DEPARTMENT OF STATE (DOS)

ICAS 31 JANUARY 2009
POL: JEN LYONS
POL: TERILYN JOHNSTON HUNTINGTON
AMEMBASSY
ACTION: AMEMBASSY SG, MY, ID, PH, AU, GB, CN

SIPDIS: DHS, DOC, DOD, ODNI
TAGS: XB,XC, XE, XD, SN
SUBJECT: Diplomatic Recommendations for Shepherd Hijacking
(SBU) SUMMARY: At 2130 local time, a U.S. flagged chemical
tanker was attacked by a group of suspected Indonesian
separatists. The ship contained peroxide components that
could be used for making bombs. The suspected
pirates/separatists made a $20 million ransom demand and
stated that the crew was healthy, alive, and with enough
food and rations.
Assumption: The pirates/separatists do not know the value
of the cargo and ship because of the low ransom demand.
The DOC estimates the ship is worth upwards of $200 million
and the owner is losing an estimated $10,000 per day for
loss of the ship.
The ship was last reported heading east towards Indonesian
waters.
State roles:
Singapore-
Yet to activate security forces
Strongest military
Strongest diplomatic US ties
Works close with MY & ID for Strait of Malacca security
Malaysia and Indonesia-

Do not want external/ US interference
Mobilized forces to recover the ship and rescue the crew
US does not want to stand idly and let MY and ID take
control

2. (U) PARAGRAPH 1
   State Department's Possible Scenarios
Let ID and MY security forces continue with recovery and
rescue attempts
Diplomatic negotiations
Initial talks with SG, ID, MY, CH, PH, AU, & UK

Work with AU & SG military to stage rescue campaigns
Involve MY & ID in negotiating framework and surveillance
Blacklist Shephard from entering all nearby ports
Negotiate with pirates directly
Let the owner, PL Chemicals, or UK, CH, or AUS pay the
ransom
US policy not to pay ransom
Military Intervention
Special Ops
Other softer approach
Security Band
Sink Ship
3. (SBU) COMMENT:
DOS Recommendation:
To continue joint cooperation with the SE Asia nations: SG,
MY, ID, AU, CH, and UK to safely and efficiently diffuse
the situation