Lanka. Bilateral dialogue has taken place at a very high level, and operational cooperation through the sharing of information between the respective Navies, Coast Guards and law enforcement agencies has done a great deal to curb this trend. More recently Australia gifted two bay class patrol boats to enable Sri Lanka to intercept

asylum seekers before they leave Sri Lankan waters. As the operational cooperation between the responsible parties increases, I am confident that the threat posed by the trafficking of persons will be further curtailed as flashed on the chart.

### **IUU fishing**

"IUU" stands for illegal, unreported and unregulated fishing and includes all fishing that breaks fisheries laws or occurs outside the reach of fisheries laws and regulations. Fishing without a license, fishing in a closed area, fishing with prohibited gear, fishing over a quota, or the fishing of prohibited species are a few of them. IUU fishing has a tremendous impact on the sustainability of oceanic fish stocks as a result of overexploitation and wasteful fishing methods. The use of illegal fishing gear and practices such as bottom trawling can have major environmental impacts. IUU fishing depletes fish stocks, destroys marine habitats, distorts competition, puts honest fishers at an unfair disadvantage, and weakens coastal communities, particularly in developing countries.

Some estimates are that illegal and unregulated fishing causes annual financial losses of up to \$23.5 billion worldwide and accounts for up to 20 percent of all of the wild marine fish caught globally. Sri Lanka too faces the challenge of IUU fishing in its Exclusive Economic zone and many initiatives have been taken by the governments concerned to prevent foreign trawlers from encroaching in to our waters which is a life line issue for the local fishermen. This is a particularly acute problem because it has a grave impact on the economic prospects of local fishermen specially in the North and East of Sri Lanka, who are now rebuilding their livelihoods after decades of suppression under the LTTE. The fact that these fishermen have to compete with such large numbers of fishing craft that illegally enter our waters has caused great tension and frustration in the newly liberated North and East thus leaving room for creating instability which will have an indirect impact on the country's vision to become a global hub in the Indian ocean.

### **Marine pollution**

**(SLIDE 48)** In perusing to be a maritime hub, many analysts are of the view that the biggest risk Sri Lankan waters face is the possibility of an oil spill risk that could severely affect several key sectors of Sri Lanka's economy, such as fishing, tourism, port and also cause major environmental damages. Sri Lankan sea is highly vulnerable to an oil spill risk, as 25 per cent of the world's oil transportation, which runs up to a quantity of 550 million tons per annum, passes via Sri Lanka's exclusive economic zone. The risk will increase further with the proposed maritime based development projects in the country and also already functioning utilities such as the Oil tank farm in Trincomalee etc.

Another form of bio pollution is Ballast water which may also pose a serious ecological, economic and health threat due to the transfer of harmful organisms and pathogens in ships' ballast water tanks to our seas. These non-native species when transferred may establish in the sea multiplying into pest proportions competing with local species. Befouling of ships is also a threat to the marine environment. A single fertile fouling organism could release many thousands of eggs, spores or larvae into the water with the capacity to found new populations. With enhanced shipping activities Sri Lanka waters will be more prone to befouling. Other threats Such as releasing of solid wastes, debris and other toxic materials from shipping activities could also generate adverse impacts to the environment specially to areas such as shallow coastal waters and beaches where human use of these resources are inevitable.

The Marine Environment Protection Authority (MEPA) is the apex body which has been established under the Marine Pollution Prevention Act No. 35 of 2008. MEPA bears the sole responsibility to prevent, control, and manages the pollution of Sri Lanka's Marine Environment. National Oil Spill Contingency Plan (NOSCOP) which has been formulated by the institution is now being implemented with other stakeholder agencies as a response to any unexpected oil spill.

MEPA in collaboration with the universities has initiated research activities to investigate the impact of ballast water discharge. It also provides Waste reception Service in four commercial harbours in Sri Lanka through the Registered Service providers. This Authority is planning to improve existing service as per procedure laid down in International Convention of Marine Pollution Prevention 73/78.

## **Natural Disasters**

A majority of the planet's natural disasters, unfortunately, happen to strike our region. The great Asian Boxing Day tsunami of 2004 vividly demonstrated the level of suffering that could result from a mega disaster, and the scale of humanitarian aid and disaster relief that such scenarios would demand. The port of Galle itself was the scene of devastation after the 2004 tsunami, and serves as a grim reminder of the havoc that can be wreaked by oceanic fury. Navies are relevant here because they are the repository of capabilities like search and rescue, diving assistance, salvage and hydrographic surveys which play a key role in the discharge of tasks such as humanitarian aid and disaster relief.

Since no nation is able to stop these impacts building resilience, adaptations and enhanced preparedness would be some of the best possible options to handle natural disasters. Disaster Management Centre (DMC) which was established under the Sri Lanka Disaster Management Act No.13 of 2005 is the apex body for planning, co-coordinating and implementing disaster management activities in the country. Disaster preparedness, emergency response, mitigation of impacts and recovery for marine based disasters are in place.

## **Conclusion and Recommendations**

Among the many initiatives taken by Sri Lanka to meet these maritime challenges are;

- a. Enhancing maritime surveillance on land (coastal belt) inclusive major harbours
- b. Establishment of a Coast Guard in 2007
- c. Acquisition of more ships with modern and sophisticated sensors and weaponry
- d. Making Sri Lanka a venue for Maritime conferences for information sharing
- e. Engaging in Naval exercises with regional navies

- f. Participation in regional maritime initiatives to enhance regional cooperation
- g. Joint patrols in International Maritime Boundary line

It is clear that individual nations acting in isolation will not be able to effect lasting practical solutions for any of these major issues. Without the sharing of intelligence and vital information, and proper communication and coordination of naval operations, individual states will not be able to address these properly. The seas do not just make us all neighbours, they also provide unlimited opportunities for us to work together in a common cause; certainly in good times, but even more so when our neighbors need help. We must develop capabilities and linkages to work with partners from within and outside the region for the common good of our people. Sri Lanka, India and the Maldives have recently been working on a trilateral agreement for cooperation in carrying out surveillance, anti piracy operations and in curbing illegal activities including maritime pollution. In the years ahead, Navies in the region while continuing to protect respective national interests will have to face a multitude of other challenges as well in protecting the busy international sea lanes in the region. Inevitably, Sri Lanka Navy will be an active partner in the maritime security cooperation in the Indian Ocean Region, especially due to the strategically vital location the country is situated. Greater cooperation and partnership between the naval powers in this region will benefit not only the nations in the Indian Ocean littoral but the entire world, and enable all of us to face the future with confidence.