AIMU and MICA Seminar

"Marine Insurance: A Global Perspective"

"Cargo Theft with a UK Perspective Including how Brexit may affect trade, trade tariff, illegal entry and security"

- Established in 1961
- Independent, privately owned company
- 50+ year history working with the marine insurance market
- Offices in UK, Europe, USA, Hong Kong, Singapore, Malaysia and Australia
- Experts in all cargo matters including claims investigation, survey, subrogation, loss control and Casualty matters
- AIMU Global Correspondent for the UK

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Claim Statistics; why is the UK such a hot spot?

	Cargo Thefts Europe v UK	Data From TAPA	
	6 Months from October 2017 to March 2018	Transported Asset Protecion Association	
Month	Europe	UK	% Occuring In UK
Oct-17	246	101	41.10%
Nov-17	203	133	65.50%
Dec-17	117	87	74.30%
Jan-18	179	137	76.60%
Feb-18	161	104	64.70%
Mar-18	141	105	74.60%
Total	1047	667	66.10%

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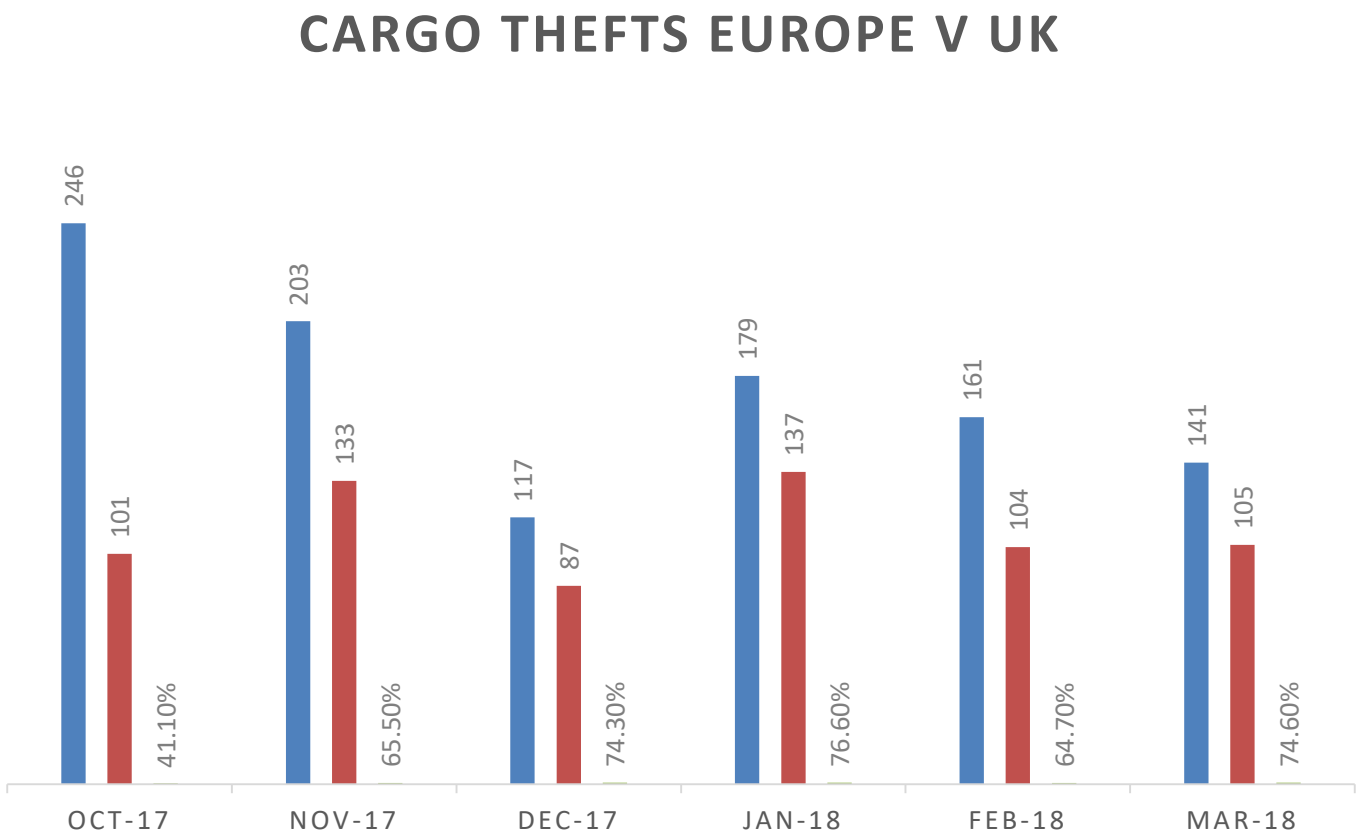
Claim Statistics; why is the UK such a hot spot?



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Claim Statistics; why is the UK such a hot spot?

Thefts from Motorway Service Areas in Q3 2017

- Birchanger Green Services, M11 – thirty one incidents
- Hartshead Moor, M62 – ten incidents
- Birch Services, M62 – nine incidents
- South Mimms, M25 – eight incidents
- Leicester Forest East, M1 – six incidents
- Toddington Services, M1- six incidents
- Blyth Services, A1(M) – six incidents
- Thurrock Service, M25 – five incidents
- Trowell Services, M1- four incidents

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Claim Statistics; why is the UK such a hot spot?

Most valuable cargo stolen in Q3 2017

- €282,616 – Theft of Computers and laptops from Toddington Services
- €105,447 – Clothing and footwear stolen at Markfield Services on the M1 in Leicestershire
- €99,728 –Car parts stolen at Toddington Services
- €98,531 – Theft of consignment of tyres at South Mimms Services
- €88,323 – Cargo of handbags and rucksacks stolen at Toddington Services
- €70,937 – electrical products stolen at Toddington Services

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Claim Statistics; why is the UK such a hot spot?

Hotspots for cargo thefts

- M20 from the ports of Dover and Folkstone and around Maidstone and Ashford in Kent
- A2 around Rochester in Kent and Grays, Essex
- M11, particularly around Bishop's Stortford
- A1 between Grantham and Doncaster
- M1 – clusters of criminal activity in Luton, Milton Keynes, Bedford, Northampton, Kettering, Leicester, Loughborough, Nottingham and Chesterfield
- M62 around Manchester, Rochdale and Halifax

Claim Statistics; why is the UK such a hot spot?

- Thefts from trucks during rest breaks at UK MSAs amounted to more than €2.2m (£1.94m) in the Q3 2017 period, whilst the total loss for the 264 cargo thefts, reported with a value to TAPA in the period, is estimated at €10.4m (£9.2m)

- Nearly 70% of all incidents in Q3 2017 involved ‘curtain cutting’ with 224 or 69.3% of incidents using this modus operandi, with a high percentage of the remaining crimes involving lock cutting and forcing open of the rear doors of trucks, the report found.

- Liaison between regional police forces, transport industry representatives and Motorway Service Area (MSA) has actually resulted in a reduction in crime in 2017 compared to 2018 however thefts from MSA and other unsecure parking locations still make up the vast majority of cargo thefts in the UK.

Claim Statistics; why is the UK such a hot spot?

Loss Prevention

- Use rigid trailers and/or containers not curtain siders
- Use responsible Carriers rather than the cheapest
- Ensure that secure parking locations are utilized
- Avoid hotspots
- Two drivers per cab to limit stops
- Convoys
- Specified collection / delivery times to limit overnight stops
- Carrier contracts with increased limits of liability

Clandestine entry; how, why and how much does it cost?

- A ‘clandestine entrant’ is a person who hides in or on a vehicle as it enters the UK with the aim of avoiding or attempting to avoid immigration controls.
- The enforcement agency is the UK Border Agency (UKBA) who can impose fines on operators and drivers who are found carrying a clandestine entrant.
- The law applies to all road vehicles including cars, caravans, coaches and rail freight and to all arrivals into the United Kingdom from all European sea ports and on the Eurotunnel.
- UKBA can impose a civil penalty of up to £2,000 for each clandestine entrant found. The driver of the vehicle, the driver’s employer, and the owner/hirer of the vehicle can **EACH** be fined up to £2,000 per entrant.
- Home Office figures obtained by the Daily Express suggest that at it’s peak before the “BREXIT” vote in June 2016 up to 6,000 illegal immigrants were caught at the UK / EU border per month, the vast majority attempting clandestine entry

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Clandestine entry; how, why and how much does it cost?

Cost to Cargo

- Delay
- Damage
- Contamination
- Rejection
- Brand damage

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Brexit; what does the future hold for UK/Europe trade?

- Nobody knows the answer!
- Official exit date March 2019
- Hard “BREXIT” or Soft “BREXIT”?
- Interim trade deal agreed until 2020
- Allows continued access to single market
- Irish border & UK / EU border
- Trade tariffs
- Fishing quotas (possible strike action)
- Direct shipping to the UK

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Any Questions?