

RiskMap Maritime 2014: Piracy, terrorism and diverse maritime threats in the year ahead

Maritime piracy in 2013:

- *355% increase in maritime kidnapping-for-ransom in the Gulf of Guinea as the region sees an overall increase in incidents of 30%*
- *Product tanker hijacks in the Gulf of Guinea decreases by 12.5% although groups shift south for the first time*
- *Incident numbers in the Horn of Africa continue to fall, however the achievements have been offshore. Onshore uncertainties mean the threat remains despite improvements in mitigating it at sea by the shipping industry and international naval forces*
- *5% decline in global incidents of piracy and armed robbery at sea although it remains a major issue facing the maritime sector in 2014*

London, 13 March 2014 – A 5% global decline in reported incidents of piracy and armed robbery at sea is outweighed by the changing threat the maritime community is facing in the Gulf of Guinea, according to the RiskMap Maritime analysis, Control Risks' authoritative guide to risks for the maritime community in 2014.

Although improved ship security measures and naval coordination have been successful in preventing **Somali pirates** from hijacking large commercial vessels, groups continue to launch attacks and political tension in Somalia highlights how easily the region could see another rise in pirate activity. While the RiskMap Maritime 2014 analysis states that the number of incidents in the Horn of African piracy continues to decline, ongoing violent unrest and instability onshore in Somalia means that the risk of resurgence is real. Most importantly, individuals will be more likely to return if the offshore situation changes, if ship security levels drop or naval forces draw down.

On the other side of the continent Control Risks registered a 30% increase in piracy incidents and armed robbery at sea in the **Gulf of Guinea**. The number of product tanker hijacks for cargo theft decreased by 12.5%, but 2013 also saw these criminal groups continue to expand their operational area south of Nigeria for the first time. Furthermore, kidnapping-for-ransom off the Niger Delta region saw a significant increase both in activity, with incident numbers up by 355% compared to the previous year, and in operational range, with successful attacks being recorded further from the Nigerian coast. There have been some improvements in security measures in the Gulf of Guinea, with local initiatives such as "secure anchorages" in some ports while the shipping industry has also begun to improve its security awareness while operating in the region. However, local navies still have a limited capability and the region lacks a centralized reporting and coordination centre to assist vessels under attack and coordinate a naval response.

Commenting on the launch of RiskMap Maritime 2014, Tom Patterson, head of Control Risks' Maritime Risk Analysis department said: *"The centre of maritime piracy has been shifting west for a number of years, and the decline in activity off East Africa in 2013 has seen the Gulf of Guinea emerge as the global hotspot for maritime crime. But although piracy continues to dominate the headlines, further key factors such as port and anchorage crime, domestic instability and civil unrest, political violence, territorial disputes and migration can pose a similar level of reputational, operational and security risk for the shipping and offshore oil and gas industry."*

Regarding the additional five key factors affecting maritime security, RiskMap Maritime 2014 states:

- **Port and anchorage crime.** Petty theft and robbery on board vessels anchored, drifting and berthed within territorial waters, ports and anchorages will remain the most persistent but low-level threat to assets and personnel globally in 2014; this can be costly for the industry as a whole and have a reputational impact upon ports and local economies. South-East Asia, and more specifically Indonesia, has consistently accounted for the majority of incidents worldwide. However, at a global level, poor maritime domain awareness and an absence of formalised reporting mechanisms in many localities continues to blight the collation of robust and verifiable data. This has the effect of distorting both positive and negative perceptions of maritime security risk.
- **Domestic instability and civil unrest.** Onshore this will continue to act as a catalyst of risk to maritime operators in 2014, even though such risks may not manifest themselves in the maritime environment, or indeed in the form of direct security threats. The location of future unrest may not yet be known, but the implications of domestic instability for shipping and oil and gas companies can be gleaned from recent events. The potential closure of key arteries of trade, such the Suez Canal, added further layers of complexity to operations, forcing companies to consider and implement costly alternatives.
- **Political violence.** Domestic instability and civil unrest also serve as the catalyst for political violence directed at merchant vessels. The most high profile incident in 2013 was the COSCO Asia – during which two rocket-propelled grenades were fired at the container vessel while it transited through the Suez Canal. Additional cases of maritime terrorism also occurred in 2013, albeit of lower profile, in Iraq and Yemen. Attacks such as these demonstrate the likely trajectory of political violence affecting maritime operators: opportunistic, unsophisticated, and driven largely by local political dynamics rather than an international jihadist agenda.
- **Territorial disputes.** Maritime boundary disputes continue to be a source of bilateral tension and, as Chinese and Japanese sabre rattling in the South China Sea in 2013 went to show. The maritime domain is often the natural arena for bilateral rivalries to play out, although the impact on day-to-day shipping operations is usually low. However territorial disputes perhaps pose the greatest operational risk to oil and gas companies, as areas involving unexplored and under-developed natural resources are among the most fiercely contested disputes.
- **Migration.** Situations such as in Syria in 2013, where domestic instability and civil conflict had an exacerbating effect upon two well established concerns for shipping companies: stowaways and maritime migration. The risks associated with these, namely collision risk and operational delays, are often unavoidable. While the statistical likelihood of shipping companies being affected by maritime migration in 2014 is low, the impact can be costly.

ENDS

If you are interested in the full analysis of the RiskMap Maritime 2014 and the graphic representation of the key risks for the maritime community in 2014, please contact:

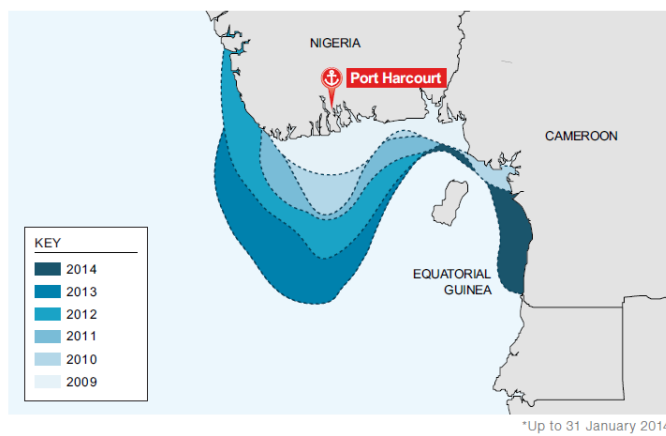
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About Control Risks

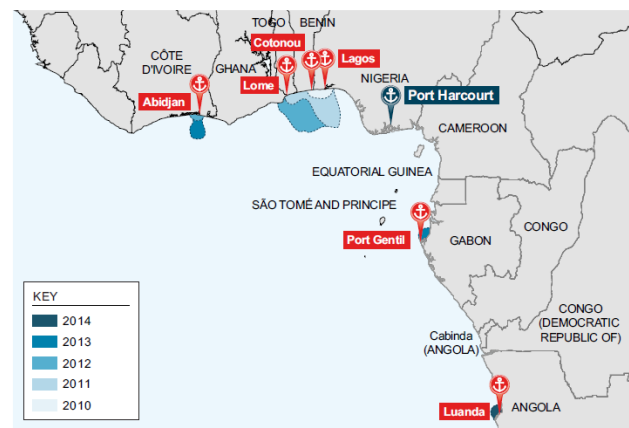
Control Risks is a global risk consultancy specialising in political, security and integrity risk. The company enables its clients to understand and manage the risks of operating in complex or hostile environments. Control Risks is the premier provider of risk management support to the maritime community, with 20 years' experience delivering a comprehensive offering incorporating a global maritime risk analysis service, Maritime Security Online, on- and off-shore security support and transit security. We are also recognised as the global leader in piracy response. Control Risks has provided over 600 transits, 5,000 transit days and nearly 20,000 man days of transit security support to numerous clients and vessel natures on a variety of routes, without incident, accident or failure to complete a task.

ANNEX:

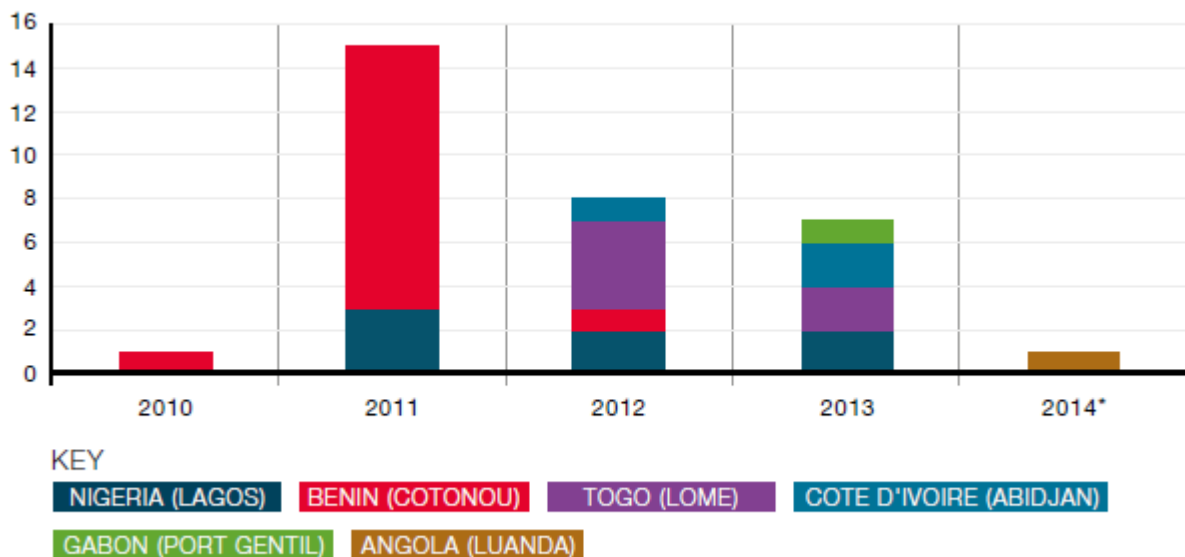
Expanding operational area of Nigerian kidnapping-for-ransom groups, 2009 – 2014*



Developing operational area of Nigerian hijacking-for-cargo groups, 2010 – 2014*



Hijacking-for-cargo: Breakdown of hijacks by location, 2010-2014*



*Up to 31 January 2014