



Piracy

the curse of maritime transport

Seminar on piracy and armed robbery at sea

organised by the European Commission (DG MOVE)
in cooperation with the Danish Presidency of the Council of the EU

28 & 29 March 2012

Brussels, Centre de Conférence Albert Borschette

“Piracy, the curse of maritime transport”

Brussels 29th March 2012

Vetting, Training and recruitment

Peter Cook

Founder & Director of SAMI



Vetting, Training & Recruitment

- Chronological events to date
- Expedient growth of Private Maritime Security Industry
- Security Association for the Maritime Industry (SAMI)
- Formulation of SAMI Accreditation Programme
- Training and Recruitment
- Maritime Security: new growth industry?

Chronological events to date

Piracy

- 2008 – Piracy off Somalia begins to impact shipping
- 2010 – Pirate attacks 152, success rate 27%, estimated ransom payments \$86m.
- 2011 – attacks 189, success rate 13%, estimated ransom payments \$160m.
- 2012 – 3 ships hijacked thus far

International Community

- Montreux Document published
- International Code of Conduct Private Security Service Providers (ICoC)
- IMO, the MSC draft, review and release Circulars 1405/1406/1408 for the management of PCASP
- 'Patchwork' of national regulations for control of PMSCs

Expedient growth of the Maritime Security Industry

- SAMI estimate that there are more than 200+ PMSCs (including SAMI members) currently conducting counter piracy operations in the Indian Ocean Region.
- Growth continues, we are beginning to see a levelling out but there are still new PMSCs being established each week
- Large number of companies in the market place, restricted budgets for shipping companies is resulting in price undercutting.

Security Association for the Maritime Industry (SAMI)

- Summer 2008- Autumn 2010 SAMI concept evolved; to set up a register of reputable PMSC and establish a Guild for those registered PMSC to set and protect standards.
- Concurrently interested parties (shipping associations, flag States, insurance industry) lobbied.
- Dec 10/Jan 11 dramatic increase in piracy incidents in Indian Ocean region, stretch across area and level of violence increases demand for alternative forms of protection intensifies.
- 11 Apr 2011 – first PMSCs invited to join SAMI – pre-requisite is to be a signatory of ICoC and pay subscription to display commitment.

The current situation with SAMI

- **139 PMSCs have now joined SAMI** from around the globe (73 from around the globe, 70 UK based – **52% international, 48% UK**).
- SAMI members conduct approximately 95% armed & 5% unarmed transits
- Estimated that SAMI membership currently hold at least 80% of the armed transit market in IOR.
- SAMI Membership are currently conducting more than 1500+ transits per month across the NW Indian Ocean (HRA).

SAMI Accreditation Programme

- Accreditation Programme will be conducted in 3 Phases:
 - Phase 1 - Due Diligence
 - Phase 2 – Headquarters Audit
 - Phase 3 – On site spot check of a PCASP Team
- The first PMSCs should have completed the Accreditation process by Q4 12.
- SAMI Accreditation Standard is being commented on by industry now.
- A full and detailed explanation of the Accreditation Programme will be available in early April 12 on the SAMI website (www.seasecurity.org)

SAMI Accreditation Standard

- Accreditation Standard is drawn from a number of maritime industry documents and IMO MSC 1405/1406.
- SAMI Standards Accreditation Working Group (SAWG) formulated Standard over 9 months.
- Independent accreditation body appointed
- Maritime Industry consulted at every stage.
- As a Trade Body we have the ability to award and disqualify accreditation.
- Use the carrot of financial incentive rather than stick of regulation

Training & Recruitment

- Levels and quality of maritime security training across the spectrum are inconsistent.
- Training and recruiting are inextricably linked.
- Identify vetting and training requirements for maritime security operatives.
- Identify international level and set standard.
- Train to the standard with correctly vetted individuals.
- Train for the known, educate for the unknown.

Maritime Security: The new growth industry?

- **Commercial Shipping:**
 - The volume of World trade being moved by sea is expected to increase by 50% over the next 20 years. Over that same period the Western Navies are going to shrink in size by 30% (RUSI Conf Jul 11).
 - Cruise liner fleet increased in capacity by 50% between 2006-2010 (520K people at sea on cruise liners every day of the year) and growth continues.
 - There are more than 4500 Super Yachts, new construction is at capacity and the second hand market is 'buoyant'.
- **Offshore Oil & Gas:**
 - The global thirst for oil and gas is unquenchable, prices are rising, ME supply less predictable; pushing the oil & gas industries into more technically challenging and unsafe areas (of the 52 undeveloped countries in the world, 67% have a coastline).
- **Port Facilities:**
 - With the increase in world population (7 Billion 31st Oct 11 – UN), scarcity of resources, cargoes will become increasingly more valuable and the easiest place to get access to a cargo is in port.

Summary

- Pace of growth of maritime security industry is unprecedented.
- SAMI Accreditation is independent, international and industry related.
- Maritime Security Industry is growing fast and wants regulation.
- Maritime Security is a growth industry, let's lay the foundation stones now for the future.



SAMI

**Security Association for
the Maritime Industry**

www.seasecurity.org

Peter Cook
pwjc@seasecurity.org

HQS Wellington
Temple Stairs
Victoria Embankment
London
WC2R 2PN
+44(0)2077889505
www.seasecurity.org