

**Assistant Secretary Shapiro's Remarks to the**  
**Atlantic Council**  
**“Turning the Tide on Somali Piracy”**  
**Friday, October 26, 2012**

Thank you Barry and Peter. It is my great pleasure to be here at the Atlantic Council – an organization that does so much to inform the debate both here in Washington and across the Atlantic. I also commend the Atlantic Council for the focus and energy it has devoted to the critically important issue of piracy on the high seas. And I greatly look forward to reading the findings of your task force report that you are unveiling today.

This morning I want to talk about the significant progress that we have made in combating piracy off the coast of Somalia. When the Obama administration came to office, the problem of piracy off the coast of Somalia was spiraling out of control. In 2007 and 2008, attacks off the coast of Somalia began to escalate suddenly and significantly. A vicious and reinforcing cycle was forming. Motivated by escalating ransom payments – which grew into the millions of dollars – and a lack of other employment opportunities, more and more Somali men took to piracy. As a result, the problem of piracy metastasized from a fairly ad hoc, disorganized endeavor into a highly developed transnational criminal enterprise. Flush with money, pirates were also able to improve their

capabilities and expand their operations further and further away from shore.

This presented a perfect storm for the international community.

Somalia, a failed state, provided pirates with a safe haven on one of the most strategically important shipping lanes in the world – where there was virtually an endless supply of potential targets to prey on. In an interconnected world, the impact of piracy in one area can ripple across the globe. People around the world depend on secure and reliable shipping lanes for their food, their energy, their medicine, and consumer goods brought by tankers and cargo ships. By preying on commercial ships in one of the world’s busiest shipping lanes, pirates off the Horn of Africa were threatening more than just individual ships. They were threatening a central artery of the global economy – and that in turn means that they were threatening global and regional security.

As a result, action had to be taken. While there seemed to be no limit to the growth of piracy, through the collective effort of the: United States; the UK; NATO; the EU; the broader international community; and the private sector, we are now seeing signs that we may have turned the tide on Somali piracy.

Now let me be clear. Pirates at sea are searching for ships to target as we speak. And an attack may succeed at anytime, anywhere. In fact, just this week a Dutch NATO warship reportedly detained a possible pirate mothership. But while the threat remains, the progress that has been made in addressing the threat is real and remarkable.

The numbers tell the story. According to figures from the U.S. Navy, we are on track to experience a roughly 75 percent decline in overall pirate attacks this year compared with 2011. Independent, non-governmental sources, such as the International Maritime Bureau, also indicate a dramatic drop in attacks.

We are seeing fewer attempted attacks in no small measure because pirates are increasingly less successful at hijacking ships. In 2011, the number of successful pirate attacks fell by half compared to 2010. This year, in 2012, the number of successful attacks off the Horn of Africa has continued to decline. To date, pirates have captured just ten vessels this year, compared to 34 in 2011 and 68 in 2010. The last successful Somali pirate attack on a large commercial vessel was more than five months ago.

The lack of success at sea, means that Somali pirates are holding fewer and fewer hostages. In January 2011, pirates held 31 ships and 710

hostages. Today, pirates hold five ships and 143 hostages. That is roughly an 80 percent reduction in ships and hostages held by pirates since January 2011. While this is still unacceptably high, the trend is clear. We are making tremendous progress.

Today, I want to talk about the U.S. government response to piracy. I want to talk about how our response provides a model for dealing with shared global challenges and is an example of “smart power” in action.

This is a challenge where deliberate and concerted action by governments, international organizations, and the private sector resulted in a truly multilateral campaign that has suppressed piracy off the coast of Somalia to levels that seemed impossible only 18 months ago.

## **SMART POWER**

To understand our approach toward combating piracy, one has to look to the strategic direction provided by President Obama and Secretary Clinton. There was a recognition by this Administration that the complex nature of transnational challenges required a more multifaceted and integrated approach. At her confirmation hearing, Secretary Clinton outlined the need for what she called “smart power” – noting that we must use “the full range of tools at our disposal – diplomatic, economic, military, political, legal, and cultural – picking the right tool, or

combination of tools, for each situation.” A key feature of Secretary Clinton’s approach was that the U.S. government had to operate in a more effective and integrated manner to address new and emerging challenges.

And in April 2009, shortly after taking office, Secretary Clinton called for a “long-term strategy to restore maritime security to the Horn of Africa.” She stated that “we have to act swiftly and decisively” to combat the threat of piracy. And that “we may be dealing with a 17<sup>th</sup> century crime, but we need to bring 21<sup>st</sup> century solutions to bear.”

This is exactly what we have sought to do in combating piracy. We have pursued an integrated multi-lateral and multi-dimensional approach. This “smart power” approach has involved utilizing every tool in our tool kit. The cooperation and coordination across the U.S. government to address piracy has been remarkable. It has included a wide swath of agencies: the Departments of State, Defense, Treasury, Justice, Transportation, and Homeland Security, as well as the intelligence community.

This cooperation has resulted in an integrated and comprehensive approach to combating piracy that has focused on:

- ***Military power***: by expanding security at sea through the use of naval assets to defend private vessels and to disrupt pirate attacks;
- ***Collaboration with the private sector***: by encouraging and empowering industry to take steps to protect itself;
- ***Legal enforcement***: by using our legal tools to deter piracy through effective prosecution and incarceration;
- ***Targeting networks***: by utilizing our investigative and financial tracking capabilities to target pirate networks, their financing and their ringleaders ashore;
- ***And lastly development and governance***: by working with our Somali partners to build responsive and credible governing institutions as well as effective law enforcement in Somalia.

I will talk about each of these areas in a bit more detail. But first, at the heart of each of these components has been our diplomatic engagement.

## **DIPLOMATIC ENGAGEMENT**

Secretary Clinton has noted that “with smart power, diplomacy will be the vanguard of foreign policy.” That is certainly the case with our counter-piracy efforts. Diplomatic engagement has been critical to every piece of our strategy – whether that’s coordinating and encouraging military action or pushing maritime states to allow armed guards aboard merchant vessels. As the State Department’s Quadrennial Diplomacy and Development Review concluded, “solving foreign policy problems today requires us to... bring countries and peoples together as only America can.”

This is exactly what the United States has done when addressing the problem of piracy. All countries connected to the global economy have an interest in addressing piracy. And at a time when the United States was engaged in two wars, this was not a challenge that should simply have fallen on our shoulders alone. The United States has helped lead the international response and galvanize broad, coordinated, and comprehensive international action. Our response to piracy is an example of how we are seeking to lead in new ways, by reaching out to new actors and build new kinds of partnerships and coalitions.

In January 2009, the United States helped establish the Contact Group on Piracy off the Coast of Somalia. The Contact Group is based on

voluntary membership of states looking to act and was established concurrent with the UN Security Council's passage of Resolution 1851. It now includes over 70 nations as well as international and maritime industry organizations. The Contact Group is an essential forum. It helps galvanize action and coordinate the counter-piracy efforts of states, as well as regional and international organizations. A number of specialized working groups were established within the Contact Group to address a variety of subjects, including: naval coordination at sea; judicial and legal issues involving captured pirates; and public diplomacy programs in Somalia to discourage piracy. While we don't always agree on everything, we agree on a lot, and this coordinated international engagement has spawned action.

Additionally, to utilize resources effectively and prevent duplication, a UN-managed Trust Fund to support counter-piracy initiatives was established. Through contributions from states and the private sector, the Trust Fund has funded a range of initiatives designed to counter-piracy and build capacity ashore. This includes the construction of prisons, the training of judicial officials, and the purchase of equipment for law enforcement in Somalia. It has also helped underwrite the cost of piracy trials of countries in the region.

The issue of piracy has also become a regular part of our diplomatic engagement with countries around the world. When I engage in diplomatic talks with countries like Malaysia, India, and Brazil piracy is on the agenda. Countries are eager to discuss piracy and to find ways in which we can work together to address this shared challenge. The issue of piracy therefore can have an ancillary diplomatic benefit to the United States. As it can serve as a non-controversial security issue we can discuss with countries, in which we are seeking to develop our broader security relationships.

## **MILITARY**

**This takes me to a second area of emphasis – the expansion of naval forces in the region.**

Critical to the decline in piracy has been the deployment of naval forces. Encouraging the international community to take military action has been an essential component of our diplomatic efforts. For our part, on the high seas, the United States established Combined Task Force 151 – a multinational naval effort charged with conducting counter-piracy patrols in the region, covering an area of over one million square miles.

But in addition to our efforts, there are a number of coordinated multinational naval patrols off the Horn of Africa. NATO is engaged

with Operation OCEAN SHIELD and the European Union has Operation ATALANTA. Other national navies, including several from Asia and the Middle East conduct counter-piracy patrols and escort operations as well. These are independent from the multinational efforts but are coordinated through participation in **Shared Awareness and Deconfliction** meetings known as SHADE, which helps ensure that everyone is on the same page.

On any given day up to 30 vessels from as many as 22 nations are engaged in counter-piracy operations in the region. This includes countries like China and Japan. International naval forces have thwarted pirate attacks in progress, engaged pirate skiffs, and successfully taken back hijacked ships during opposed boardings. We have worked together to create safer shipping lanes through the Gulf of Aden for commercial shipping vessels by establishing the Internationally Recommended Transit Corridor. The transit corridor is heavily patrolled by naval forces and has helped reduce the number of attacks within the Gulf of Aden.

However, pirates adapted to these efforts. The expanded use of mother-ships has enabled pirates to expand their area of operations all the way to the west coast of India. This makes it difficult for naval or law enforcement ships to reach the scene of a pirate attack quickly enough.

There is just too much water to patrol. High seas naval patrols are an essential component of an effective counter-piracy strategy. But military power, while necessary, is not sufficient on its own. Given the demands on U.S. forces, we also needed to look to other tools to combat piracy.

## **PRIVATE SECTOR**

**This leads me to a third area of emphasis for the U.S. government – and that is working with, and empowering, the maritime industry so that they can better protect themselves from attack.** Here too our diplomatic efforts have played a critical role. Perhaps the most significant factor in the decline of successful pirate attacks has been the steps taken by commercial vessels to prevent and deter attacks from happening in the first place.

The widespread adoption of Best Management Practices has clearly had a significant positive effect. These include practical measures, such as: proceeding at full-speed through high risk areas and erecting physical barriers, such as razor wire, to make it more difficult for pirates to come aboard. These measures help harden merchant ships against pirate attack. Recognizing the value of these measures, the U.S. government

has required U.S.-flagged vessels sailing in designated high-risk waters to fully implement these measures.

But perhaps the ultimate security measure a commercial ship can adopt is the use of privately contracted armed security teams. These teams are often made up of former members of various armed forces, who embark on merchant ships and guard them during transits through high risk waters. The use of armed security teams has been a potential game changer in the effort to combat piracy. To date, *not a single ship* with armed security personnel aboard has been successfully pirated.

For our part, the U.S. government led by example, as early on in the crisis we permitted armed personnel aboard U.S.-flagged merchant vessels. We also mandated that U.S. vessels transiting high risk areas conduct a risk assessment with specific consideration given to supplementing onboard security with armed guards.

When privately contracted armed security emerged on the scene a few years back, there were widespread reservations. Many feared that armed guards would escalate the level of violence during pirate encounters, further endangering merchant mariners. In fact, it appears that the opposite has happened. From the evidence that we have seen, in most engagements, attempted attacks are usually halted by the pirates as soon

as they realize an armed security team is aboard. Pirates often break off their attempt to board and turn their skiffs around to wait for another less protected ship. These teams therefore have served as an effective deterrent.

However, armed security teams come in varying sizes and, to be frank, in varying degrees of quality. Their emergence has also brought up a number of complications. Varying national legal regimes complicate the movement of these teams and their weapons from ship-to-ship or ship-to-shore. Some countries do not have clear legal guidelines for addressing armed security personnel and are struggling to formulate positions vis-à-vis armed guards at sea.

The U.S. government has made a concerted diplomatic effort to encourage maritime countries to permit the transit of armed security teams. U.S. diplomatic efforts have been critical to the expanded use of armed personnel. American Ambassadors, Embassy officials, and members of our counter-piracy office at the State Department pressed countries on this issue. I myself, in meetings with senior officials from maritime countries, have made the case that permitting armed personnel aboard ships is essential.

Fully unraveling legal and policy conflicts related to armed security will take some time – and we are continuing to push for progress on this issue. Last month the State Department hosted a working level meeting of policy specialists from 23 nations and international organizations. The intent of the meeting was to share information about national or organizational policy and to give us a more complete picture of the overlaps and gaps in policy from country to country. This is an important step in figuring out a way forward that addresses the thorniest differences.

While we are finding ways to deter and suppress pirates and better protect vessels at sea, some still do not take all available security precautions. Approximately 20 percent of all ships off the Horn of Africa are not taking proper security measures. And predictably, these account for the overwhelming number of successfully pirated ships. Hijackings will therefore remain a danger for the foreseeable future.

In a hostage situation our foremost concern is always about the safety of the entire crew. However, every ransom paid only further institutionalizes piracy and increases the likelihood that others will face the threat of hijacking in the future. The United States has a long tradition of opposing the payment of ransoms, and we have worked to discourage or minimize ransom payments. When a hostage taking

occurs we strongly encourage those involved to seek assistance from appropriate government authorities.

The American public should also know that this Administration will do everything it can to ensure the safety and security of American citizens threatened by pirates. We have made clear that we will act aggressively to rescue and protect American citizens threatened by piracy. For example, just months into office, President Obama was confronted with the hostage taking of the American captain of the MAERSK Alabama. The President authorized the use of force to rescue the captured captain and after a long standoff, U.S. Navy SEALs successfully freed the captain. And in January this year, just hours before the State of the Union address, President Obama ordered U.S. Special Forces to rescue an American and a Danish aid worker being held hostage on the ground in Somalia. This dangerous mission clearly demonstrated our resolve. If you attack or capture an American citizen, we will act vigilantly and aggressively to make sure you face justice.

## **JUDICIAL**

**Now let me turn to another aspect of our response – our efforts to deter piracy through effective apprehension, prosecution and incarceration of pirates and their supporters and financiers.**

Today, over 1,000 pirates are in custody in 20 countries around the world. Most are, or will be, convicted and sentenced to lengthy prison terms.

An important element of our counter-piracy approach has involved a renewed emphasis on enhancing the capacity of states – particularly those in the region – to prosecute and incarcerate suspected pirates. The United States is currently supporting efforts to:

- increase prison capacity in Somalia;
- develop a framework for prisoner transfers so convicted pirates serve their sentence back in their home country of Somalia;
- and establish a specialized piracy chamber in the national courts of one or more regional states.

Prosecution is crucial and several regional nations have been bearing the lion's share of the burden in this area. Kenya, Seychelles, and the Maldives have each accepted for prosecution dozens of pirates captured by naval forces patrolling off the Horn of Africa. They have also agreed to incarcerate convicted prisoners until more durable solutions are found. These countries deserve both commendation from the international community and support for their judicial systems.

Going forward, however, we cannot expect Somalia's neighbors to host trial after trial and continue to absorb large numbers of imprisoned pirates. Many nations have laws that allow them to prosecute piracy as a crime of universal jurisdiction. Whenever possible, nations affected by piracy, even if only tangentially, should exercise that jurisdiction and help ease the burden.

Furthermore, it is imperative that the maritime industry do everything it can to support prosecutors trying to bring cases against pirates. Too often prosecutors decline cases because they do not believe the required witnesses will be available when a case goes to trial. With pirates from one country; prosecution in a second; a shipping company from a third country; and a merchant-mariner witness from a fourth; prosecutors often have little standing to compel testimony and instead must rely on voluntary cooperation. Crew members should be able to participate in the trials of their tormentors secure in the knowledge that their employers support their decision and will hold their job for them. To that end, the State Department and the United Nations Office on Drugs and Crime have worked together to support prosecutions. Together we recently provided funding and technical support for Kenyan judicial officials to hear testimony from crew members by video teleconference from their home countries for hearings held in Mombasa, Kenya.

Ultimately, the majority of Somali pirates belong in Somali prisons. That is the most durable and cost-effective outcome for most piracy cases. To the extent we in the international community can help build the capacity of Somali judicial institutions, we are helping ourselves while also making a contribution toward a more peaceful and stable Somalia.

## **TARGETING NETWORKS**

As piracy has evolved into an organized transnational criminal enterprise, it is increasingly clear that the arrest and prosecution of rank and file pirates captured at sea is insufficient on its own to meet our longer term counter-piracy goals. Most pirates captured at sea are often low-level operatives. The harsh reality of life in Somalia ensures there are willing replacements for pirates apprehended at sea. Prosecutions are essential but they must also include the masterminds along with the gunmen. After an intensive review of our strategy last year, Secretary Clinton approved a series of recommendations that constituted a new approach. A focus on pirate networks is at the heart of our strategy.

We are using all of the tools at our disposal in order to disrupt pirate networks and their financial flows. We are focused on identifying and apprehending the criminal conspirators who lead, manage, and finance

the pirate enterprise. We are making progress in this effort. For instance, this past August, Pirate negotiator Mohammad Saaili Shibin received two consecutive life sentences from a U.S. federal court for his role in the attack that ended in the deaths of four Americans aboard the S/V Quest. This kind of sentence is exactly what is needed to create strong disincentives to piracy. Moreover, it is an important step against the upper tiers of the pirate hierarchy and demonstrates that individuals beyond the gunmen in skiffs are culpable and prosecutable.

The Contact Group also endorsed the focus on pirate networks and formed a new working group to facilitate multilateral coordination. This effort includes tracking pirate sources of financing and supplies, such as fuel, outboard motors, and weapons. For example, working closely with INTERPOL's National Central Bureau in Washington, we have helped to develop a comprehensive database on Somali piracy that will make information accessible to law enforcement and help further criminal investigations against pirate ringleaders.

We are also supporting the effort to stand up an information fusion center in the region to facilitate the capture and prosecution of the financiers, investors, and ringleaders of Somali piracy. The **Regional Anti-Piracy Prosecutions Intelligence Coordination Center** known as RAPPICC is located in the Seychelles and in August broke ground on

the Center's new facility, which will be located on an old Coast Guard base in the Seychelles. RAPPICC will be part of a larger "Crime Campus" with a 20-person holding facility for use in conducting interviews. We are confident that it will help prosecutors around the world, by equipping them with the evidentiary packages they need to win convictions against not just rank and file pirates, but the middle and top tier actors.

## **SOMALIA**

**Lastly**, the most durable long-term solution to piracy is the re-establishment of stability in Somalia. The end of Somalia's political transition with a new provisional constitution, new parliament, and new president is a hopeful sign of a new era of Somali governance. This, combined with the continued security gains by the Somali National Security Forces and the African Union Mission in Somalia, presents new opportunities to move forward with Somalia's stabilization. Once Somalia has a viable government capable of policing its own territory and its own waters, piracy will fade away. Supporting the emergence of effective and responsible governance in Somalia will require continued, accountable assistance to the Somali government to build its capacity to deal with the social, legal, economic, and operational challenges it faces. To that end, the United States continues to support the newly established

government in Mogadishu, as well as other regional authorities working toward these same goals, a “dual-track” policy we have pursued for the better part of two years now.

In the immediate term, we are also working to dissuade people from taking up piracy. Our public diplomacy messaging to the international community and to Somalis in both Somalia and the diaspora strives to deglamorize and ostracize the pirates. It aims to show how piracy violates cultural norms and destroys traditional Somali values and society. At the same time, we balance the message by communicating the economic development efforts the international community is undertaking to create alternatives to piracy.

**I would like to close with a bit of warning.** While we have made great gains against piracy, it remains an ever-present threat. A ship or vessel could be pirated tomorrow. More hostages could be taken and brutalized. Somali pirates have shown how little it takes to cause mayhem – just a skiff and some light weapons. Therefore, should the vigilance of mariners at sea wane, should governments and navies turn their attention and resources elsewhere, pirates are certain to get back in their skiffs. Piracy is a crime of opportunity and will flourish again if we open up the space for them to operate before the new Government of Somalia is ready and able to police its shores.

The comprehensive, multilateral approach that we have pursued has helped turn the tide on piracy and has provided an example of how the U.S. government and the international community can respond to transnational threats and challenges in the future. We have made great strides and we need to ensure that those gains are not discarded – only leaving us to fight for them once again. Let us now stay vigilant and let's work to close the book once and for all on Somali piracy.

Thank you very much and I would be happy to take your questions.