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## Welcome

*With the launch of the very latest Best Management Practices (BMP4), you could be forgiven for thinking we are closer to knowing how to keep vessels safe from pirates.*

*As news emerges over confusion about gun laws, and as pirates begin to adopt bold new strategies, carrying new weapons and a renewed zeal for violence, perhaps we are as far away as ever?*

*In this issue we look to examine some of the developments within BMP4, we also look at the "perfect storm" which appears to be brewing off Somalia as the navies subside and the monsoon slackens.*



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# BMP4

In the face of the threat posed by pirates to commercial shipping a range of "Best Management Practices" (BMP) has been produced by the Shipping Industry in consultation with the combined naval forces - EUNAVFOR, the NATO Shipping Centre and the United Kingdom Maritime Trade Operations (UKMTO)

The BMPs are essentially targeted at the operational staff onboard ship, and so contain a wealth of guidance and instruction on the best ways of either keeping clear of pirates or keeping any pirates which are encountered away from the ship.

The guidance is based on lessons learned and experience, so they are regularly updated and revised. The latest version, BMP4, has recently been released online with hardcopies in the form of a pocket-sized booklet, which includes illustrations and a small chart of the region, to follow soon.

The shipping industry and partner organisations are working hard to ensure that as many shipping companies as possible distribute it to their vessels and personnel. So that BMPs can be followed and implemented as a tool for counter piracy by those Masters and crews during transit through the High Risk Areas.

With guidance on issues such as passage planning, reporting, establishing ship protection measures, as well as using private security guards and establishing citadels onboard, the BMPs should be read and understood by all Masters and senior officers prior to transiting High Risk Areas

The practices which BMP stresses are in the main fairly common sense ones, and relatively straightforward to implement. Still however too many vessels do not adequately adopt or follow the guidance. Following BMPs makes ships safer, and they are less likely to be attacked and if they are, then they are far better equipped to deal with the pirates.

The BMPs have been overhauled significantly, and now cover a wider geographical area, with "the Somali Basin" added to the Coast of Somalia and Arabian Sea areas.

The key element of the advice is that if pirates are unable to board a ship they cannot hijack it. This basic premise underlines the BMPs – and there are a range of new sections and new features, such as ballistic protection and citadels. The advice also covers the widening range of pirates and their increased use of motherships.

There are now three Fundamental Requirements of BMP. In essence these consist of:

- Register at MSCHOA - In addition to the usual bounding areas, the Straits of Hormuz are now included
- Report to UKMTO – UKMTO acts as the primary point of contact for merchant vessels and liaison with military forces in the region and it is the primary point of contact during an attack. For this reason UKMTO should be made aware that the vessel is transiting the High Risk Area
- Implement Ship Protection Measures (SPMs) - These are the most basic measures likely to be effective at reducing the risk of piracy attack.

The issue of registering and reporting is stressed time and time again and really is the main thrust of the guidance. For too long, too many vessels have been passing through these dangerous waters without letting the naval/military forces know. This is simply no good for anyone (save for the pirates), and so it is vital to report.

Perhaps not unsurprisingly BMP4 does now feature a section dedicated to the use of private maritime security contractors - both armed and unarmed. BMP4 states, *"...use of unarmed Private Maritime Security Contractors is a matter for individual Ship Operators following their own voyage risk assessment. The deployment onboard is subject to the national laws of the Flag State. The use of experienced and competent unarmed Private Maritime Security Contractors can be a valuable addition to BMP."*

There is an additional examination on the use of armed Private Maritime Security Contractors. *"The use, or not, of armed Private Maritime Security Contractors onboard merchant vessels is a matter for individual ship operators to decide following their own voyage risk assessment and approval of respective Flag States. Subject to risk analysis, careful planning and agreements, the provision of Military Vessel Protection Detachments (VPDs) deployed to protect vulnerable shipping is the recommended option when considering armed guards."* This advice does not constitute a recommendation nor endorsement of the general use of armed Private Maritime Security Contractors.

While the use of private security is in vogue at the moment, so too is the use of citadels. However not many companies or masters actually know what they really are, or of how to set them up. The guidance is clear...they don't know because it is very complicated and beyond the scope of their knowledge. As such BMP4 stresses that expert input is required in establishing a citadel. It also stresses the criteria under which naval/military forces may launch a rescue if the crew are all inside a citadel.

One very subtle addition to BMP4 is an alignment between anti-piracy and the shipboard International Ship and Port Facility (ISPS) Code provisions. All too often the "hard" security of anti-piracy has not meshed well with the "softer" risk management approach of the ISPS Code. Finally this document brings into the focus the roles of the Company and Ship Security Officers, the Ship Security Plan and the security measures onboard.

There are elements of the new guidance which appear rather clunky, and this reflects the fact that an ever increasing array of organisations is involved in its production. With a guide written by "committee" there is always a chance that politics comes into play – and it can be seen here in parts. However it is vital reading for all involved, and copies can be downloaded at <http://goo.gl/bV9vR>

An overview of the latest advice and of how it differs from past BMPs can be downloaded at <http://goo.gl/n40C8>

# Perfect Storm

There has been much talk of an impending piracy “perfect storm” off Somalia this autumn. To quote one observer, expect “more and badder ‘bad guys’, less ‘good guys’”.

It seems that as the SW monsoon lifts there is likely to be only a minimal naval/military presence patrolling the Gulf of Aden and Indian Ocean. With competing demands such as Libya, and with political demands for cutbacks, something has had to give and it seems that policing piracy is that thing.

The effects of better weather, new weapons and boats, fresh pirates, an ever greater desire for money would be bad enough, but with naval forces being scaled back there is the potential for some worst case scenarios.

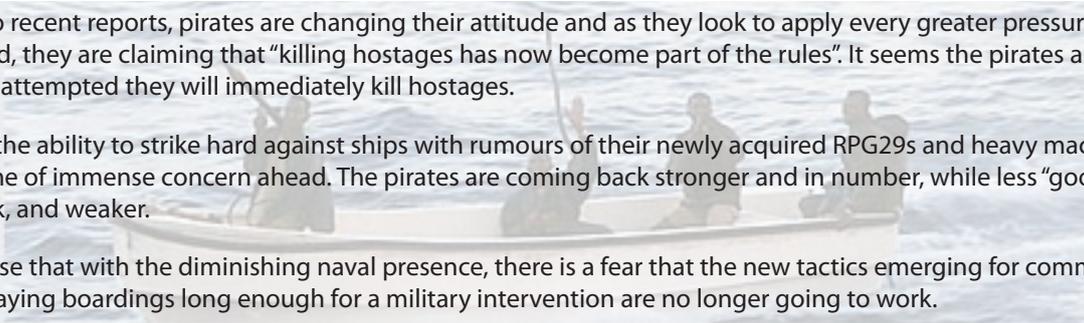
After months of relative inactivity, and with comparatively few vessels under their control we are likely to see the pirates burst forth post-Ramadan with a renewed capacity and zeal.

Driving the changes will be new enhanced weaponry and a new attitude. While there will still be the groups with old AK47s and RPG7s, there will be others who are willing and able to hit harder, faster and with a vicious new end game in sight.

According to recent reports, pirates are changing their attitude and as they look to apply every greater pressure to get ransoms paid, they are claiming that “killing hostages has now become part of the rules”. It seems the pirates are stating that if a rescue is attempted they will immediately kill hostages.

Add to that the ability to strike hard against ships with rumours of their newly acquired RPG29s and heavy machine guns there is a time of immense concern ahead. The pirates are coming back stronger and in number, while less “good guys” are coming back, and weaker.

It is also a case that with the diminishing naval presence, there is a fear that the new tactics emerging for commercial vessels – that of delaying boardings long enough for a military intervention are no longer going to work.



## Evolving Tactics

According to Neptune Maritime Security, pirates may be adopting a new attack strategy, that of “swarming”.

Based on two separate IMB Live Piracy Reports, it is believed that large numbers of suspected Somali pirates have attempted to hijack vessels off the coast of Eritrea.

The latest report states that seven high-speed boats suddenly approached a bulk carrier and that each boat contained three to five men, each armed with automatic weapons. This mirrors a previous attack, which saw an estimated 60 pirates mount an unsuccessful attack on a vessel protected by an armed security team.

Even underestimating the number of pirates it would, according to Neptune, still seem to confirm that pirate gangs have adopted a new tactic of mass attacks in the waters surrounding Eritrea. Intelligence sources suggest that this new trend may be a consequence of the monsoon season, but without further data, it is difficult to confirm.

In the latest “swarm” attack, the Master increased the speed of the bulk carrier and adopted evasive manoeuvres while the crew, with the exception of the bridge team, mustered in the Citadel. Fortunately, the pirates aborted their attack and moved away.

While the potential for swarm attacks have been mooted before this is certainly a development to watch with interest. However, there are others who believe that the “swarm” effect stems from the proximity of the pirates to fishing vessels.

The more confined waters off Eritrea, in the Red Sea mean that pirates are more likely to be working in or near groups of fishermen. According to this alternative theory the swarming is actually more of a “masking” effect.

Far from having increased numbers of pirate craft, the pirates are using the fishing fleets as cover. In this way they are able to burst from their midst to launch attacks.

However, whether “swarming” or “masking”, any potential new pirate tactics should be monitored with interest.

# Gun Laws



The German government is considering a change to gun laws so that private security companies can protect German shipping in the High Risk Area.

According to research conducted by Lloyd's List, currently one third of German ships are estimated to be sailing in the western Indian Ocean with guards on board, but the practice is only "semi-legal". According to experts if a pirate were to be killed by a guard acting in self-defence, the guard can be punished under German laws.

As the German government seemingly heads towards giving the green light for the use of armed guards, some ideas for how this can be achieved are being voiced.

German police trade unions feel one solution to the problem is establishing a marine police unit staffed by former German soldiers, according to Bernhard Witthaut, chairman of the German Police Union.

The International Chamber of Shipping (ICS) has been collating the policy and rules of Flag States on arms and private armed guards on board ships. Kiran Khosla, ICS director of legal affairs, says: "It is interesting to see the similarities and variations...throughout the international community. The consensus view among ICS national shipowner associations remains that private armed guards are a clear second best to military personnel.

While this may be the consent, it is apparent that the costs of providing a military alternative are not being easily borne. It is becoming increasingly obvious that flag States have to make a decision on whether to allow the carriage of arms, and to green light the use of armed private security guards.

Many more flags are following the lead of Germany in re-assessing their legal stance – we can perhaps expect many more to allow armed guards onboard in the coming months.

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## Flag States' Stance

The table below is intended to provide a snapshot understanding of flag States' views towards armed security. The information has been compiled by the International Chamber of Shipping, and can be accessed on their website in more detail <http://goo.gl/T71EO>, data has also been provided by the One Earth Future Foundation as part of their ongoing Oceans Beyond Piracy study.

Please note that flag States' support for regulation of security, especially armed security, is changing all the time, some also allow arms to be used on a case-by-case basis. All decisions regarding the use of armed guards must include open dialogue between the shipowner and the flag state. This is purely a representation of the stance taken when the report was compiled.

FLAG STATE	ALLOWS	NEUTRAL	PROHIBITS	NO STANCE
Antigua & Barbuda				✓
Bahamas		✓		
Belgium		✓		
Cyprus				✓
Denmark			✓	
Finland	✓			
France			✓	
Germany			✓	
Greece			✓	
Hong Kong	✓			
Isle of Man		✓		
India		✓		
Italy	✓			
Japan			✓	
Liberia		✓		
Lithuania			✓	
Netherlands		✓		
Marshall Islands		✓		
Norway	✓			
Panama		✓		
Poland				✓
Portugal				✓
Singapore	✓			
Spain	✓			
UK		✓		
USA	✓ *			

\* The US Department of State issued a statement in July 2011 "insisting" that all US-flagged vessels carry security personnel, whether armed or unarmed.

# Developing Security Trends

For private maritime security companies (PMSCs) it is currently the best of times and the worst of times.

As owners increasingly look to place armed guards on their vessels almost all PMSCs are reporting an increase in demand. The only exception is the small number of companies that now only provide unarmed escorts – their services are no longer popular. This is despite the fact that BMP4 states that use of experienced and competent unarmed security contractors can be a valuable addition to vessel security. The market obviously sees it a different way.

According to research, the general trend is an increase of around 25% in requests for armed embarked escort teams. The majority of PMSCs report having to “turn business away” at various times, as many simply do not have the capacity to cope with the increasing demand.

The effect of this demand is placing a great strain on the “pool” of UK-based security personnel with maritime experience. There are only so many experienced people to go round and this supply is drying up. It is thought that many UK companies may find it difficult to recruit the numbers required to meet future demand in the short-term.

Most PMSCs are busily recruiting new operatives and the largest companies are training around 40 new guards each per month. However as these companies “hoover” up the excess personnel, the other companies will be left with some stark choices to make. It is thought possible that this could see a potential influx of personnel from outside of the US and EU.

Former Special Forces operatives of a rainbow of nations are now starting to appear on the security team “circuit” and this could become problematic as the knowledge of their individual backgrounds may be limited, as too is the ability to positively verify their service records.

Much of the growth experienced by today’s most successful companies is based on a logistical capacity and the ability to obtain the correct licenses and permissions. Those with the logistic and administrative infrastructure to meet the growing demand are considered likely to grow at a rate approaching 100% year on year. Some observers may rightly question whether companies can sustain or genuinely control such rapid expansion and growth – time will tell.

Many think it likely that as the maritime security industry matures, there will be several amalgamations of smaller firms to pool resources and meet the increasing demand. While some also believe that the larger companies may become attractive to venture capitalists looking to invest, and major capital investment in these companies will be likely within the next 12 months.

With a need to access the best operatives, under pressure to secure the licenses and legal requirements necessary – as well as having to market their services within a tightening sector, all while continuing to keep the pirates at bay, the private maritime security providers have never had it so good, or so difficult.

