

LE RENDEZ-VOUS DE L'ASSURANCE TRANSPORTS

Cannes
4th and 5th May 2010



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DE CANNES

Piracy - It is still here

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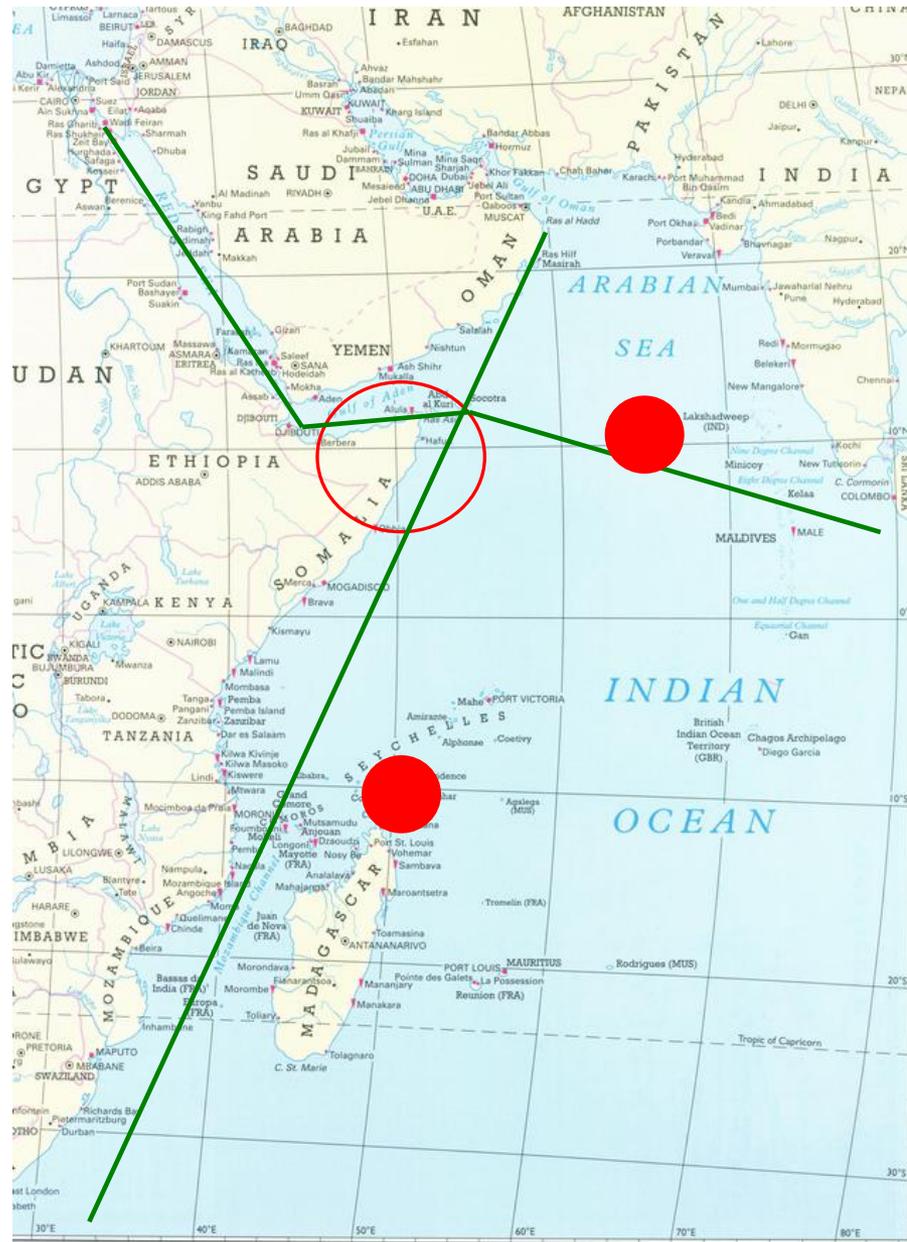
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Piracy Overview

- ▶ Really is an overview
- ▶ Been going on since 18th Century
- ▶ No shortage of:-
 - ▶ Acronyms
 - ▶ Political differences and solutions
 - ▶ Military ideas
 - ▶ 3rd Party ideas
 - ▶ Places in the world to ply their trade
 - ▶ **Committed Pirates/Robbers + Weapons**
 - ▶ But why Somalia in particular?

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Piracy: The numbers

- ▶ 2009: Total of 406 attacks – up 40%
- ▶ 1,052 crew hostages (867 in Somalia)
- ▶ World-wide copycat pirates
- ▶ South + Central America up 30%
- ▶ As of 29 Apr: 327 + 2 Hostages, 15 ships
- ▶ Plenty of space: Plenty of time
- ▶ Down to their last \$30-35m in the “bank”

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Commencement of Engagement



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The Deterrent



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The Attack



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Almost to Late



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The Expensive Bit



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The Evolving Pirate

- ▶ Started from scratch about 10 years ago
- ▶ Now earned \$180 million in ransoms?
- ▶ More sophisticated + better kit
- ▶ They learn, evolve + adapt
- ▶ 2,000 – 3,000 pirates
- ▶ 50% Somali population under 18

- ▶ “Women here don’t talk to you if you are not a pirate”

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Countermeasures?

- ▶ 20 Navies and 35 Warships
- ▶ 50% reduction in the corridor
- ▶ **But.....**
- ▶ Escalating violence -2 Master's killed
- ▶ Arm the crew of vessels (Madness?)
- ▶ Armed guards (Fire-fight - P+I - usw?)
- ▶ Unarmed guards Djibouti-Salalah – practical?
- ▶ World's Navies (HUGE area to cover)
- ▶ Convoy
- ▶ Deviations (Suez + South Africa)

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Less Useful Countermeasures?

- ▶ Photos of Pirates on the bridge
- ▶ Electric fences
- ▶ Breadcrumb trail
- ▶ Text message every 15 mins (or e-mail)
- ▶ Steel box around helmsman – Citadel
- ▶ Oil drum on stairs (boiling oil)
- ▶ Recordings of Barry Manilow + dogs barking
- ▶ The dreaded “slippery foam”
- ▶ Q-Ships – Napalm - SAS

Why the world should worry I



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Why the world should worry II



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Why the U/W should worry I



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Why the U/W should worry II



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Crystal Ball

- ▶ No single answer/easy solution
- ▶ Piracy will **definitely** not go away soon
- ▶ Frustrated + frightened crews – not really learning
- ▶ Tenacious, adaptable foe, **very** easy pickings (world-wide)
- ▶ Too little, too late (-747's in the desert)
- ▶ There **will** be a fire-fight
- ▶ Insurers are paying – driving it?
- ▶ Ransom + Security costs rising; ship values + rates falling
- ▶ Attacks will lessen until October; then move wider a-field
- ▶ **ONLY** proper Somali government will solve problem
- ▶ Hope terrorists do not get hold; “LIMBURG” + USS COLE”
- ▶ Nigeria on the up and potentially more violent

It will not go away



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Indications it is spreading ashore



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