

## Piracy – Part Two

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In part one we discussed what was meant by maritime piracy. In this part, the discussion focuses on its financial impact, a more efficient way to define it and what methods are used to counter its harmful effects.

### Financial Impact

While international figures concerning the impact of piracy and related activity are difficult to determine, one study estimated that, over a five-year period ending in 2002, losses in Southeast Asia's most problematic areas (Indonesia, Malaysia, and The Philippines) may have totaled nearly \$16 billion (in U.S. dollars).

### Piracy – A Broader Scope

In some respects, piracy may be considered to be a subset of criminal activity that affects, primarily, cargo owners, carriers (shipping companies) and insurance companies. In order to better understand the situations that these groups have to deal with, some researchers have proposed that a broader classification system be used. One proposal suggests that criminal activities should be categorized as follows:

- Corruption – acts against vessels that include the involvement of port authorities and government officials
- Maritime Terrorism – refers to attacks against vessels that are committed by terrorists groups (typically motivated by political reasons).
- Piracy – refers to any attacks against vessels while moving in both territorial and international waters (high seas).
- Sea Robbery – refers to thefts that occur to vessels that are stationary at berth (or anchored), but do not involve violence against persons.

At a minimum, a more refined categorization can assist in identifying the true scope of maritime losses, develop more accurate loss data and also facilitate improved loss control methods.

### Loss Control

Managing maritime criminal activity is a complicated and expensive proposition. However, some organizations, such as the International Maritime Bureau, the International Chamber of Commerce, the International Marine Organization, the World Trade Organization and others, are pursuing efforts to help combat such activity. These efforts include:

- Increased use of model piracy laws
- Entering and enforcement of additional treaties
- Increased use of port inspections, and port and coastal water patrols
- Use of improved ship and cargo tracking methods (including satellite tracking)

Loss prevention measures may also be improved on individual ships by:

- use of adequate crews
  - use of efficient crew screening methods
  - installation and maintenance of adequate security systems
  - use of newer ID transmitting systems which are less vulnerable to interception, and
  - greater use of onboard, armed security.
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