

April 28, 2009

The Statement  
of  
John P. Clancey  
Chairman of Maersk Inc.  
before the  
U. S. Senate Foreign Relations Committee  
April 30, 2009

Mr. Chairman and Members of the Committee, I am John Clancey, Chairman of Maersk Inc, the parent company of Maersk Line, Limited, whose ship - the Maersk Alabama was attacked in the Indian Ocean on April 8<sup>th</sup>. I thank you for this opportunity to address the increasing problem of maritime piracy. On behalf of our entire company, I would also like to add my sincere appreciation to the Department of Defense, the Navy, the SEALS and the entire team of people that brought Captain Phillips and his crew home safely. I also congratulate Captain Phillips and the crew of the Maersk Alabama for their courage and resolve. They - like all seafarers that serve on our vessels - are highly valued members of our team and we are dedicated to making their jobs as safe as possible.

Today's focus is the waters off the Horn of Africa, in the Gulf of Aden and in the Indian Ocean, but piracy has been a serious threat in the Straits of Malacca and around the world for many years. Our nation, and the U.S. Navy, learned over 200 years ago that piracy is not easily eliminated. And our industry is currently working diligently in conjunction with the Department of Defense regarding immediate security in the high-risk areas and we are not at liberty today to discuss those potential strategies.

But the piracy problem is multi-faceted and requires multi-dimensional solutions. At a minimum, any solution must deny pirates their safe haven and promises consequences. In my remarks today I would like to present a few over-arching principles that are necessary to effectively deal with modern piracy.

Piracy is an issue that our company - and our entire industry - takes very seriously, I can assure you. As the attacks in the Gulf of Aden have increased over the last couple of years in both numbers and level of sophistication, we have changed our response as well. And we have been working within the industry and with affected governments to develop a more effective response. An effective response to piracy must, [as President Obama has said], be an international one. Most of the vessels that face this threat do not fly the U.S. flag, and most of the naval vessels assigned to counter piracy off the Horn of Africa and in the Gulf of Aden are those of other nations. The national laws of ports at which vessels in international commerce call control all incoming ships and most prevent the introduction of arms or armed mariners into their territory. The strictures of maritime insurance contracts also have global effect. Thus, the cooperation

of all maritime nations and of the international community, is critical to any effective response. The limited number of naval vessels now deployed off the Horn of Africa, the Indian Ocean and the Gulf of Aden make it impossible to adequately protect maritime transportation in this area.

In our view, and that of many other shipping companies, our shipboard labor unions, and many maritime security experts, piracy threatens the lives of our mariners, the safety of major international shipping lanes, and the national interest of every country that relies on maritime transportation of goods. Anti-piracy measures, to be viable, must address each of these concerns. The International Maritime Organization, the U.N. body that monitors pirate attacks and recommends policies to combat it, has identified measures – in place for 15 years - that are helpful as well as others that are not.

Let me begin with what is **not** helpful:

- An approach that applies only to the United States. Piracy is an international problem and requires an international response. The efforts of the United States must strengthen international efforts on both the legal and law enforcement fronts. There should be an international legal framework for prosecution of captured pirates. Ships carrying U.S. military and government-impelled cargoes may require unique protections, but piracy affects the global community and requires solutions that work for all stakeholders. And, of course, pirates generally don't check the flag and origin of a ship before attacking.
- Arming the crews of merchant vessels. I know Captain Phillips prefers an armed capability for the crew onboard and I respectfully understand his perspective. And Captain Phillips is in agreement with vessel operators, his labor union and the IMO which points out that firearms are useful only in the hands of those who are properly trained, who regularly practice in their use, and who are fully capable of using them as required. Our belief is that arming merchant sailors may result in the acquisition of ever more lethal weapons and tactics by the pirates, a race that merchant sailors cannot win. In addition, most ports of call will not permit the introduction of firearms into their national waters. And I suspect others that you will hear from this afternoon will address this issue in more detail.

What **would** be helpful is:

- Prompt and accurate reporting. This sounds simplistic but in international waters, the ability to dial one 911-like number is critical and so far non-existent. Our military and other governments are sorting out what is currently an incident reporting scheme that is way too complex and uncertain. We look forward to progress on this front very soon.
- Full cooperation with those international naval forces charged with protecting international shipping – e.g. the provision of accurate

positioning information and course plots to international naval forces, the use of designated sea lanes patrolled by international forces, the rapid reporting of attacks by merchant vessels, the availability of failsafe emergency communications protocols, expanded naval intelligence collection, and other cooperative measures.

- Emerging techniques to “harden” the vessels. There are evolving measures that may buy additional time for naval forces to get into place to assist while protecting ships’ crews. These include certain additional protective measures that each vessel can employ both to evade and to resist pirate attacks. In our view, the less said about this in public, the more effective they are likely to be. But over the past several years the industry has added procedures and tactics to make our crew and vessels less vulnerable. And more techniques are on the horizon. These techniques are generally developed, evaluated and improved in concert with the Navy, the Coast Guard and other experts - and then shared within the industry.
- Lastly, remaining flexible and alert. We at Maersk do not claim to know all the answers, but we do feel that the lessons of modern day anti-piracy efforts are valuable and should be followed in ways that work for U.S. and foreign mariners equally.

Mr. Chairman, all of us take a great deal of pride in our Navy’s rescue of Captain Phillips, in the safe return of the Maersk Alabama, and in the bravery of its crew. This is the right time to re-examine anti-piracy policy, because we know that we may not always be as spectacularly successful next time. We have short-term tactical needs and, of course, the longer term policy and strategy requirement to deter piracy completely. What we need to do to improve anti-piracy efforts is find solutions that work for maritime shipping across the board, that can be put into place now, that are sustainable, and, most critically, that will increase the safety and security of mariners and the ships they sail. If we stick to those criteria, we will have learned, not merely adapted to, the hard lessons of piracy.

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