New Security Dynamics and Threats on the Red Sea and the Indian Ocean

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Policy Brief XI

Introduction and Background

Puntland, a federal member state in northeastern Somalia, has played a pivotal role in the region's political landscape, marked by a history of relative peace, functional governance structures, and ongoing challenges. Despite its progress, Puntland continues to contend with the presence of extremist groups, notably Al-Shabaab and ISIS, which often find refuge in the mountainous terrains of the Bari region.

Located along the strategic Indian Ocean and the Gulf of Aden, Puntland occupies a position of immense geopolitical and economic importance. The Gulf of Aden, in particular, serves as a critical maritime route linking the Mediterranean and Red Seas to the Indian Ocean through the Bab-el-Mandeb Strait. With Africa's longest coastline, Somalia, and by extension, Puntland, stands at the crossroads of major international shipping lanes.

Puntland's political context has been shaped by decades of regional administration, characterized by efforts to establish stability, promote economic growth, and combat security threats. The region's administration has strived to maintain a delicate balance between addressing internal challenges and harnessing its strategic maritime assets for economic development.

Puntland's location along the Indian Ocean and the Gulf of Aden places it at the nexus of major global trade routes. The region's waters are crucial for the passage of international shipping traffic, including vessels carrying oil, gas, and other vital commodities. Any disruption to maritime activities in these waters could have far-reaching implications for global trade and economic stability.

While endowed with immense maritime resources and potential economic opportunities, Puntland grapples with challenges such as illegal, unreported, and unregulated (IUU) fishing practices. Foreign fishing fleets often exploit the region's waters, depleting fish stocks and undermining the livelihoods of local artisanal fishermen. This has fueled tensions and, in some cases, led to confrontations between local communities and foreign vessels.

The resurgence of piracy in the waters off Puntland's coast underscores the critical need for robust maritime security measures. Recent incidents, such as the hijacking of the Iranian fishing vessel AL MIRAJ 1, serve as stark reminders of the persistent threat posed by piracy to commercial shipping and maritime activities in the region.

Given Puntland's strategic location along the Indian Ocean and the Gulf of Aden, its historical context, and the current security challenges it faces, this policy brief serves as a vital

tool for policymakers, stakeholders, and the international community. The region's history of relative peace, economic potential, and ongoing security threats underscore the critical importance of informed decision-making and strategic planning. Addressing the resurgence of piracy, the geopolitical implications of the Ethiopia-Somaliland memorandum, and the broader security dynamics in the Red Sea and the Indian Ocean requires a nuanced understanding of the region's complexities. This policy brief provides a comprehensive analysis of the factors contributing to piracy resurgence, the implications of the memorandum, and actionable policy recommendations. It is designed to guide policymakers in developing effective strategies to enhance maritime security, promote economic growth, and foster stability in Puntland and the wider region. As such, it serves as an indispensable resource for shaping policies that safeguard Puntland's maritime assets, protect its citizens, and promote regional cooperation.

New Security Implications in the Gulf of Aden and Indian Ocean

The Gulf of Aden (GOA) and the Indian Ocean (IO) are experiencing evolving security dynamics that have the potential to lead to strategic rivalries, notably manifesting in the resurgence of piracy off the coast of Somalia, regional crises extending into the Gulf of Aden, and the implications of the Ethiopian-Somaliland Memorandum of Understanding (MoU), which could provoke negative repercussions in the Red Sea region and fuel strategic competition among countries in the Horn of Africa, Egypt, and the UAE.

Resurgence of Piracy off the Coast of Puntland

Late in November 2023, the Somali waters witnessed the first reported vessel hijacking since 2017, marking a resurgence of piracy activity. The Iranian fishing vessel AL MIRAJ 1 was seized by armed Somali groups in territorial waters near Eyl, Puntland, and is suspected to have been repurposed as a mothership for subsequent hijackings of foreign fishing vessels. This incident mirrors a series of piracy attacks reported in the Indian Ocean and the Gulf of Aden.

Piracy in Somalia presents one of the most intricate maritime security threats in the region. Over time, lax enforcement of stringent laws has allowed piracy to not only increase in frequency but also pose a significant threat to international trade. Despite notable efforts, including Puntland State's enactment of an anti-piracy law in 2012, the legal framework remains insufficient. The law, while a substantial step forward, diverges from the United Nations Convention on the Law of the Sea (UNCLOS) definition of piracy, focusing primarily on acts of violence and private gains while omitting considerations of jurisdiction over high seas and involvement of vessels.

The PDRC conducted comprehensive interviews with key informants, including mayors of Eyl, Alula, and Qandala, as well as the chairman of Gara'ad port town. These discussions unveiled crucial factors contributing to the revival of piracy:

- **Heightened Local Anger against IUU Fishing:** Local communities express growing resentment towards foreign fishing fleets exploiting illegal, unreported, and unregulated (IUU) practices. The mass-scale illegal fishing not only undermines artisanal fishing livelihoods but also poisons local sentiment. This anger has mobilized local militias to defend their waters against predatory foreign vessels, often resorting to hijacking foreign commercial ships in international waters for ransom.

- **Fraudulent Fishing Licenses:** A significant challenge arises from the confusion surrounding proper fishing licenses issued to vessels. Local estimates suggest around 300 Iranian and Yemeni-flagged fishing boats possess either legitimate licenses from Puntland authorities or counterfeit permits, exacerbating tensions and legal ambiguities.

- **High Unemployment and Limited Opportunities:** The region's high unemployment rates, particularly among young men, leave many susceptible to recruitment into piracy as a means of survival.

- **Politicization of Maritime Policies:** During the electoral impasse of 2022-2023, the Puntland Maritime Police Force (PMPF), tasked with coastal protection, was redirected to the capital city, Garowe. This relocation created a security void along coastal areas, allowing pirate groups to remobilize and resume their activities.

- **Militarization of Clans:** The outbreak of conflict in Lasanod in 2023 spurred local clans to mobilize militias, resulting in widespread weapon availability among clan members. There is a notable likelihood that armed clan militias, upon returning from Las'anod, have been drawn into piracy activities.

- **Reduction in Humanitarian Assistance:** Puntland's reliance on humanitarian aid for livelihood sustenance has been significant, given the absence of adequate government services. However, a shift in aid response towards southern regions has led to a decline in projects in Puntland. This reduction has left many households without income sources, creating a cash scarcity in local markets and fostering frustration within the populace.

Yemeni Houthis' Impact

The Yemeni Houthi group's actions have introduced further security risks, particularly in the Red Sea. Starting in November 2023, Houthis targeted vessels affiliated with Israel, the US, and the UK, citing connections to the conflict in Gaza. This campaign escalated with over 20 vessels attacked by December 2023. In response, US warships engaged Houthis to degrade their military capabilities in the Red Sea. However, the persistent threat from the Houthi group remains imminent, posing increasing risks to ships transiting the Red Sea and the Bab el Mandeb strait.

Security and Economic Implications of the Security Dynamics

The evolving security landscape in the Gulf of Aden and the Indian Ocean presents multifaceted implications:

- **Shipping Route Reconsideration:** The resurgence of piracy and the ongoing Houthi threat may prompt shipping companies to reassess their routes. Rerouting to avoid high-risk areas could result in longer and costlier journeys, impacting shipping times and operational expenses.

- **Increased Insurance Costs:** Heightened risks may lead insurers to adjust marine insurance premiums, reflecting the elevated threat levels.

- **Investment in Security Measures:** To mitigate these risks, shipping companies may need to invest in additional security measures, such as private security personnel and advanced surveillance technologies, adding to operational costs.

- **Economic Instability and Disincentives:** Piracy activities threaten the fishing industry in Puntland, discouraging local fishermen and potentially leading to an influx of individuals turning to piracy. This, in turn, could deter investment and contribute to economic instability in coastal regions.

- **Humanitarian Access Challenges:** The prevalence of piracy in Puntland waters may hinder humanitarian organizations' access to coastal towns, exacerbating human suffering and restricting vital aid distribution.

- **Erosion of Governance and Rule of Law:** Above all, piracy undermines the rule of law, weakening the governance structures of local administrations and fostering an environment of lawlessness and anarchy.

Security Threats Posed by the Somaliland–Ethiopia Memorandum

In January 2024, Ethiopia entered into a memorandum of understanding (MoU) with Somaliland, agreeing to lease a naval port providing access to the Red Sea. This MoU grants Ethiopia exclusive rights to a 20-kilometer stretch of naval and commercial ports in the Red Sea in exchange for public recognition of Somaliland by Addis Ababa, as well as a share of Ethiopian Airlines. While ostensibly an economic arrangement, the signing of this agreement has raised significant diplomatic and security challenges for both countries.

Diplomatic and Security Implications

The MoU has triggered strong opposition from the internationally recognized Federal Government of Somalia, arguing that it lacks the necessary consent of the state, potentially violating the principles of the Vienna Convention on the Law of Treaties. The ramifications of this agreement are far-reaching:

- **Strained Somali–Ethiopian Relations:** The signing of the MoU has strained relations between Somalia and Ethiopia, fueling anti-Ethiopian sentiment, particularly in southern Somalia. This tension has the potential to weaken regional counterterrorism cooperation, providing an unintended boost to Al-Shabaab. Any deterioration in Somali-Ethiopian relations could further undermine joint efforts against the Al-Shabaab insurgency. Somalia's potential decision to sever diplomatic ties with Ethiopia would likely impact the legal presence of Ethiopian forces in Somalia, crucial in the fight against Al-Shabaab.

- **Al-Shabaab's Response:** The Ethiopia-Somaliland port agreement has reignited the legitimacy of Al-Shabaab in southern Somalia. In this context, the terrorist group is likely to escalate attacks on Ethiopian forces in the Horn of Africa, leveraging anti-Ethiopian sentiment for recruitment and financial gains.

- **Geopolitical Rivalries:** The geostrategic significance of Somaliland's agreement with Ethiopia has wider implications for the Horn of Africa and the Middle East. With the inclusion of a naval facility, neighboring countries such as Djibouti, Eritrea, and Egypt perceive Ethiopia's presence as an existential threat. Egypt, with its competing claims to Nile waters, views the agreement with apprehension. Additionally, the UAE's strong ties with the Ethiopian government may lead to heightened competition in the Gulf of Aden, impacting regional dynamics involving Saudi Arabia and Qatar.

- **Somalia's Military Challenges:** Somalia's military, largely reliant on external assistance, faces significant challenges in maintaining security. In response to the agreement, Mogadishu may resort to indirect measures, supporting armed groups in both Addis Ababa and Hargeisa, the capital of Somaliland. This could lead to heightened tensions and instability in the region.

- **Somaliland's Internal Dynamics:** While Somaliland has enjoyed relative stability since declaring independence in 1991, recent developments, such as the rebellion in its eastern SSC Khatumo region and anti-Somaliland civil strife in Awdal Region, pose internal challenges. The Federal Government of Somalia (FGS) could exploit these dynamics to its advantage, potentially exacerbating tensions within Somaliland.

Policy Recommendations to Deter Security Maritime Security Threats

To address the complex maritime security challenges in the Gulf of Aden and the Indian Ocean, the following comprehensive policy recommendations are proposed:

1. Restationing Puntland Maritime Police Forces:

- Restation the Puntland Maritime Police Forces (PMPF) to their previous coastal bases to disrupt pirate organization and activities. This proven strategy has effectively combated piracy both inland and off the coast of Puntland. Re-establishing PMPF bases in key coastal towns will bolster security and surveillance efforts.

2. Strengthening the Counter–Piracy Agency of Puntland:

- Enhance the capabilities of Puntland's counter-piracy agency to bolster maritime security. This includes increased monitoring of maritime activities and coordinated operations to combat piracy activities within Puntland's territorial waters. Adequate resources and training should be provided to ensure effective enforcement.

3. Support for Alternative Employment and Livelihood Projects:

- Implement initiatives focused on creating alternative employment opportunities and sustainable livelihoods for youth vulnerable to piracy recruitment. By addressing the root causes of piracy, such as high unemployment rates, communities can be empowered economically, reducing the appeal of illicit activities.

4. Regulation of Foreign Fishing Activities:

- Implement strict regulations for foreign fishing vessels operating in Somali waters. This includes comprehensive registration, licensing, and monitoring of fishing practices.

  Government-appointed inspectors should oversee compliance, ensuring sustainable fishing practices and preventing illegal activities.

5. Community Awareness and Responsible Citizenship:

- Launch community awareness programs in coastal areas to educate residents about the dangers and consequences of piracy. Promoting responsible citizenship and vigilance among coastal communities is crucial for early detection and prevention of pirate activities. Community members can serve as vital allies in maintaining maritime security.

6. Uniting Somalia Against External Aggression:

- Address the threat posed by external aggression, particularly from Ethiopia, by fostering unity among Somalia's people. Resolving internal discord between the Federal Government and Federal Member States is paramount. A unified front will strengthen Somalia's ability to defend its territorial integrity and sovereignty.

7. Diplomatic Engagement and Multilateral Cooperation:

- Utilize all available diplomatic channels to engage regional and international bodies such as the Intergovernmental Authority on Development (IGAD), African Union (AU), and the United Nations (UN). Somalia should advocate for the defense of its territorial integrity as enshrined in regional, continental, and international charters and treaties. Multilateral cooperation is essential in deterring external threats and promoting stability in the region.

8. Capacity Building and Technical Assistance:

- Seek technical assistance and capacity-building support from international partners to strengthen Somalia's maritime law enforcement capabilities. This includes training programs, provision of surveillance equipment, and expertise in combating piracy and maritime crimes.

9. Enhanced Regional Cooperation:

- Foster enhanced regional cooperation among neighboring countries in the Horn of Africa. Collaborative efforts in intelligence sharing, joint patrols, and coordinated responses to maritime threats will create a more robust security framework in the region.

10. Sustainable Development and Economic Growth:

- Promote sustainable development initiatives in coastal regions to reduce dependency on humanitarian aid and alleviate poverty. Economic growth and job creation will provide viable alternatives to piracy and contribute to long-term stability.

Conclusion

The Red Sea and the Indian Ocean are facing evolving security dynamics, marked by increasing militarization, the resurgence of piracy off the coast of Somalia, and the recent Ethiopian-Somaliland Memorandum of Understanding (MoU) granting sea access and a naval base to Ethiopia. These developments pose significant challenges to the already turbulent region of the Horn of Africa, the Indian Ocean, and most notably, the Gulf of Aden. The potential implications on regional security, trade, citizen movement, and international shipping lanes underscore the urgent need for mindful tactics and approaches to address the current security dynamics.

The resurgence of piracy off the coast of Somalia and Puntland demands a holistic approach. Strengthening the capability of security apparatuses to apprehend criminals is crucial, as is the need to encourage and facilitate development projects in coastal areas. Additionally, the recent MoU between Ethiopia and Somaliland further complicates the security landscape, with potential diplomatic and security ramifications that require careful consideration.

In light of these challenges, it is imperative for regional stakeholders to unite in fostering harmony and stability in the Horn of Africa and the Middle East. Collaborative efforts in enhancing maritime security, promoting sustainable development, and engaging in diplomatic dialogue are essential. By addressing the root causes of insecurity, such as poverty, unemployment, and political instability, a more secure and prosperous future can be envisioned for the region.

The international community, including organizations such as the Intergovernmental Authority on Development (IGAD), the African Union (AU), and the United Nations (UN), must play a pivotal role in supporting these efforts. Through coordinated action and a shared commitment to peace and stability, the challenges facing the Gulf of Aden and the Indian Ocean can be effectively mitigated.

As we navigate these complex security dynamics, it is paramount to remain vigilant, adaptable, and proactive. By working together, we can forge a path towards a more secure, prosperous, and harmonious future for the Horn of Africa, the Indian Ocean region, and beyond.

1. References

Keynote Speech at PDRCTalks Session 26, On 15, January 2024 by H. E. Abdisaid Mussa Ali, Former minister of foreign affairs and international cooperation, former national security advisor and Chief of Staff, and current chairperson of the Lome' Peace and Security forum.

PDRCTalks Panelists: Abdullahi Weli, Lawyer specializing in the international maritime law and Abdirizak Mohamed Dirir, former director of the Puntland Anti-Piracy Agency and former Deputy Chairman of the National Maritime Security Committee.

Mayors of Eyl, Alula and Qandala Coastal districts and chairman of Gara'ad port town.

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