# **Piracy update**



Alex Gray, Claims Executive

+44 203 320 8968 alexander.gray@ctplc.com

- The countermeasures applied to counter piracy off the coast of Somalia and the Gulf of Aden have successfully reduced the number of attacks
- 2. A uniform standard is being piloted to help shipowners identify competent PMSCs
- Armed guards are not permitted in West Africa but there are alternative countermeasures that shipowners may implement

The reduced number of piracy attacks off East Africa is attributable to the naval presence in the region, the use of private maritime security companies (PMSC) and the successful application of the latest Best Management Practices (BMP).

In comparison to East Africa, efforts to prevent piracy off West Africa do not appear to have been as successful. Twenty-two attacks have taken place off the coast of Nigeria alone in 2013, of which one was successful.

#### A uniform standard

The International Organisation for Standardisation (ISO) has developed a uniform standard to assist shipowners to identify competent PMSCs. The standard – ISO/PAS 28007:2012 – addresses rules for the use of force, licensing of arms, management responses, rules of authority and vetting of PMSCs.

A PMSC seeking to comply with ISO/PAS 28007:2012 will need to apply to an accreditation body for certification. The accreditation body will review the standards

# Update

Piracy off the coast of Somalia (including the Gulf of Aden) is at its lowest level for six years, with nine attacks (including two hijackings) so far in 2013, according to the latest figures from the ICC International Maritime Bureau. This quarter, only one attack has taken place off the coast of Somalia.

adopted by the PMSC in light of the standard and, if found compliant, will certify the PMSC.

A pilot scheme for the accreditation process started in June 2013 and is expected to be completed by December 2013. PMSCs should then be able to apply for certification.

Whether or not a PMSC is certified should form part of a shipowner's due diligence in the selection of a provider of safe, effective and legal security.

### **Guards off West Africa**

Unlike off the coast of East Africa, shipowners are not permitted to have armed guards on-board when sailing through territorial waters off West Africa, including the Gulf of Guinea. Instead, Nigeria, Togo and Benin have made military resources available to provide armed security to shipowners.

PMSCs have adapted to these legal constraints by offering unarmed guards who will supervise the armed guards provided by the military. The unarmed guards should also ensure that BMP is followed.

For the purposes of liability, a contract between a shipowner and a PMSC under the above circumstances should include the local military as part of the PMSC's group. If a shipowner contracts on knock-for-knock terms, this would mean that the local military are considered in the same way as the PMSC's own employees. Also, the liability insurance procured by the PMSC should cover the local military in the same way as it covers its own employees. An amended version of the BIMCO GUARDCON contract can be used and the club can advise in relation to this.

#### **Countermeasures in West Africa**

A Code of Conduct has been formally adopted by 22 states across West and Central Africa to prevent piracy and armed robbery in the region. The Code aims to develop a regional strategy to counter piracy and armed robbery between the states themselves, military forces and the International Maritime Organization.

The Code incorporates parts of the Djibouti Code of Conduct, which assisted in the fight against piracy in the Indian Ocean and Gulf of Aden. The Code will operate alongside a Memorandum of Understanding (the MOU) that was adopted on 30 July 2008. Whereas the MOU is widely drafted and includes guidelines regarding illegal fishing, drug and weapon trafficking, illegal migration and oil theft, the Code is specific to acts of piracy.

## Kidnap & Ransom Cover

The club launched its Kidnap & Ransom policy in July 2012. It is available to members of the club and covers ransom payments, the delivery and insurance of ransoms, loss of hire and fees, including those of specialists who are on hand to assist members in the successful resolution of a piracy incident. A key advantage of the policy is that payments may be made in the same way as in the case of other risks covered by the club.