

MARITIME INTELLIGENCE BULLETIN

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(U) BOSTON-BOUND LNG SHIPMENTS WILL NOT EMPLOY YEMENI CREWMEMBERS

(U) SCOPE NOTE

(U//FOUO) This product updates the Maritime Homeland Threat Analysis Division's (MHTAD) July and October 2009 assessments on commercial plans to import Liquefied Natural Gas (LNG) from Belhaf, Yemen, to Boston, Massachusetts. These assessments identified two main risks emanating from the pending direct transits from Yemen: Yemen's substantial in-country extremist presence and the potential exploitation of the transits by these extremists to enter the United States or to sabotage the vessel in US waters. Specifically, this bulletin addresses previously undisclosed risk mitigation measures GDF Suez, the primary commercial stakeholder, has implemented for these vessels. B,C,1

(U) DISCUSSION

(U//FOUO) Until recently, the focus of MHTAD's Yemen LNG (YLNG) analysis has been predicated on the potential threat presented by LNG vessels originating from Yemen with Yemeni crewmembers. However, new facts have come to light which significantly mitigate the previously perceived threat by limiting the ability for extremist Yemeni crewmembers to exploit the transit. According to contractual agreements between YLNG and GDF Suez, LNG vessel transits to Boston will not employ Yemeni crewmembers and cadets.

 (U//FOUO) GDF Suez contracted two carriers to operate three vessels transiting from Belhaf to Boston: two belong to BW Gas (formerly known as Bergesen Worldwide Ltd.) and one from Mitsui OSK Lines Ltd. None of these vessels will employ Yemeni crew. The BW Gas crew is Norwegian and Filipino, while the Mitsui vessel maintains Japanese officers and Filipino crew. GDF Suez further indicates they have no obligation or intention to use Yemenization program graduates in the future.

^A (U) MHTAD is a joint Office of Naval Intelligence and US Coast Guard Intelligence Coordination Center division.

^B (U//FOUO) This assessment is based on information provided during discussions with GDF Suez and Distrigas representatives. MHTAD assesses this information is credible. Industry's significant financial interest in the project would be jeopardized if providing misleading information to the USCG in regards to their security plans. Thus, MHTAD assesses to avoid any further delays in the shipments industry representatives are providing accurate information.

^C (U) The plan to incorporate Yemeni nationals into the domestic workforce, called Yemenization, is a "program for gradual replacement of expatriate personnel by Yemeni nationals." The 18- to 24-month program is designed to recruit, train, and prepare Yemenis for employment at the Belhaf LNG Facility and aboard the LNG vessels. Upon completion of the program, 90 percent of the workforce is scheduled to be Yemenis. The current status and success of the program is unknown.

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(U//FOUO) The impending operational plan calls for vessels departing Belhaf for Boston to transit directly between Yemen and the United States. Industry representatives indicate their willingness to—at a minimum—consider routing the vessels to a transshipment point where a security boarding could be conducted; although none of the specific arrangements have been outlined at this time.^D

• (U//FOUO) MHTAD Perspective: Although the industry is not contractually bound to such an arrangement and has not yet agreed, the ability to conduct a security boarding in a third country would alleviate MHTAD's remaining concerns related to a direct transit from an unstable country to the Homeland.

(U//FOUO) An analogous LNG delivery program from Yemen to Total LNG in Sabine, Texas is expected to commence in late December 2009. It is unknown if Total—a French-owned company and principle investor in YLNG—is considering similar contract and security arrangements in Sabine; MHTAD has yet to engage Total representatives on this issue.^E

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^D (U//FOUO) Although not required, industry representatives discussed the possibility of videotaping boardings, which could be forwarded to interested parties and reviewed to ensure proper screenings are conducted prior to a vessel's arrival in the United States.

^E (U//FOUO) Total owns a twenty-year contract to deliver LNG to the Sabine terminal.

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(U//FOUO) PRODUCT INFORMATION

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(U) PRODUCT FEEDBACK

(U) The National Maritime Intelligence Center's Maritime Homeland Threat Analysis Division (MHTAD) produced this publication. Feedback concerning its content is encouraged; please address questions, comments, or concerns to Jason Willhide, Chief, MHTAD by telephone at 301-669-4058.

(U) SOURCE

¹ (U) Meeting from early November 2009 with Claibourne Harris, President and CEO, GDF Suez Gas NA LLC; Rob Minter, Senior Vice President, Government & Regulatory Affairs, GDF Suez Energy North America, INC.; and Francis Katulak, President & COO, Distrigas of Massachusetts, LLC; (UNCLASSIFIED);